

ANNUAL REPORT 2019-20



INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

Registered Office: 6-1-73, Office No. 104 & 106, First Floor, Saeed Plaza, Lakdi ka Pul, Hyderabad-500004(T.S)

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INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

CIN: U80902TG2005NPL047675

**Registered Office: 6-1-73, Office No. 104 & 106, First Floor, Saeed Plaza,
Lakdi Pul Hyderabad 500004, Telangana, India.**

E-mail: admin@iiisla.co.in; Website: <http://www.iiisla.co.in/>

Tel: 040- 23261072/73

NOTICE

Notice is hereby given that the **12th Annual General Meeting (AGM)** of the Members of **M/s. INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS** will be held on **Monday, 28th December, 2020 at 11: 00 A.M** at The Plaza Hotel, 6-3-870, Beside CM Camp Office, Begumpet, Hyderabad, Telangana-500016 and also through Video Conferencing or Other Audio Visual Means ('VC/ OAVM') to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2020, together with the notes attached thereto, along with Reports of the Board of Directors and Auditors thereon.
2. *To appoint a Director in place of Mr. Manoj Bhargava (DIN: 08517419), who retires by rotation.
3. *To appoint a Director in place of Mr. Dulal Chandra Das (DIN: 08519626), who retires by rotation.
4. *To appoint Director in place of Mr. Sachin Audumber Mulge (DIN: 02683040), who retires by rotation.

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

Sd/-

CHANDRASEKHARA RAJU DASARAJU

Director & President

DIN: 02629173

Address: EWS-121, Road No 2, K P H B Colony,
Tirumalagiri, Hyderabad 500085,
Telangana, India.

Place: Hyderabad

Date: 04th December, 2020

NOTES:

1. In view of the outbreak of the COVID-19 pandemic, social distancing norms to be followed and the continuing restriction on movement of persons at several places in the country, the Ministry of Corporate Affairs ('MCA') in its General Circular Nos. 14/2020, 17/2020 and 20/2020 dated 8th April 2020, 13th April 2020 and 5th May 2020, respectively (collectively referred to as 'MCA Circulars') has inter-alia allowed the Companies to conduct their Annual General Meeting through video conferencing (VC) or other audio visual means (OAVM), during the calendar year 2020 subject to the fulfillment of certain conditions. In compliance with the provisions of the Companies Act, 2013 (the 'Act') and MCA Circulars, it has been decided to convene the 12th Annual General Meeting ('AGM') of the Company through both the modes i.e., through physical mode and through VC/OAVM facility on Monday, 28th December, 2020 at 11: 00 A.M (IST).
2. *Pursuant to the Article 49(a) of Articles of Association (AOA) of the Company and in pursuance of the "Regulations & Procedure for the Conduct of Elections to the Council "(RPCEC/IIISLA) of the IIISLA, the Insurance Regulatory and Development Authority of India ('IRDAI') has appointed V. Devanathan as the Election Officer for conducting the election of Council Members to the IIISLA Central Council.

As per the Regulations & Procedure for the Conduct of Elections to the Council, the Election Officer shall determine by lot the 2/3rd of the Council Members excluding the Nominee Directors whose offices are subject to retire by rotation. The Members so elected by the Election Officer, within a period of 3 days from the date of lot, shall decide 50% i.e. 4 Members who shall retire this year.

In this regard, V. Devanathan, Election Officer through draw of lots has identified the names of the 2/3rd of the Council Members i.e 8 Council Members (including the name of deceased Council Member Late R. K. Elango) whose offices are subject to retire by rotation. Further, those 8 identified Members among themselves have identified the names of 4 Council Members (including the name of deceased Council Member Late R.K. Elango) whose offices is liable to retire by rotation this year.

Members are hereby informed the offices of the 4 council Members shall be filled through Election process undertaken by the election officer appointed.

Election Officer has issued an Election Notification for the 12th Council Election of IIISLA vide dated 20th November, 2020 to fill the offices of the 3 retiring Directors and 1 vacant position of the deceased Council Member.

The Members so elected in the Election process will be formally get appointed as the Additional Director in the Council Meeting.

3. Since, the AGM is being held through both the modes i.e. physical mode and VC / OAVM, the Attendance Slip and the Route map of the AGM venue is annexed with this Notice.
4. Every member shall have one vote on each resolution subject to Articles of Association of the Company.
5. The statutory registers as stipulated under the Act will be available for inspection during the AGM
6. All Documents referred to in the accompanying notice are open for inspection at the registered office of the company up to the date of the Annual General Meeting.
7. Members who intends to attend the AGM physically are required to bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
8. In compliance with the aforesaid MCA Circulars, the Notice of the AGM along with the Annual Report 2019-20 is sent through electronic mode to those Members whose email addresses are registered with the Company. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website viz. <https://www.iiisla.co.in/> and the E-Voting Agency.
9. Members who have not yet registered their email addresses are requested to register the same by providing their name, Membership Number, e-mail id to receive the notice calling AGM, Annual Report & other documents permissible to be sent through electronic mode, by sending e-mail to admin@iiisla.co.in (Mr. Unni Anand, Admin).
10. Members may send their queries, if any, on the financial statements/operations of the Company at admin@iiisla.co.in, at least 7 days before the meeting, so that the information can be compiled in advance. The same will be replied by the company suitably
11. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, Members are provided with the facility to cast their vote on all items/ resolutions set forth in this Notice, through e-voting on NSDL's e-voting platform.
12. Members who have cast their vote by remote-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
13. Those Members, who will be present in the AGM through VC / OAVM facility have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

14. Those Members, who will be present in the AGM physically at the Venue and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system or ballot/polling papers during the AGM.
15. Persons whose name appears in the Register of Member (List of Good Standing Members) as on Friday, 04th December, 2020 (cut-off date) shall be entitled to vote by way of e-voting on the date of AGM and remote e-voting on the Resolution(s) set forth in this Notice. Any person who is not a Member as on the above cut-off date should treat this Notice for information purpose only.
16. The remote e-voting facility will be available during the following period:

Date and Time of Commencement of Remote E-Voting	From 09:00 am (Server Time) on Friday, 25th December, 2020
Date and Time of Conclusion of Remote E-Voting	Up to 05:00 pm (Server Time) on Sunday, 27th December, 2020

Remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by NSDL upon expiry of aforesaid period.

17. The Board of Directors (Council Members) has appointed Shri R. Ramakrishna Gupta, a Company Secretary in practice (C.P. No. 5523) as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
18. The Scrutinizer shall, after conclusion of voting at the AGM, count the votes cast at the meeting. Thereafter, he will unblock the votes cast through remote e-voting and e-voting during the AGM in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours from the conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against the resolution, invalid votes, if any and whether the resolution(s) has/have been carried or not, to the Chairperson or any other person authorised by Chairperson in writing, who shall countersign the same and declare the result of the voting.
19. The result of voting along with the scrutinizers' report shall be placed on the website of the Company viz. <https://www.iiisla.co.in/> and on NSDL's website www.evoting.nsdl.com immediately after the same is declared.
20. The resolutions shall be deemed to be passed on the date of AGM subject to receipt of requisite number of votes in favour of the resolution(s).
21. Members are requested to carefully read the "**Procedure and Instructions for remote e-voting**" given below.

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

- a) Visit the e-Voting website of NSDL. Open web browser by typing the URL <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile;
- b) Once the home page of e-Voting system is launched, click on the icon ‘Login’ which is available under ‘Shareholders/ Members’ section.
- c) After clicking on the ‘Login’ which is available under ‘Shareholders/Members’ section, a new screen will open. You are required to enter the login credentials (i.e. User ID and password) as received on the mail-id registered with the Company from NSDL. After entering these details appropriately, click on ‘LOGIN.’
- d) On successful login, the system will prompt you to change password on first login. Further, User shall select the “Security Question” from the drop down list and enter the answer in “Answer” field. This security question shall be used in case user forgets the password. An email shall be sent to the email id registered with the E-voting platform, click on “Confirm” button as shown below.

Note: You are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.,).

Example: Notice@1234

- e) Up on the successful change of Password, the system will prompt you to the new screen for remote e-voting.
- f) Now you are ready for remote e-voting.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL E-Voting system?

- a) After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

- b) User may select the e-voting cycle for voting by clicking on the hyperlink of "EVEN" (Electronic Voting Event Number) as shown below. Kindly, select the "EVEN" i.e., 'Indian Institute of Insurance Surveyors and Loss Assessors'
- c) Now you are ready for e-Voting as the Voting page opens.
- d) Cast your vote by selecting appropriate options i.e. assent or dissent and click on "Submit" and also "Confirm" when prompted.
- e) Upon confirmation, the message "Vote cast successfully" will be displayed.
- f) Once you confirm your vote, you will not be allowed to modify your vote.
- g) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- h) In case of any queries, you may call on toll free no: 1800-222-990 or send a request to evoting@nsdl.co.in.

INSTRUCTIONS FOR E-VOTING ON THE DAY OF THE AGM FOR THE MEMBERS WHO ARE ATTENDING THE MEETING THROUGH VC/OAVM FACILITY ARE AS UNDER:

- a) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- b) Only those Members/ shareholders, who will be attending the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system during the AGM.
- c) Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

INSTRUCTIONS FOR VOTING ON THE DAY OF THE AGM FOR THE MEMBERS WHO ARE ATTENDING THE MEETING PHYSICALLY AT THE VENUE ARE AS UNDER:

- a) Only those Members/ shareholders, who will be attending the AGM physically at the Venue and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through E-Voting system or Ballot/Polling papers as provided in the AGM.
- b) Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

- c) Members who will be attending the AGM physically at the Venue are compulsory required to adhere to COVID-19 guidelines issued by the relevant authorities.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- a) Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com/> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
- b) The facility for joining the Meeting will be kept open at least 15 minutes before the time scheduled for the Meeting and shall not be closed till the expiry of 15 minutes after the Scheduled time of Meeting.
- c) This facility shall be available to the 1000 Members to participate on a first-come-first served basis.
- d) Members are encouraged to join the Meeting through Laptops for better experience.
- e) Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- f) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- g) Shareholders who would like to express their views/have questions on the financial statements/operations of the Company may send their queries at admin@iisla.co.in at least 7 days before the meeting, so that the information can be compiled in advance. The same will be replied by the company suitably.
- h) In case of any queries, you may call on toll free no: 1800-222-990 or send a request to evoting@nsdl.co.in.

IN CASE YOU HAVE NOT RECEIVED USER-ID OR PASSWORD FROM NSDL:

In case you have not received user-id or password from NSDL, you can alternatively use OTP based log-in on <https://www.evoting.nsdl.com> (Under Shareholder/Member Login)

User-Id will be as follows:

User ID: EVEN No + Membership No (Without using slash '/')

For Example: If your Membership is A/S/12345 and EVEN for the AGM is 101010

Then the user-id will be: 101010AS12345

Note: EVEN No of the 12th Annual General Meeting will be available on the website of the IISLA.

Select log in type as OTP and follow the instructions and proceed. The OTP will be sent to your registered Mobile Number and E-Mail, using the OTP received you can log-in and cast your vote.

For any queries or issues relating to e-voting, the Members may write the same to the following from the e-mail id registered with the Company (IISLA) only:

NSDL Helpdesk at Tel No. (Toll Free) 1800-222-990

E-Mail Us at : evoting@nsdl.co.in

Any query or issues written from the mail-id other than registered mail-id shall not be entertained and addressed. Company or E-voting Agency shall not be held responsible for such issue

ATTENDANCE SLIP

12th Annual General Meeting held on Monday, 28th December, 2020 at 11:00 A.M.

DATE	Monday, 28 th December, 2020	TIME	11:00 A.M
VENUE : The Plaza Hotel, 6-3-870, Beside CM Camp Office, Begumpet, Hyderabad, Telangana 500016			

Regd. Folio/Membership No	
(If not dematerialized)	
Name of the Shareholder/Member	
Number of Shares	NA

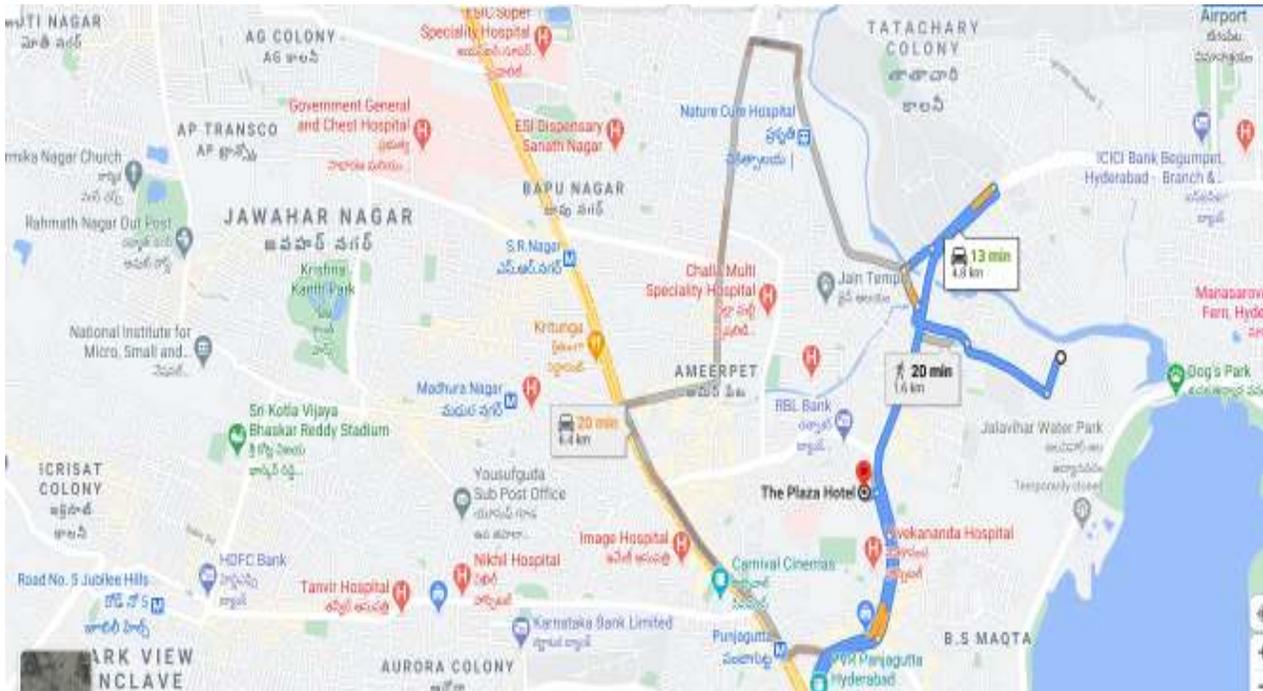
I hereby record my presence at the 12th Annual General Meeting of the Company on **Monday, 28th December, 2020 at 11:00 A.M** at The Plaza Hotel, 6-3-870, Beside CM Camp Office, Begumpet, Hyderabad, Telangana 500016.

Name of the Member

Signature of the Member

(Please fill in the Attendance Slip and hand it over at the entrance of the meeting hall)

ROUTE MAP:



Venue: The Plaza Hotel, 6-3-870, Beside CM Camp Office, Begumpet, Hyderabad, Telangana 500016.

BOARD'S REPORT

To
The Members,
M/S. INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS.

Your Directors' take the pleasure of presenting the Annual Report and Audited Accounts for the financial year ended on 31st March 2020.

1. STATEMENT OF AFFAIRS

The company's financial performance for the financial year ended 31st March, 2020 is summarized as below:

PARTICULARS	As on 31 st March, 2020 (Amount in Rs.)	As on 31 st March, 2019 (Amount in Rs.)
Revenue from Operations	1,64,54,384	1,78,52,650
Other Income	27,52,946	23,13,913
Total Revenue	1,92,07,329	2,01,66,563
Total Expenses	1,62,56,463	2,04,99,204
Extraordinary Items	-	2,35,00,000
Surplus/(Deficit) before tax	29,50,866	(2,38,32,641)
Less: Current Tax	7,19,871	7,03,677
Deferred Tax	--	--
Surplus/(Deficit) after Tax	22,30,995	(2,45,36,318)

2. FINANCIAL HIGHLIGHTS

During the year, the revenue from operations of the Company is **Rs. 1,64,54,384/-** as against **Rs. 1,78,52,650/-** during the previous year. The total expenditure during the last financial year was at **Rs. 2,04,99,204/-** as against **Rs. 1,62,56,463/-** during the year. The Deficit after tax during the last financial year was **Rs. (2,45,36,318)/-** as against Surplus of **Rs. 22,30,995/-** during the year.

3. REVIEW OF OPERATIONS AND FUTURE PROSPECTS:

Your Directors have taken up to streamline the process of Membership Induction, Training, and Upgradation. Standardization of Survey practice and reporting system across the insurers is another topic on priority, which shall be adopted by all our members in their professional duties.

Annual Subscription needs to be cleared by end of June every year; and any outstanding by 30th June of that year shall attract removal from the Membership Register. Readmission would be allowed, on payment of readmission charges and other criterion being fulfilled, as decided by the Central Council from time to time. Efforts have been made to identify the pending subscription for more years, and action is initiated to remove such members from the Membership Register. Such action is necessary on a year to year basis, as otherwise IISLA will have to incur Tax liability on unrealized subscription payments also.

Continuous Professional Development (CPD) shall be mandatory for each and every year for a certain number of hours / number of seminars. To facilitate affordable training sessions, members will be encouraged / are required to participate in webinars'; on an appointed day and time every month. Your Directors have initiated the process of providing such platform; Learning Management System (LMS), the details of which will be published separately.

Your Directors have initiated the process of interaction with the Regulator and also Insurers. The purpose and aim of such meetings are to provide solutions to the Industry, in the loss assessment area; such that the policy holders' interests are protected in the true sense. The need for the SLA to be independent is emphasized has been effectively put forth, to the stake holders and efforts are on for a workable solution; in the best interests of the profession as well as Industry. This has been our focus area to adhere to the regulators guidelines in protecting the Policy holders interest. We shall strive to protect the same and bring up gradation in service levels.

Your Directors are interested in improving the image of IISLA, and enhancing the brand image of SLA, as a true professional in the General Insurance Industry. The essential part of such exercise is to improve visibility of the Institution and its interaction with various stakeholders in the Industry. To start with, permanent space is contemplated for IISLA Registered Office and Head Office at Hyderabad, on ownership basis, at a provisional cost of Rs.5 Crores.

Benevolent Fund Scheme was operational during the financial year under review and total 16 claims against the death of members were settled and 7 claims against the Critical illness of members were settled.

We all faced an Exposure Draft of Surveyor Regulations 2019, the clauses of which were / are not in the interest of the profession of SLAs / our Members. We have opposed these regulations and engaged ourselves in discussions with the Regulator, GI Council, GIPSA, CMDs of 4 PSUs, MOF, MOS for Finance and Minister of Finance; in presenting our view point on the Regulations. Our members from various places have taken part with persuasion of the issue with the respective MPs and strived to gain momentum and garner support to the cause. There were thousands of representations to the Authority not only from our members, but also from other stake holders like policy holders, automobile dealers, Consumer organizations etc.

With such vigorous efforts from all our sources, the proposed regulations were appeared relegated to the back seat. However, the Surveyor Regulations 2020 resurfaced in the midst of Pandemic lock down conditions, as Authority placed the proposals before the Insurance Advisory Committee in July 2020. So, our struggle continued or rather carried forward to the year 20-21 on the Surveyor Regulations aspect.

Operations:

A total of 487 new memberships and 493 student memberships were issued in the year and 108 members have been upgraded from Associate members to Fellow members and 34 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 2019-20				
Description	Licentiate	Associate	Fellow	Total
Total Members as on 31.03.2019	2177	4479	3003	9659
New Members added during the year(Add)	485	-	02	487
Members upgraded to Fellow in 2019-20	-4	-104	108	0
Members upgraded to Associate in 2019-20	-34	34	0	0
Members Degraded from Fellow to Associate in 2019-20	-	-	-	-
Members Degraded from Associate to Licentiate in 2019-20	-	-	-	-
Members Degraded from Fellow to Licentiate in 2019-20	-	-	-	-
Total Members as on 31.03.2020	2624	4409	3113	10146
Exits (Expired/discontinued/retired members/Employee members)				-392
Total Active Members				9754

Student Membership Details	
No. of Student Membership granted as on 31-03-2020	493

Members Welfare:

The Group Personal Accident policy was renewed in the month of September, 2019 covering more members with maximum allowable discount in premium from New India Assurance Co, Musheerabad for a sum assured of Rs. 30,00,000.00 for the benefit of all the members. The details of the policy were made available on the website. Admin Office extends its support and guides the claimants as when the need arises and in following- up with the insurance company for early settlement of claims.

Trainings/Workshops/ Seminars:

Though no training was imparted in 19-20, efforts were made to bring in professionalism and a concept of train the trainers were adopted and few potential trainers were identified and a workshop (In house) in the premises of ELGI, Coimbatore was conducted selecting them for the program and successfully conducted on 13, 14 and 15th of Feb 2020.

Details of the Training sessions conducted by IIISLA - Financial year-2019-20					
S.No	Session on Department	Date of Session	No. of days	Conducted at	Conducted by Chapter
1	Motor	13, 14 15 Feb 2020	3	Coimbatore	ELGI Workshop, hands on training

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

CHAPTER / ZONE	ACCOUNTS AUDITED	HARD COPY	SOFT COPY
South Zone	-	Yes	
Andhra Pradesh	-	Yes	
Karnataka	-	Yes	
Kerala	Yes	Yes	
Tamil Nadu	-	Yes	
North Zone	-	Yes	
Delhi	-	No	No
Haryana	-		
Himachal Pradesh	-	Yes	yes
Jammu & Kashmir	-	yes	yes
NCR	No	No	No
Punjab	No	No	No
Uttarakhand	No	Yes	Yes
Uttar Pradesh	yes	Yes	Yes
West Zone	No	Yes	No
Goa	Yes	Yes	yes
Gujarat	-	-	-
Madya Pradesh	-	-	-
Maharashtra	No	Yes	-
Rajasthan	-	-	-
East Zone	-	-	-

Bihar	–	–	–
Chhattisgarh	–	–	–
Jharkhand	–	–	-
North-East	–	yes	–
Odisha	–	–	–
West Bengal	–	–	–

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.

4. EXTRACT OF ANNUAL RETURN

As required, pursuant to section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 every company shall place the copy of annual return on the website of the Company, if any and shall provide the web-link of the same in this report. Since the Company has a website the extract of the Annual in Form MGT-9 is uploaded on the website of the Company and the weblink of the same is <https://www.iiisla.co.in/> and the same is also enclosed herewith as *Annexure-I*.

5. DIVIDEND

As the company is a non-profit organization, it is not allowed to propose or declare any dividend under Section 8 of the Companies Act, 2013.

6. TRANSFER TO RESERVES

The directors are not proposing to transfer any amount to reserves during the financial year under review.

7. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the Financial Year 2019-20, the company held 5 Board Meetings of the Directors as per the section 173 of the Companies Act, 2013. The following are the dates on which the Board Meetings were held along of details of attendance of Directors:

1. 29th July, 2019
2. 27th August,2019
3. 17th October,2019
4. 03rd December,2019
5. 05th February, 2020

Note: None of the above-Board Meetings were held on National Holidays.

8. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (6) OF SECTION 149 OF THE COMPANIES ACT, 2013

The aforementioned provisions are not applicable to the company during the financial year 2019-20.

9. OPINION OF THE BOARD ON THE INDEPENDENT DIRECTOR

As the Company doesn't have Independent Director, the statement regarding opinion of the Board with regard to integrity, expertise and experience (including the proficiency) of the Independent Directors appointed during the year is not applicable.

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

The provisions of Section 178 (1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company.

11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE BY THE COMPANY

The Company has not given any loan or guarantee to any person or body corporate nor invested in any body corporate during the Financial Year pursuant to Section 186 of Companies Act, 2013.

12. RELATED PARTY TRANSACTIONS

The company has not entered into any contracts or arrangements with related parties as referred under the provisions of Section 188 of Companies Act, 2013 read with the rules made there under. Hence, the Form AOC-2 is not annexed with the Board's Report.

13. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY AND THE DATE OF THIS BOARD'S REPORT

There were no material changes and commitments affecting the financial position of the Company between the end of financial year 31st March, 2020 and the date of this report.

14. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO:

A. Conservation of Energy:

The Company uses electric energy for its equipment such as air conditioners, computer terminals, lighting and utilities in the work premises. All possible measures have been taken to conserve energy.

(i)	the steps taken or impact on conservation of energy	Company's operation does not consume significant amount of energy.
(ii)	the steps taken by the company for utilizing alternate sources of energy.	Not applicable, in view of comments in clause (i)
(iii)	the capital investment on energy conservation equipment's	Not applicable, in view of comments in clause (i)

B.

I) Technology Absorption, Adaptation and Innovation:

(i)	the effort made towards technology absorption	There is no specific technology as such bought by the Company to absorb for its activities. However, the Company consciously using technology into its activities.
(ii)	the benefits derived like product improvement cost reduction product development or import substitution	There is no product in which the Company is dealing with. Hence this is not applicable.
(iii)	in case of imported technology (important during the last three years reckoned from the beginning of the financial year)	The company has not imported any technology during the financial year.
	(a) the details of technology imported	
	(b) the year of import;	
	(c) whether the technology been fully absorbed	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	
(iv)	the expenditure incurred on Research and Development	The company has not incurred any expenditure on Research and Development

C. Foreign Exchange Earnings and Outgo:

Year	Earnings	Out flows
2018-2019	Nil	Nil
2019-2020	Nil	Nil

15. POLICY ON CORPORATE SOCIAL RESPONSIBILITY

The provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable to the Company during the Financial Year 2019-20.

16. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to section 134(5) of the companies Act, 2013, the Directors confirm that:

- (a) In the preparation of the Annual Accounts for the year ended 31st March, 2020 the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 31st March, 2020 and of the profit and loss of the company for financial year 31st March, 2020;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The Directors had prepared the Annual accounts for a period ended 31st March, 2020 on a going concern basis; and
- (e) 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.

17. EXPLANATION OR COMMENTS ON QUALIFICATION, RESERVATION/ OR ADVERSE REMARKS OR DISCLAIMER MADE BY STATUTORY AUDITOR'S AND SECRETARIAL AUDITOR'S IN THEIR REPORT

1. The Provisions of Section 204 (Secretarial audit) of the Companies Act, 2013 is not applicable to the Company during the Financial Year 2019-20.
2. The Auditors' Report contains qualifications, reservations or adverse remarks or disclaimer reported by Auditors. The reply by the management for the Auditor's observations/qualifications is provided below:

S.NO	OBSERVATIONS/ QUALIFICATIONS BY THE AUDITOR	REPLY BY THE MANAGEMENT
1.	With reference to the stated Accounting Policy in the Notes of the financial statements No.2.2.1 and Sub Clause (iii) of Clause 14(1) of the Articles of Association of the Institute, read with proviso thereto , in our opinion the Institute has not removed the names of the members from the Register of Members despite a resolution to this effect by the Council and has recognized subscription income from such members received after the cutoff date of September 30th of each year on receipt basis without insisting on Re-admission Fee. The effect of this on surplus and Receivables from members could not be ascertained.	This aspect is examined and being put into practice in stages. In the year 20-21, we have segregated the dues as 3 years and more, and marked for removal from Membership Register. These members are required to pay readmission charges besides clearing the dues against their names, if considered by CC for readmission. Similarly, other dues will also be dealt and a system will be brought into place, by making proper rules and regulations.
2.	With reference to Note No 6 of Notes forming part of financial statements, in our opinion the measurement of "Benevolent fund payable" has not been correctly arrived at and accordingly, Current Liabilities have been overstated and Earmarked Funds with reference to Benevolent Fund balance has been understated by Rs.3.50 lacs.	Benevolent fund liability cannot be projected, because of unpredictability. Probability analysis is not in place, since the Fund is a welfare measure, we are accounting the liability only when a claim is reported. Standardization of fund management and related topics will be taken up and implemented gradually.
3.	We have not been provided with Physical verification report or other corroborative evidence of existence of various assets as detailed out in Note No.8 to the financial statements as far as they relate to assets held at Delhi Office of the Institute, presently not in possession of the Institute , to the tune of Rs.0.35 lacs and accordingly	The premises is not in our possession and hence verification and certification could not be provided. Amount being small will be proposed for write off, and dealt with internally after examining the responsible person for the lapse and non-compliance.

	the fixed assets and the surplus has been understated to the tune of Rs. 0.35 lacs.	
4.	With reference to Note Nos. 9 & 10 of Notes forming part of financial statements which details the balance with banks in fixed deposits and savings account with ICICI bank, Ahmedabad, no balance confirmation was obtained from the banks. The effect of this non confirmation of bank and cash balances on the Other Current Assets, Cash and Bank Balances and surplus, if any could not be ascertained.	The issue will be taken up by engaging an investigation agency cum consultancy, to resolve the issue.
5.	With reference to Note No.10.10 of Notes forming part of financial statements, we have not been provided with any evidence or finding under an enquiry for transfer of hitherto Cash Balance at Delhi Office to Loans & Advances to Zones/Chapters. Accordingly, the Cash and Cash Equivalents have been understated and Short Term Loans and Advances have been overstated by Rs.0.95 lacs.	The issue will be taken up by engaging an investigation agency cum consultancy, to resolve the issue.
6.	We reference to Note 11.1 of Notes forming part of financial statements, where a receivable Mr. Lalit Gupta amounting to Rs 5.77 lacs has been carried wherein no efforts available on records of the Institute indicate the process of recovery and related action to recover the amount, certainty of the collection and no provision was made against such receivables. The impact of such outstanding on the Assets and consequential effect on the Assets and surplus, if any, could not be ascertained.	Criminal Complaint is already lodged with Delhi Police vide acknowledgement of DCP (Central) office dt. 06-06-2020. Disciplinary action already taken and orders of recovery and removal from Membership of IISLA passed. The individual challenged the order in a court of law and stay is granted.
7.	With reference to Note No 11.2 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	There has been regular follow up, and it was decided to debit to the personal accounts of persons responsible, if not responded by a cutoff date.

	on the Assets and consequential effect on the Assets and surplus, if any, could not be ascertained.	
8.	With reference to Note No 11.3 of Notes forming part of financial statements where in the details of chapter suspense of various Chapters/Zones has been stated including additional charge to the Statement of Income and Expenditure statement and carrying values of chapter Suspense has been stated. Accordingly, the surplus for the year has been understated and Short-Term Loans and Advances has been overstated by Rs.2.03 lacs.	There has been regular follow up, and it was decided to debit to the personal accounts of persons responsible, if not responded by a cutoff date. Fairly long over dues which are not traceable, are proposed to be written off.
9.	With reference to Note No.18 of Notes forming part of financial statements, in our opinion the Institute has not adequately disclosed anticipated contingent liabilities with regard benevolent fund claims, interest and penalties arising out of non-compliances with various provisions as contained in the Income Tax Act,1961, non-compliances with Prevention of Money Laundering Act,2002 with regard KYC, non-compliances from various provisions under the CGST Act,2017, as noticed by us in the course of our audit and various court cases pending at various forums. The non-disclosure as mentioned herein does not impact the Assets and Liabilities of the Institute as at the reporting date.	BF Claims are considered as a liability, only when a claim is reported. KYC being insisted from the claimants also.
10.	We draw attention to Note No. 22 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 2019-20. The effect of this non conclusion of all Chapter/Zones accounts in the books of the Institute and accordingly on surplus, Assets and Liabilities could not be ascertained	There has been regular follow up, and it was decided to debit to the personal accounts of persons responsible, if not responded by a cutoff date.

11.	With reference to Note No.22 of Notes forming part of financial statements, as verified by us, branch expenses recorded in consolidated IISLA accounts to the tune of Rs.3.38 lacs were unsupported as verified from the returns received from such Chapters and Zones. Accordingly, Seminar expenses has been overstated and surplus understated for the year to the extent of Rs.3.38 lacs.	The auditors have considered certain self-created vouchers as “Unsupported” and few chapters did not submit accounts along with vouchers and the transactions were recorded on the basis of bank statements hence the comment of the auditors
12.	With reference to Note 23 of Notes forming part of financial statements wherein 2 bank accounts being identified during the previous reporting period 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 Surplus could not be ascertained.	The comment regarding non-inclusion of transactions being recorded is already detailed in the Note 23. Furthermore, the Head Office has been following up with North Zone Chapter to present accounts for all the years in which transactions have taken in place in that bank accounts such that they can be incorporated in IISLA consolidated accounts. With the new Zonal Council in place recently, the directors are confident that this can be achieved in the year 2020-21
13.	We draw attention to Note No. 25 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 Surplus could not be ascertained.	Informative comment not requiring any response
14.	The ascertained amount of qualifications is far less than the unascertained amounts, accordingly the overall impact of qualifications on the financial statements cannot be provided.	Informative comment not requiring any response

15.	Our review during the course of audit indicated non maintenance/update of books of accounts on a regular basis as well as non-obtention of balance confirmations at periodic intervals.	We shall ensure the such corrective practices are followed in future.
16.	Our review indicated a possible import of bank statements with respect to its Savings, Current and Term Deposits and posting of compound entries in the Tally Accounting Software of the Institute instead of recording the transactions on the basis of the embedded substance of such transactions.	We shall ensure the such practices are avoided in the future
17.	Accounting entries with regard to member collections weren't recorded on monthly basis with regard to appropriate heads of accounts under which such collections were made duly reconciling with the bank/collection agency and a suspense to this effect was carried in the books throughout the year and only towards the year end annual entries for income recognition was posted as rectification entry on an adhoc basis.	We shall ensure suspense is identified and appropriate entries are passed in the books
18.	Our review of Institute's backend database/Application Software/portal maintained by third party vendor indicated absence of software control impacting appropriate reports being generated with detailed accounting heads of income, recognition of year end receivables as also recognition of prior year's income upon collection of past years dues in a given reporting period. These control lapses and inefficiencies seriously impact financial reporting by the Institute in the event of non-detection of errors through manual controls considering the high volume of transactions.	We shall ensure our software is designed to give the required output
19.	The accounting system of the Institute lacks substantive controls over the entries posted such as compound entries, multiple cross-referenced accounting entries which has	We shall ensure to pass correct entries in tally in future

	the effect on creation of an expense or liability and then the reversal of the same and incorrect account heads maintenance with respect to RCM under GST law and interest on flexi deposit interest.	
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18. CHANGE IN THE NATURE OF BUSINESS, IF ANY

The company has not changed the nature of business during the financial year under review.

19. DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONS APPOINTED OR RESIGNED DURING THE YEAR

- a) The following Directors have been appointed as Additional Directors on 29th July, 2019 and were regularized as Directors of the company in the 11th Annual General Meeting held on 03rd December, 2019.
1. Mr. Alandur Ramachandran Ramesh (DIN: 07108267)
 2. Mr. Ajay Girdhar (DIN: 08517361)
 3. Mr. Chandrasekhara Raju Dasaraju (DIN: 02629173)
 4. Mr. Dulal Chandra Das (DIN: 08519626)
 5. Mr. Manoj Bhargava (DIN: 08517419)
 6. Mr. Rahul Narayanrao Jadhav (DIN: 07102203)
 7. Mr. Rajnish Gunvantraai Desai (DIN: 08517722)
 8. Mr. Sachin Audumber Mulge (DIN: 02683040)
 9. Mr. Sreekumar Sukumara Pillai (DIN: 01359780)
 10. Mr. Vipin Kumar Shukla (DIN: 08517120)
 11. Mr. Tanmoy Sarkar (DIN: 07108268)
- b) Mr. Suresh Mathur (DIN: 02641422), nominated by Insurance Regulatory and Development Authority of India was appointed as Nominee Director as on 27th August, 2019.
- c) Mr. Gurdeep Singh, was nominated as a Nominee Director by MOF vice retirement of Ms. Bhumika Verma. However, his appointment is pending due to want of DIN.
- d) Mr. Angara Venkata Girija Kumar (DIN: 02921377) nominated by General Insurance Council was appointed as Nominee Director as on 05th February, 2020. However, the Company had received resignation letter dated 29th May, 2020. As he is stepping down the office of Chairman-cum-Managing Director of the Oriental Insurance Company Limited following his retirement on attaining the age of Superannuation, effective from 31st May, 2020. Consequently, his office as Nominee

Director on the Board of the Company shall also stand resigned w.e.f 31st May, 2020.

Further there were no Appointment, Re-appointment, Change in Designation or Resignation has occurred during the year.

20. NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES OF THE COMPANY

Since, the Company does not have any subsidiary, joint venture or associate. This cause is not applicable to the Company.

21. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS

There are no significant and material orders that were passed by the regulators or courts or tribunals against the company.

22. DETAILS RELATING TO DEPOSITS

The Company has not accepted any public deposits and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

Further the provisions of Chapter V relating to Deposits are not applicable to the Company for the financial year ended 31st March, 2020 and there are no non-compliances with the requirements of Chapter V.

23. RISK MANAGEMENT POLICY

Pursuant to provision of section 134(3)(n) of the Companies Act, 2013, the Company does not have a Risk Management policy in place as the elements of risk threatening the Company's existence are very minimal.

24. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Your Company has effective internal financial controls that ensure an orderly and efficient conduct of its business, including adherence to company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information.

There are adequate controls relating to strategic, operational, environmental and quality related aspects too.

While these controls have been effective through-out the financial year, these are reviewed on a periodic basis for any changes/ modifications to align to business needs.

25. AUDITORS

In pursuant to the provisions of the Section 139 of the Companies Act, 2013, read with rules made thereunder, M/s. Sharad & Associates, Chartered Accountants bearing Firm Registration No: 006377S were appointed as Statutory Auditors of the Company in the 11th Annual General Meeting of the Company held on 03rd December, 2019 to hold the office for a period of 5 years i.e. till the conclusion of the 16th Annual General Meeting of the Company.

26. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

There are no such instances of frauds reported by auditors under Section 143(12) and hence the reporting clause is not applicable to the Company.

27. SECRETARIAL STANDARDS

According to Section 118 (10) of Companies Act,2013, every company shall observe secretarial standards with respect to general and Board meetings specified by the Institute of Company Secretaries of India constituted under section 3 of the Company Secretaries Act, 1980 (56 of 1980), and approved as such by the Central Government.

However, pursuant to exemption notification dated 05th June, 2015 issued by the Ministry of Corporate Affairs, Section 118 of Companies Act, 2013 is not applicable to Section 8 Companies as a whole except that, the minutes may be recorded within thirty days of the conclusion of every meeting in case of companies where the articles of association provide for confirmation of minutes, by circulation.

28. MAINTENANCE OF COST ACCOUNTS AND RECORDS AS SPECIFIED BY THE CENTRAL GOVERNMENT

The Company does not fall under the category of Sec 148(1) of Companies Act, 2013 and hence such disclosure and maintenance of cost accounts/cost records is not applicable.

29. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The provisions of Sexual harassment of women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is not applicable to the Company during the reporting period as the Company does not have more than 10 employees.

Therefore, the Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is not applicable to the Company.

30. ACKNOWLEDGMENTS

Your Directors desires to place on record its sincere appreciation for the support and co-operation that the company received from bankers, associates, IRDAI Officials, consultants, auditors, various Government Authorities and all others associated with the company.

Your Directors wish to place on record their appreciation to the members for their support and confidence reposed on your Institute.

For and on behalf of the Board of Directors of INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

Date : 27/11/2020
Place: Hyderabad

S/d-
Chandrasekhara Raju Dasaraju
Director
DIN: 02629173
EWS-121, Road No 2, K P H B Colony,
Tirumalagiri, Hyderabad 500085, Telangana,
India.

Date : 27/11/2020
Place : Hyderabad

S/d-
Ajay Girdhar
Director
DIN: 08517361
A2/25 Jeevan Jyoti Apartments,
Pitampura, North West Delhi,
Delhi 110034, India.

Date : 27/11/2020
Place: Hyderabad

S/d-
Rahul Narayanrao Jadhav
Director
DIN: 07102203
Plot 38, Shubham Near Nandanvan Colony,
Sangeeta Colony, C Antonment, Aurangabad
431001, Maharashtra, India.

Date : 27/11/2020
Place : Hyderabad

S/d-
Vipin Kumar Shukla
Director
DIN: 08517120
M-1496, Sector-I, LDA Colony,
Kanpur Road Lucknow 226012,
Uttar Pradesh, India.

Form No. MGT 9
EXTRACT OF ANNUAL RETURN
as on the Financial Year ended on 31st March, 2020

[Pursuant to section 92 (3) of the Companies Act, 2013 and rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i.	CIN	U80902TG2005NPL047675
ii.	Registration Date	04.10.2005
iii.	Name of the Company	INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS
iv.	Category/Sub- Category of the Company	Company limited by Guarantee / Non-Government Company
v.	Address of the Registered office and contact details	6-1-73, Office No. 104 & 106, First Floor, Saeed Plaza, Lakdi ka Pul, Hyderabad-500004, Telangana, India Contact Details: 040-23261072, 23231073.
vi.	Whether listed company	No
vii.	Name, Address and Contact details of Registrar and 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: -

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

1 lakh (ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
c) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub-total(B)(2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	-	-	-	-	-	-	-	-

ii. Shareholding of Promoters- Not applicable

iii. Change in Promoters' Shareholding (please specify, if there is no change) - Not Applicable

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) - Not Applicable

v. Shareholding of Directors and Key Managerial Personnel - Not Applicable

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment- NIL

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the				

financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total(i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount (Rs.)
1.	Gross salary		

	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act,1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act,1961.	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - others, specify...	- -	- -
5.	Others, please specify	-	-
6.	Total	-	-
7.	Ceiling as per the Act		

B. Remuneration to other Directors: NIL

Sl. No.	Particulars of Remuneration	Name of the Director	Amount
	Independent Directors		
	• Fee for attending board / committee meetings	-	-
	• Commission	-	-
	• Others, please specify	-	-
	TOTAL (1)	-	-
	Other Non-Executive Directors		
	• Fee for attending board / committee meetings	-	-
	• Commission	-	-
	• Others, please specify	-	-
	TOTAL (2)	-	-
	Total (B)=(1+2)	-	-
	Total Managerial Remuneration	-	-
	Overall Ceiling as per the Act	-	-

C. Remuneration to Key Managerial Personnel Other Than MD/MANAGER/WTD-NIL

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961 (b) Value of perquisites u/s 17(2) Income-tax Act,1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act,1961.	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
6.	Total	-	-	-	-

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	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					

Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

**For and on behalf of the Board of Directors of
INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS**

Date : 27/11/2020
Place : Hyderabad

Date : 27/11/2020
Place : Hyderabad

S/d-
Chandrasekhara Raju Dasaraju
Director
DIN: 02629173
EWS-121, Road No 2, K P H B Colony,
Tirumalagiri, Hyderabad 500085,
Telangana, India.

S/d-
Rahul Narayanrao Jadhav
Director
DIN: 07102203
Plot 38, Shubham Near Nandanvan
Colony, Sangeeta Colony, C Antonment,
Aurangabad 431001, Maharashtra, India.

Date : 27/11/2020
Place : Hyderabad

Date : 27/11/2020
Place : Hyderabad

S/d-
Ajay Girdhar
Director
DIN: 08517361
A2/25 Jeevan Jyoti Apartments,
Pitampura, North West Delhi,
Delhi 110034, India.

S/d-
Vipin Kumar Shukla
Director
DIN: 08517120
M-1496, Sector-I, LDA Colony,
Kanpur Road Lucknow 226012,
Uttar Pradesh, India.



Independent Auditor's Report

To the Members of
Indian Institute of Insurance Surveyors & Loss Assessors

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the standalone financial statements of **INDIAN INSTITUTE OF INSURANCE SURVEYORS & LOSS ASSESSORS** ("the Institute"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Income and Expenditure and the Cash Flow Statement for the year then 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 and incorporated and not audited by us.

Except for the matters described in Basis for Qualified Opinion Paragraph, in our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Institute as at March 31, 2020, and its surplus and its cash flows for the year ended on that date.

Basis for Qualified Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone financial statements section of our report. We are independent of the Institute in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements except for the following:

1. With reference to the stated Accounting Policy in the Notes of the financial statements No.2.2.1 and Sub Clause (iii) of Clause 14(1) of the Articles of Association of the Institute, read with proviso thereto, in our opinion the Institute has not removed the names of the members from the Register of Members despite a resolution to this effect by the Council and has recognized subscription income from such members received after the cut off date of September 30th of each year on receipt basis without insisting on Re-admission Fee. The effect of this on surplus and Receivables from members could not be ascertained.



2. With reference to Note No 6 of Notes forming part of financial statements, in our opinion the measurement of “Benevolent fund payable” has not been correctly arrived at and accordingly, Current Liabilities have been overstated and Earmarked Funds with reference to Benevolent Fund balance has been understated by Rs.3.50 lacs.
3. We have not been provided with Physical verification report or other corroborative evidence of existence of various assets as detailed out in Note No.8 to the financial statements as far as they relate to assets held at Delhi Office of the Institute, presently not in possession of the Institute , to the tune of Rs.0.35 lacs and accordingly the fixed assets and the surplus has been understated to the tune of Rs. 0.35 lacs.
4. With reference to Note Nos. 9 & 10 of Notes forming part of financial statements which details the balance with banks in fixed deposits and savings account with ICICI bank, Ahmedabad, no balance confirmation was obtained from the banks. The effect of this non confirmation of bank and cash balances on the Other Current Assets, Cash and Bank Balances and surplus, if any could not be ascertained.
5. With reference to Note No.10.10 of Notes forming part of financial statements, we have not been provided with any evidence or finding under an enquiry for transfer of hitherto Cash Balance at Delhi Office to Loans & Advances to Zones/Chapters. Accordingly, the Cash and Cash Equivalents have been understated and Short Term Loans and Advances have been overstated by Rs.0.95 lacs.
6. We reference to Note 11.1 of Notes forming part of financial statements, where a receivable Mr. Lalit Gupta amounting to Rs 5.77 lacs has been carried wherein no efforts available on records of the Institute indicate the process of recovery and related action to recover the amount, certainty of the collection and no provision was made against such receivables. The impact of such outstanding on the Assets and consequential effect on the Assets and surplus, if any, could not be ascertained.
7. With reference to Note No 11.2 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 surplus, if any, could not be ascertained.
8. With reference to Note No 11.3 of Notes forming part of financial statements where in the details of chapter suspense of various Chapters/Zones has been stated including additional charge to the Statement of Income and Expenditure statement and carrying values of chapter Suspense has been stated. Accordingly, the surplus for the year has been understated and Short-Term Loans and Advances has been overstated by Rs.2.03 lacs.
9. With reference to Note No.18 of Notes forming part of financial statements, in our opinion the Institute has not adequately disclosed anticipated contingent liabilities with regard benevolent fund claims, interest and penalties arising out of non-compliances with various provisions as contained in the Income Tax Act,1961, non-compliances with Prevention of Money Laundering Act,2002 with regard KYC, non-compliances from various provisions under the CGST Act,2017, as noticed by us in the course of our audit and various court cases pending at various forums. The



non-disclosure as mentioned herein does not impact the Assets and Liabilities of the Institute as at the reporting date.

10. We draw attention to Note No. 22 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 2019-20. The effect of this non conclusion of all Chapter/Zones accounts in the books of the Institute and accordingly on surplus, Assets and Liabilities could not be ascertained.
11. With reference to Note No.22 of Notes forming part of financial statements, as verified by us, branch expenses recorded in consolidated IISLA accounts to the tune of Rs.3.38 lacs were unsupported as verified from the returns received from such Chapters and Zones. Accordingly, Seminar expenses has been overstated and surplus understated for the year to the extent of Rs.3.38 lacs.
12. With reference to Note 23 of Notes forming part of financial statements wherein 2 bank accounts being identified during the previous reporting period 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 Surplus could not be ascertained.
13. We draw attention to Note No. 25 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 Surplus could not be ascertained.
14. The ascertained amount of qualifications is far less than the unascertained amounts, accordingly the overall impact of qualifications on the financial statements cannot be provided.

Emphasis of Matter

- i. We draw attention to the nonpayment and the liability carried in the books pertaining to interest on tax demand by the Income Tax Department following assessment for the previous assessment years, as detailed in Note No 7.2 of the Notes forming part of to the financial statements.
- ii. We draw attention to Note No 11.5 of the Notes forming part of to the financial statements wherein non reconciliation of book balance and GSTIN balance has been indicated with regard to GST input accounted and as claimed under the GST Act.
- iii. We draw attention to Note No 12.3 of the Notes forming part of to the financial statements wherein it is stated that a sum of Rs.30880/- being accounted as receivables from new



members towards Admission Fee and Subscription Fee of the previous reporting period owing to lack of software and administrative controls at the Institute's administrative office.

- iv. We draw attention to Note No 12.4 of the Notes forming part of to the financial statements wherein non identification of collections to the tune of 0.88 lacs has been detailed out and the fact that the reconciliation has not been carried out till the date of this report.
- v. We draw attention to Statutory Interest and penalties to the tune of Rs.0.98 lacs being incurred by the Institute during the reporting period for delayed compliance with GST Act, as listed in Note No 16 of the Notes forming part of to the financial statements.
- vi. We draw attention to note 27 of the financial Statements which describes the management's evaluation of impact of uncertainties related to COVID-19 and its consequential effects on the carrying value of its assets as at March,31st March,2020 and the operations of the Institute.

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

Other Matter

- 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. 20.68 Lacs as at 31st March 2020 and the revenue of Rs.0.17 Lacs and expenses of Rs.3.31 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 except for one branch 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. We have generally verified the administration of the Benevolent Fund, its process and execution viz a viz the claim acceptance, recognition and payment thereof, an activity being managed and governed by an independent committee appointed by the Board of Directors. In our opinion, this activity of the Institute, being welfare in nature, is ultra vires the Memorandum of Association of the Institute nor does Articles of Association authorizes constitution of such a committee. We have accordingly reviewed the decisions of such a Committee it the process of complete administration and governance of the Fund
- iii. We draw attention to the Benevolent Fund balance of Rs.192 lacs as at 31st March,2020. Considering the fact that 3368 members are enrolled under the scheme and that the inflow into the funds are limited to the subscription and interest income on fixed deposits, Institute may not be able to meet the committed objectives should the eventuality occurs.



- iv. Institute has not maintained an updated Register of Members in compliance with Section 88 (1) of the Act and Rule 3 (1) of the Companies (Management and Administration) Rules, 2014 in MGT-1. Accordingly the same could not be reconciled with member's subscription and other receipts as recorded in books of accounts.
- v. With the Introduction of GST Act on 1st July 2017, the Institute is liable to collect and pay among other compliances under the Goods and Service Tax in accordance with Section 7 of CGST Act, 2017 however during our general compliance procedures during the course of our audit for the period under report we came across certain non-compliances related to the new GST Act which are listed below:
- Institute has not complied with Section 13 of the CGST Act, 2017 w.r.t. time of supply more particularly for the advances received from members to the tune of Rs.22.69 lacs during the reporting period.
 - Institute has not complied with Section 25(1) of CGST Act, 2017 w.r.t branches/offices registrations under the GST Act.
 - Institute has not complied with Section 37(1) of CGST Act, 2017 w.r.t furnishing details of outward supplies.
 - Substantial difference in the value of subscription and other income were noticed between the revenue recognized in the books and that reported on GSTIN portal on a month on month basis by the Institute. As against the reported turnover in GSTR-1 of Rs.271.71 Lacs, revenue accounted including admission fee/advance subscription amounts to Rs.294.40 lacs.

Our opinion is not modified in respect of the above matter.

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

- The Institute's Board of Directors is responsible for the other information. The other information comprises the information included in the "Financials at a Glance", "Directors' Report including Management Discussion and Analysis", including "Annexures to the Report of Directors" and "Report on Corporate Governance" but does not include the standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Institute's Board of Directors is responsible for the matters stated in section 134(5) of 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 including other comprehensive income, cash flows and changes in equity of the Institute in accordance with the Ind AS and other accounting principles generally accepted in India. 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 the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Institute has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institute's ability to continue as a going concern. If



we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Institute to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

a) Except for the matters described in "Basis for Qualified Opinion" paragraph, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Institute so far as it appears from our examination of those books.

c) Except for the matters described in "Basis for Qualified Opinion" paragraph, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.



SHARAD & ASSOCIATES
CHARTERED ACCOUNTANTS

d) Except for the matters described in “Basis for Qualified Opinion” paragraph, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) We have been provided with the representations received from the directors as on March 31, 2020 and taken on record by the Board of Directors, except 4 directors namely Shri Sachin Adumber Mulge (DIN:02683040), Shri Dulal Chandra Das (DIN: 08519626) Shri Suresh Mathur (DIN: 02641422) and Shri Manoj Bharagava (DIN: 08517419) with regard to their non disqualification as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Institute and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. Our report expresses a modified opinion on the adequacy and operating effectiveness of the Institute’s internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 disclosed the impact of pending litigations on its financial position in its standalone financial statements;
- ii. The Institute has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Institute.

2. 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: 063775

s/d

Sharad Sinha
Partner

Hyderabad, 27th November, 2020

Membership number: 202692

UDIN: **20202692AAAAEA8250**



“Annexure A” to the Independent Auditor’s Report

(Referred to in paragraph 1(f) 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.

We have audited the internal financial controls over financial reporting of Indian Institute of Insurance Surveyors & Loss Assessors (“The Institute”) as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Institute for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

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.

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



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

Meaning of Internal Financial Controls over Financial Reporting

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. A 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.

Limitations of Internal Financial Controls over Financial Reporting

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

Qualified Opinion

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 2020:

- i. Our review during the course of audit indicated non maintenance/updation of books of accounts on a regular basis as well as non-obtention of balance confirmations at periodic intervals.
- ii. Our review indicated a possible import of bank statements with respect to its Savings, Current and Term Deposits and posting of compound entries in the Tally Accounting Software of the Institute instead of recording the transactions on the basis of the embedded substance of such transactions.
- iii. Accounting entries with regard to member collections weren't recorded on monthly basis with regard to appropriate heads of accounts under which such collections were made duly reconciling with the bank/collection agency and a suspense to this effect was carried in the books throughout the year and only towards the year end annual entries for income recognition was posted as rectification entry on an adhoc basis.



SHARAD & ASSOCIATES
CHARTERED ACCOUNTANTS

- iv. Our review of Institute's backend database/Application Software/portal maintained by third party vendor indicated absence of software control impacting appropriate reports being generated with detailed accounting heads of income, recognition of year end receivables as also recognition of prior year's income upon collection of past years dues in a given reporting period. These control lapses and inefficiencies seriously impact financial reporting by the Institute in the event of non-detection of errors through manual controls considering the high volume of transactions.
- v. The accounting system of the Institute lacks substantive controls over the entries posted such as compound entries, multiple cross-referenced accounting entries which has the effect on creation of an expense or liability and then the reversal of the same and incorrect account heads maintenance with respect to RCM under GST law and interest on flexi deposit interest.

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

s/d

Sharad Sinha
Partner

Hyderabad, 27th November, 2020

Membership number: 202692
UDIN: **20202692AAAAEA8250**

Balance Sheet as at March 31, 2020

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
		₹	₹
I SOURCES OF FUNDS			
1 Reserves & Earmarked Funds			
Reserves and surplus	3	2,01,31,973	2,33,42,957
Earmarked Funds	4	17,08,00,262	15,12,75,798
2 Non-current liabilities			
Deferred tax liabilities (Net)		-	-
Other Long term liabilities		-	-
Long-term provisions	5	2,45,729	1,00,581
3 Current liabilities			
Other current liabilities	6	29,35,772	50,79,396
Short-term provisions	7	2,68,51,565	2,95,17,283
TOTAL		22,09,65,300	20,93,16,014
II APPLICATION OF FUNDS			
1 Non-current assets			
Property, Plant & Equipment	8		
Tangible Assets		11,11,554	5,12,798
Intangible Assets		4,60,263	6,63,922
Intangible Assets under development		-	-
Non-current investments		-	-
Deferred tax assets (net)		-	-
Long-term loans and advances		-	-
Other non-current assets	9	2,87,79,904	2,57,16,235
2 Current assets			
Cash and bank balances	10	17,97,62,630	17,16,37,831
Short-term loans and advances	11	26,35,607	24,13,498
Other current assets	12	82,15,342	83,71,729
TOTAL		22,09,65,300	20,93,16,014

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

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

Sd/-
SHARAD SINHA
Partner
M. No 202692

Hyderabad, dated this 27th day of November, 2020

Sd/-
CHANDRASEKHARA RAJU DASARAJU
President
DIN:02629173

Sd/-
AJAY GIRDHAR
Vice President
DIN:08517361

Sd/-
RAHUL NARAYANRAO JADHAV
Secretary
DIN:07102203

Sd/-
VIPIN KUMAR SHUKLA
Treasurer
DIN:08517120

Statement of Income & Expenditure For The Year Ended March 31, 2020

Particulars		Note No	2019-20	2018-19
			₹	₹
I	Revenue from operations	13	1,64,54,384	1,78,52,650
II	Other income	14	27,52,946	23,13,913
III	Total Revenue		1,92,07,329	2,01,66,563
IV	Expenses			
	Employee benefits expense	15	30,81,369	20,40,293
	Operation and Other Expenses	16	1,23,34,140	1,79,60,506
	Finance Costs	17	4,15,973	1,75,458
	Depreciation and amortization expense	8	4,24,982	3,22,946
V	Total expenses		1,62,56,463	2,04,99,204
VI	Surplus before exceptional and extraordinary items and tax (III-V)		29,50,866	-3,32,641
VII	Exceptional items	18	-	-
VIII	Surplus(Defecit) before extraordinary items and tax (VI - VII)		29,50,866	-3,32,641
IX	Extraordinary Items		-	2,35,00,000
X	Surplus/(Defecit) before tax (VIII- IX)		29,50,866	-2,38,32,641
XI	Tax expense:			
	(1) Current tax		7,19,871	7,03,677
	(2) Deferred tax		-	-
XII	Surplus/(Defecit) for the period from continuing operations (X-XI)		22,30,995	-2,45,36,318
XIII	Surplus/ (Defecit) for the period (XII)		22,30,995	-2,45,36,318

Notes forming Integral part of accounts

1-27

As per our report of even date attached
For SHARAD & ASSOCIATES
Chartered Accountants
Firm Reg.No.0063775

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

Sd/-
SHARAD SINHA
Partner
M. No 202692
Hyderabad, dated this 27th day of November,2020

Sd/-
CHANDRASEKHARA RAJU DASARAJU
President
DIN:02629173

Sd/-
AJAY GIRDHAR
Vice President
DIN:08517361

Sd/-
RAHUL NARAYANRAO JADHAV
Secretary
DIN:07102203

Sd/-
VIPIN KUMAR SHUKLA
Treasurer
DIN:08517120



Indian Institute of Insurance Surveyors and Loss Assessors
(A Company Incorporated under Section 25 of Companies Act, 1956)

Cash Flow Statement for the year ended March 31, 2020

Particulars	2019-20		2018-19	
	₹	₹	₹	₹
Cash Flow from Operating Activities				
Surplus before tax and extra ordinary items	29,50,866		(3,32,641)	
Add: Adjustments to reserves & Surplus	-		50,000	
Add: Depreciation	4,24,982		3,22,946	
Cash flow before working capital changes	33,75,848		40,305	
Increase/(Decrease) in Non-Current Liabilities				
Long-term Provisions	1,45,148		1,00,581	
Increase/(Decrease) in Current Liabilities				
Other Current Liabilities	(21,43,624)		34,37,209	
Short-term Provisions	(26,65,717)		(1,55,841)	
(Increase)/Decrease in Current Assets				
Short-term Loans & Advances	(2,22,108)		10,52,973	
Other Current Assets	1,56,387		43,93,441	
Cash generated from operations	(13,54,066)		88,68,668	
Income taxes Paid	(37,97,975)		(36,07,905)	
Net Cash from Operating Activities		(51,52,040)		52,60,763
Cash flow from Investing Activities				
Other Non-Current Assets	(30,63,669)		(16,03,980)	
Purchase of Fixed Assets	(8,20,080)		(7,16,607)	
Net Cash Flow from Investing Activities		(38,83,749)		(23,20,587)
Cash Flow from Financing Activities				
Proceeds from Benevolent Funds	11,11,234		(37,05,152)	
Proceeds from Corpus Funds	49,85,000		44,75,000	
Transferred to Earmarked Fixed Deposits	1,10,64,354		97,93,450	
Net Cash Flow from Financing Activities		1,71,60,587		1,05,63,298
Net Increase/(Decrease) in Cash		81,24,798		1,35,03,474
Add: Cash and cash equivalents from at the beginning of the year		17,16,37,831		15,81,34,357
Cash and cash equivalents from at the end of the year		17,97,62,630		17,16,37,831
As per our report of even date attached 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		
Sd/-	Sd/-	Sd/-	Sd/-	
SHARAD SINHA Partner M. No 202692 Hyderabad, dated this 27th day of November, 2020	CHANDRASEKHARA RAJU DASARAJU President DIN:02629173	AJAY GIRDHAR Vice President DIN:08517361	VIPIN KUMAR SHUKLA Treasurer DIN:08517120	
	Sd/-	Sd/-	Sd/-	
	RAHUL NARAYANRAO JADHAV Secretary DIN:07102203	VIPIN KUMAR SHUKLA Treasurer DIN:08517120	VIPIN KUMAR SHUKLA Treasurer DIN:08517120	

Notes Forming Part of Financial Statements

1. Overview

The Indian Institute of Insurance Surveyors and Loss Assessors (Institute) was incorporated on 04.10.2005 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 Insurance 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 9868 members across India through four zones and various chapters.

2. Significant Accounting Policies

2.1 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.

2.2 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.

2.2 Revenue Recognition

2.2.1 Annual Membership Fees

The Institute recognizes annual membership (Subscription) fee on accrual basis from the members whose names exist in the Register of Members as on the date of reckoning and accounted as subscription. During the year 2017-18 Institute (Its Council) had 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 in force 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 however this notification has not been implemented as an accounting policy for Revenue Recognition

2.2.2 Other Fees from Members

The Institute follows accrual system of accounting for recognizing income from members which coincides with receipt of money in case of fees other than annual subscription. The amounts collected from the members on application towards Admission fees forms part of corpus Fund whereas the other fees collected from the members are accounted as Revenue from operations or other income as the case may be. Amount collected from members towards seminar fees and the related expenses are reported under respective income and expense heads. All revenue from members have been accounted exclusive of GST.

Notes Forming Part of Financial Statements

2.2.2 Interest Income

The Institute follows the Accrual system of accounting for recognizing Interest Income on Fixed Deposits with Banks. Interest earned on earmarked investments (Bank Deposits) are credited directly to the Earmarked Funds.

2.3 Property, Plant and Equipment, Intangible Assets

2.3.1 Tangible assets, capital work in progress are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price, and any cost attributable to bringing the assets to its working condition for its intended use which includes taxes, freight, and installation and allocated incidental expenditure during construction/ acquisition and exclusive of Input tax credit of Goods & Service Tax available to the Institute. Subsequent expenditure relating to tangible assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

2.3.2 An intangible asset is recognized when it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortization and impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use which includes taxes, freight, and installation and allocated incidental expenditure during construction/ acquisition and exclusive of Input tax credit of Goods & Service Tax available.

2.4 Depreciation on Tangible Assets and Amortization on Intangible Assets

2.4.1 Depreciation on Fixed Assets is provided under the 'Straight Line Method' on 95% original cost of assets based on useful life as specified under Schedule II of the Companies Act, 2013. Depreciation on addition to tangible assets is provided on pro-rata basis from the date the assets are ready for intended use. Depreciation on sale/discard from tangible assets is provided for up to the date of sale, deduction or discard of tangible assets as the case may be. The Useful Life as per Schedule II is given below

Type of Asset	Useful Life
Furniture and Fixtures	10 Years
Computers and Computer Equipments	3 Years
Office Equipment	5 Years
Electrical Equipments and Installations	10 Years

2.4.2 Intangible assets are impaired over the useful economic life and assessed for impairment whenever there is an indication that intangible assets may be impaired. The amortization period and amortization cost is reviewed at the end of each reporting period. The Amortization expense is recognized in Statement of Income and Expenditure. The Intangible asset is amortized under Straight Line Method. The Useful life is determined as under

Type of Asset	Useful Life
Software	3 Years

2.5 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.

2.6 Provisions

The Institute 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.

Notes Forming Part of Financial Statements

2.8 Taxation

The Institute is not liable to pay income tax on surplus earned out of the main objectives since 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. Accordingly, tax is accounted at the rates prevailing for the relevant period. The tax on interest earned on the earmarked investments are charged to the respective funds inclusive of any interest

2.9 Earmarked Funds

The Institute has various objectives towards growth , training and regulation of the profession of surveyors and loss assessors and in order to achieve such objectives the surplus received over the years are earmarked towards such dedicated funds . Therefore the following long-term funds has been earmarked for specific purpose

2.9.1 Building Fund

The Institute in order to establish its own Head office premises for central governance as also to create in house training facility in future, the surplus so received over the years has been earmarked for this purpose. The earmarked funds are invested in fixed deposits in various banks as per decision of the council. The Income from investments are credited to the fund account directly and the taxes on such income including the interest, if any, are borne by the fund

2.9.2 Training and Education Fund

The Institute has an objective of continuous education and training to its members. To ensure achieve this objective, the basic infrastructure along with host of other facilities should be in place, thus the surplus so received over the years has been earmarked for this purpose. The earmarked funds are invested in fixed deposits in various banks as per decision of the council. The Income from investments are credited to the fund account directly and the taxes on such income including the interest, if any, are borne by the fund

2.9.2 Research Fund

The Institute has an objective to enhance the value of profession through research and new developments taking place around the world in the profession of survey and loss assessment. To ensure achieving this objective, the institute has to cater to wide range of policies, issues etc, thus the surplus so received over the years has been earmarked for this purpose. The earmarked funds are invested in fixed deposits in various banks as per decision of the council. The Income from investments are credited to the fund account directly and the taxes on such income including the interest, if any, are borne by the fund

2.10 Benevolent Fund and Other Benefits to Members

2.10.1 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 over 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) up to 75 years for the year 2017-18 and was made optional in the year 2018-19. During the year 2019-20 the council has revised the policy wherein those members who were eligible from 2016-17 and onwards but did not opt for the scheme in any of three years i.e between 2016-17 to 2018-19 and who are willing to opt for the scheme from 2019-20 has to pay admission fees.

Notes Forming Part of Financial Statements

The Admission fee and Subscription is recognized 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 amount received are invested in fixed deposits. The Interest Income on fixed deposits and taxes on such income including interest, if any, are routed through fund account.

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.

The claims arising out of benevolent fund is recognised on the date of intimation received by the Head office. The claims are provided for in the books where the intimation are received after the year end but before the signing date if the event date pertains to reporting period

2.10.2 Other Benefits to Members

The Institute has a policy of covering its members who have outstanding dues of less than three years as on the date of reckoning with an accidental policy. The premium paid is charged to statement of income and expenditure to the extent of period covered during the year and balance considered pre-paid expenses

2.11 Goods and Service Tax

2.11.1 Government of India enacted Goods and Service Tax (GST) effective from July 1, 2017 and the Institute also falls under the ambit of the GST and has been registered. GST demand is raised on all the fees paid by the members including annual membership fees.

2.11.2 The Institute pays GST collected from its members after setting off the GST already paid to vendors i.e. it avails the benefit of Input credit. Input credit is accounted as receivable or set off against payable to the extent eligible in accordance with Provisions of GST Law. The Block credits or ineligible credits are charged to the Statement of Income and Expenditure

2.12 Employee Benefits

2.12.1 All employee benefits falling due wholly within twelve months of rendering service are classified as short term employee benefits and charged to Statement of Income and expenditure at an undiscounted amount in the period in which the employee renders the related service including the defined contribution plan which comprises of Employee State Insurance Scheme

2.12.2 The Institute has recognised gratuity liability as per the actuarial valuation carried out and accordingly provision has been created in accordance with actual payment to be made as per the Payment of Gratuity Act, 1972 at an the undiscounted rate

3 - RESERVES & SURPLUS

Particulars	As at March 31, 2020	As at March 31, 2019
	₹	₹
3.1. Corpus Fund		
Opening balance	3,93,20,870	3,48,45,870
(+) Admission Fee Collection in current year	49,85,000	44,75,000
(-) Contributions to the Funds	(1,04,26,979)	-
	3,38,78,891	3,93,20,870
3.2. Surplus		
Opening balance	(1,59,77,913)	85,08,405
(+) Excess of expenses over income for the current year	22,30,995	(2,45,36,318)
(+) Others	-	50,000
	-1,37,46,918	-1,59,77,913
Closing Balance	2,01,31,973	2,33,42,957

Notes Forming Part of Financial Statements

3.3. "Others" in the previous reporting period pertains to reversal of legal fee of ₹ 50000 paid during the previous reporting period

3.4. During the reporting period the council in its meeting held on 27.11.2020 has decided to transfer funds from Corpus funds to Earmarked funds in order to match the corresponding earmarked investments. As there is no sufficient balance in retained surplus of the institute the transfer from corpus fund was effected in accordance with the principles of accounting wherein the corpus funds is also revenue to the Institute since it being one time fee the same was capitalised.

4 - EARMARKED FUNDS

Particulars	As at March 31, 2020	As at March 31, 2019
	₹	₹
4.1. Building Fund		
Opening balance	6,51,28,103	6,23,00,375
(+) Interest on the above Funds	47,55,613	40,19,589
(+) Allocation during the period	50,10,669	-
(-) Taxes on Income of the fund	(13,23,011)	(11,91,861)
	7,35,71,374	6,51,28,103
4.2. Training & Education Fund		
Opening balance	4,62,73,141	4,41,92,523
(+) Interest on the above Funds	32,11,550	29,57,913
(+) Allocation during the period	37,45,286	-
(-) Taxes on Income of the fund	(8,93,453)	(8,77,294)
	5,23,36,524	4,62,73,141
4.3. Research Fund		
Opening balance	2,27,80,500	2,16,77,097
(+) Interest on the above Funds	17,37,766	15,68,674
(+) Allocation during the period	16,71,025	-
(-) Taxes on Income of the fund	(4,83,447)	(4,65,271)
	2,57,05,844	2,27,80,500
4.4. Benevolent Fund		
Opening balance	1,70,94,054	1,99,21,733
(+) Benevolent Subscription	67,36,000	83,82,000
(+) Benevolent Admission	12,83,000	12,39,000
(+) Interest income	13,59,425	12,47,274
(-) Taxes on Interest Income	(3,78,192)	(3,69,801)
(+) Advance benevolent fund received	2,13,457	42,803
(-) Receivable from members towards Benevolent Fund	(93,600)	(2,30,127)
(-) Benevolent Fund claims	(70,27,623)	(1,31,38,828)
	1,91,86,521	1,70,94,054
Total	17,08,00,262	15,12,75,798

4.5 During the reporting period the institute has revised the Benevolent Fund Subscription fees for all the members and the revised circular was published on March 31, 2019. Those members who have not paid the Benevolent Fund admission or subscription in full, the council has decided to treat such differential fee as receivable

Notes Forming Part of Financial Statements

5 - LONG TERM PROVISIONS

Particulars	As at March 31, 2020	As at March 31, 2019
	₹	₹
Provision for Gratuity	2,45,729	1,00,581
Total	2,45,729	1,00,581

6 - OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2020	As at March 31, 2019
	₹	₹
Advance Members Subscription Fees	17,35,772	10,23,496
Donations Received - Kerala Floods	-	55,900
Benevolent Fund Payable	12,00,000	40,00,000
Total	29,35,772	50,79,396

6.1 Advance members subscription fees represents the amount received from members towards subscription not fallen due.

6.2 Benevolent Fund Claims Payable represents those claims made by legal heirs of deceased members on or before March 31, 2020 and which was approved by the Benevolent Fund Committee and paid in the forthcoming reporting period.

6.3 During the previous reporting period the Kerala Chapter had collected Donations from members towards contribution for Kerala Flood Victims however the same was not paid to the CM Relief fund by the Chapter. The Institute has offered donation received to Income tax and has carried the same as liability. The same was paid during the reporting year.

7 - SHORT TERM PROVISIONS

Particulars	As at March 31, 2020	As at March 31, 2019
	₹	₹
Audit fee Payable	2,92,500	2,30,000
Liability for Expenses	2,02,978	6,98,857
Statutory Liabilities Payable	1,05,467	3,39,775
Provision for Income Tax	26,83,179	46,45,133
Council member travelling expense payable	62,829	1,00,530
Provision for Statutory Liabilities	2,35,00,000	2,35,00,000
Provision for Gratuity	4,612	-
Unreconciled Bank Receipt Suspense	-	2,987
Total	2,68,51,565	2,95,17,283

7.1 Liability for expenses pertains to all those expenses which were incurred in the relevant financial year but not paid

7.2 Provision for Income tax (both current year as well as previous year) includes Interest demand of ₹ 22,39,805 related to financial years 2008-09, 2009-10, 2010-11 where the income has been assessed under section 148 of the Income Tax Act, 1961 and Institute has not paid taxes against the said demand

7.3 Council member travelling expense payable includes amount payable to Mr. D Chandrasekhara Raju ₹ 35683, Mr. AR Ramesh ₹ 20742 and Mr. Ajay Giridhar ₹ 6404 (Previous Year: Mr. RK Elango ₹ 76,259, Mr. Manish Joshi ₹ 12383, Mr. PC Shukla ₹ 4373 and Mr Surender Kumar Soni ₹ 7515).

7.4 The Unreconciled Bank Receipt Suspense in the previous reporting period has been identified in the current year and appropriate entries has been recorded in the books

7.5 The provision for Statutory Liabilities represents Service tax demand of earlier years recognised as liability during the previous reporting period and more specifically detailed in Note.21

Notes forming part of financial statements

8 - FIXED ASSETS

	Fixed Assets	Gross Block					Accumulated Depreciation					Net Block		
		As at April 1, 2019	Additions	Deletions/ Adjustments	Acquired through business combinations	Translation exchange difference	As at March 31st, 2020	As at April 1, 2019	Depreciation charge for the year	Translation exchange difference	Deletions/ Adjustments	As at March 31st, 2020	As at March 31, 2020	As at March 31, 2019
8.1	Tangible Assets													
	Furniture and Fixtures	4,36,562	4,21,880	-	-	-	8,58,442	1,25,156	59,414	-	-	1,84,570	6,73,872	3,11,406
	Computers	6,61,843	1,30,803	-	-	-	7,92,646	5,66,744	41,910	-	-	6,08,654	1,83,992	95,099
	Office Equipment	1,61,277	63,061	-	-	-	2,24,338	1,16,807	13,325	-	-	1,30,132	94,206	44,470
	Electrical Installation	1,45,790	1,14,875	-	-	-	2,60,665	83,967	17,214	-	-	1,01,181	1,59,484	61,823
	Other Assets	4,875	-	-	-	-	4,875	4,875	-	-	-	4,875	-	-
	Total	14,10,347	7,30,619	-	-	-	21,40,966	8,97,549	1,31,863	-	-	10,29,412	11,11,554	5,12,798
8.2	Intangible Assets													
	Software	11,82,111	89,460	-	-	-	12,71,571	5,18,189	2,93,119	-	-	8,11,308	4,60,263	6,63,922
	Total	11,82,111	89,460	-	-	-	12,71,571	5,18,189	2,93,119	-	-	8,11,308	4,60,263	6,63,922
	Grand Total	25,92,458	8,20,079	-	-	-	34,12,537	14,15,738	4,24,982	-	-	18,40,720	15,71,817	11,76,720
	Grand Total previous year	13,46,851	28,000	-	-	-	13,74,851	6,58,196	2,55,180	-	47,410	9,60,786	4,14,064	6,88,655
8.3	Other Assets pertains to Assets which are not material and individually valued at less than ₹ 5000, thus they have been depreciated at 100% based on the guidance note issued by Institute of Chartered Accountants of India													
8.4	During the previous reporting period Institute has officially launched the software on Aug 3, 2018 which was under development in the previous year and the same was capitalised to the extent of ₹ 851000 (Expenditure incurred for development). Amortisation for the software has been charged on pro-rata basis during the respective reporting periods.													

Notes forming part of financial statements

9 - OTHER NON CURRENT ASSETS

Particulars	As at March 31, 2020	As at March 31, 2019
	₹	₹
Rent Deposit	3,90,000	1,50,000
Fixed Deposits held with Banks	2,83,89,504	2,55,65,835
Other Deposits	400	400
Total	2,87,79,904	2,57,16,235

9.1 Fixed deposits held with banks pertains those deposits whose maturity is more than 12 months as at the end of current reporting period. These were re-classified in accordance with the accounting standards and these fixed deposits are earmarked to different funds of the Institute.

10 - CASH & BANK BALANCES

Particulars	As at March 31, 2020	As at March 31, 2019
	₹	₹
10.1 Cash and Cash Equivalents		
Balances with banks		
In Savings Accounts	28,44,367	21,14,965
In Fixed deposits (Not Earmarked)	79,91,682	90,97,641
Cash on hand	77,094	1,89,614
Cheques deposited in bank but not cleared	-	7,59,709
Cheques in Hand	-	3,59,345
	1,09,13,143	1,25,21,274
10.2 Other Bank Balances		
Earmarked Bank Deposits	14,18,83,137	13,37,03,618
Bank Deposits - More than 3 months Maturity (Not Earmarked)	2,69,66,350	2,54,12,940
	16,88,49,487	15,91,16,558
Total	17,97,62,630	17,16,37,831

10.3 Savings 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.

10.5 Balance with banks in savings accounts includes balance in ICICI bank of ₹ 127686 (Previous year ₹ 127686), Ahmedabad where no balance confirmation could be obtained from the bank.

10.6 Balance with banks in Fixed Deposits has been re-classified in the current reporting in accordance with the accounting standards. It also includes flexi deposit held with Axis Bank to tune of ₹ 2291305 (Previous Year ₹ 3728060) as at March 31, 2020

10.7 Earmarked Bank deposits in other bank balances include current account maintained with State Bank of India which is earmarked to Benevolent Fund.

10.8 As per the Accounting Policy of the Institute the relevant fund has to bear the cost of income tax out of the Income earned by such funds. The fund accounts which is disclosed under Reserves & Surplus does carry the tax expense however the cash flow of such tax costs were incurred from the current account of the Institute.

Notes forming part of financial statements

10.9 Cash in hand includes cash balances with below chapters:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹	₹
Head Office	5,654	24,367
Bihar Chapter	29,101	31,734
Chattisgarh	925	925
Punjab	179	179
North East	13,148	15,001
Uttar Pradesh	27,386	-
Gujarat (Vadodara)	-	21,707
Cash at Delhi Office	-	95,000
West Bengal	701	701
Total	77,094	1,89,614

10.10 Cash balances at various offices were confirmed as held by distinct custodians as at the 31st March, 2020. With regard to Cash balance of Rs.95000 which originated in the year 2017-18 as Petty cash balances remitted to the then operative Delhi Office of the Institute and being carried as such in the books was charged to the North Zone Chapter during the current reporting period as the Delhi Office of the Institute was being then operated under the administrative control of North Zone and no details of expense statement / vouchers were furnished to Head Office, as decided by the Council in its meeting held on 27.11.2020.

11 - SHORT TERM LOANS & ADVANCES

Particulars	As at March 31, 2020	As at March 31, 2019
	₹	₹
Unsecured, Considered good		
Loans & Advances to related parties	5,76,921	5,76,921
Loans & Advances to Zones/Chapters	6,48,633	6,48,633
Other Loans & Advances	1,44,271	1,17,058
GST Receivable	6,35,283	3,53,533
Chapter Suspense	12,18,499	35,96,653
Less: Provision for Expenses for Chapter Suspense	(5,88,000)	(28,79,300)
Net Chapter Suspense	6,30,499	7,17,353
Total	26,35,607	24,13,498

Notes forming part of financial statements

11.1 Loans & advances to related parties pertains to past director of the Institute Mr. Lalit Gupta to the tune of ₹ 526921. Funds paid to or vested with the past director in the previous accounting periods with respect to which details (Supporting Vouchers/Justification for expenses) 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. An additional sum of ₹ 50000 was debited to the account of Mr Lalit Gupta in the previous reporting period , on discovery of the fact upon enquiry into the matter that the payment and instruction for filling caveat petition in the matter of NCLT,Hyderabad case was issued by him in the capacity as "President" when he was actually not President of the Institute. Disciplinary Committee has during the year 2020-21 issued show cause notice and also decided in the matter with its verdict.In the opinion of the Council this amount is recoverable or adjustable against supportings and has accordingly being carried in the books.

11.2 In the absence of details and expense vouchers, advances given to Tamil Nadu (₹ 36149) & Madhya Pradesh Chapter (₹ 21801) has not been charged to income and expenditure statement and carried as advances to Chapters/ Zones. Further it includes the amounts receivables from Rajasthan chapter amounting to ₹ 64185, East zone amount ₹ 100000, South zone amount ₹ 223000 and West zone amount ₹ 203498.

11.3 Chapter suspense pertains to debit on those chapters who have not produced books of accounts for the reporting period or previous reporting period(s) and had incurred expenses from their respective banking accounts. This includes money transferred by the head office to such chapters and provision for expenses was been created to the extent receipts from seminar/training conducted or payments made whichever is lower and in the previous reporting period(s). These figures have been scaled down upon submission of accounts by Maharashtra Chapter and Uttarakhand Chapter. During the reporting period, as per the decision made by the Council in its meeting held on 27.11.2020 , a sum of Rs.95000/- representing Cash balance at Delhi office was debited North Zone under whose administrative control the Delhi office of the Institute was being operated in the year 2017-18 and Rs.108500 to NCR Chapter for the cash withdrawal made during the current reporting period from the banking account and Rs.8500/- being expenses for which no details, voucher or audited accounts were submitted.The Chapter/Zone Wise details are as under:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹	₹
NCR Chapter	2,18,800	1,10,300
North Zone	1,81,170	86,170
South Zone	28,500	28,500
West Zone	6,48,600	6,48,600
Uttarakhand Chapter	-	15,000
Maharashtra Chapter	-	25,66,664
Punjab Chapter	80,877	80,877
UP Chapter	16,420	16,420
Odisha Chapter	35,405	35,405
East Zone	5,080	5,080
Jharkahnd Chapter	3,647	3,647
Total	12,18,499	35,96,663

11.4 Other Loans and Advances pertains to advances made to supplier during the reporting period and services/money were received in the financial year 2020-21

11.5 The Institute is in the process of reconciling the GST receivable as stated in the accounts with that of the Electronic Credit ledger balance as per GST portal which is standing at ₹ 6.35 lacs.

Notes forming part of financial statements

12 - OTHER CURRENT ASSETS

Particulars	As at March 31, 2020	As at March 31, 2019
	₹	₹
Interest Accrued on fixed deposits	39,30,790	49,32,748
Receivable from members towards Subscription	18,19,902	9,97,238
Prepaid Insurance (GPA Policy)	24,64,650	24,41,742
Total	82,15,342	83,71,729

12.1 The receivables stated above pertains to those members who has outstanding liability of membership fees upto one year plus taxes. This is recognised in line with the accounting policy of the Institute

12.2 Interest Accrued for reporting periods has undergone a change since interest was partly classified under Cash and bank balances and were partly classified under Earmarked Funds. These have been modified in the current reporting period with corresponding period being re-classified.

12.3 Receivables from members include a sum of ₹ 30880 representing non collection of Admission Fee and subscription for new memberships allotted during the year 2017-18 owing to lack of administrative and software control at Delhi Office

12.4 Receivables from members has been net-off by ₹ 87755 (Previous Year ₹ 216946) credited to the bank account during the previous reporting period since no receipt has been generated due to technical flaw while making the online payment therefore money received could not be adjusted against individual member balance and further if at all any income arises from such receipt the same has not been recognised. The accounting and administrative team at Head Office is working to reconcile this and update the member records accordingly

13 - REVENUE FROM OPERATIONS

Particulars	2019-20	2018-19
	₹	₹
Subscription Fee	1,50,32,819	1,22,47,673
Seminar fee	17,420	41,52,327
Payment Gateway Charges	4,41,395	-
Students Members Enrolment fee	7,35,500	11,71,500
Re-admission fees	-	38,000
Other income from Members	2,27,250	2,43,150
Total	1,64,54,384	1,78,52,650

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

13.2 Seminar Income includes prior period seminar fee ₹ 17420 (Previous Year ₹ 207499) recorded based on accounts received during the reporting period

13.3 Subscription Income in the current year includes receipts from members pertaining to earlier years which was written off from the books in the previous reporting period on account of test of revenue recognition policy being failed.

Notes forming part of financial statements

14 - OTHER INCOME

Particulars	2019-20	2018-19
	₹	₹
Interest from bank deposits	1,36,47,404	1,20,58,016
Other Income	1,69,896	29,480
Prior period_Interest income on Fixed deposits	-	19,867
	1,38,17,300	1,21,07,363
Less: Interest on Earmarked investment transferred to corpus fund	1,10,64,354	97,93,450
Total	27,52,946	23,13,913

14.1 Interest from bank deposits includes ₹ 3.76 lacs received on Flexi deposits (Previous Year ₹ 2.79)

14.2 Interest from bank deposits includes ₹ 1.00 lac received on Saving deposits (Previous Year ₹ 1.64 Lacs)

14.3. Other income in the current reporting period includes liabilities written off ₹ 1.15 Lacs towards Haryana Chapter and MP Chapter (Kajuraho Unit) Suspense outstanding expenses payable amounting to ₹ 1.15 Lacs and ₹ 0.03 Lacs, respectively as decided by the Council in its meeting held on 27.11.2020. (Previous Year ₹ 29240 collected at Orissa and Punjab Chapters earned towards Technical advisory fee and paid in IIISLA banking account by the Insurance Companies)

15 - EMPLOYEE BENEFIT EXPENSE

Particulars	2019-20	2018-19
	₹	₹
Salaries and incentives	28,61,071	18,53,338
Staff Welfare	30,538	46,374
Gratuity	1,49,760	1,00,581
Bonus to Employees	40,000	40,000
Total	30,81,369	20,40,293

16 - OPERATION & OTHER EXPENSES

Particulars	2019-20	2018-19
	₹	₹
Annual General Meeting Expenses	4,42,331	2,67,284
Conveyance	11,630	32,286
Council Meeting expenses	6,560	2,05,275
Election Expenses	2,47,487	-
Electricity Expenses	1,39,090	1,15,567
Hotel & Boarding	4,53,090	4,39,972
Insurance Premium for members PA Group Insurance	47,95,385	35,22,586
Interest and Penalties	1,37,081	2,20,980
Legal Expenses	5,09,000	36,69,827
Office Rent	8,29,919	5,28,629
Postage & Courier	86,192	1,36,250
Printing & Stationery	2,90,946	3,13,566
Professional Charges - Others	2,85,543	3,16,868

Notes forming part of financial statements

Professional Charges - Company Secretary	1,72,500	45,000
Rates & Taxes	1,04,004	9,78,624
Repairs & Maintenance - Office	4,24,080	2,30,473
Telephone & Communication Expenses	2,55,798	23,486
Travelling Expenses	18,23,773	18,02,313
Web hosting charges	2,55,455	1,33,000
Workshops, Seminars & Training Expenses	6,63,008	44,33,750
Miscellaneous Expenses	33,805	2,18,004
Payments to the auditor as		
auditor	2,75,000	2,50,000
for tax matters	50,000	30,600
Reimbursement of Expenses	36,564	32,358
to branch auditors	5,900	13,810
Total	1,23,34,140	1,79,60,506

16.1 Travelling Expenses and Hotel & Boarding expenses includes expenses incurred for the purpose of council meet however could not be bifurcated and be included in Council Meeting Expenses

16.2 During the year the Institute has incurred legal expenses to the tune of ₹ 4.09 Lacs (Previous year ₹ 36.69 Lacs) for various litigations filed by and against the Institute. Details of Case and expenses incurred towards it is given below

Particulars	2019-20	2018-19
Legal Opinion on EoI from Shri Dilip Kumar	10,000	20,000
Delhi High Court Writ Petition - Shri Ankit Mangla	75,000	-
Kerala High Court Writ Petition - Shri Rajan P Kaliyuth	36,000	-
Madras High Court Writ Petition - Shri S.Kamadevan	15,000	-
Delhi High Court Writ Petition - Shri RK Kohli	25,000	2,00,000
Delhi High Court Writ Petition - Shri Sanjeev Kumar Dubey	1,60,500	-
Advising of Legal Matters & Notary Charges	40,500	-
Madurai Case - Shri Prabhu Rajdurai	-	65,000
Consumer Redressal Forum, Mangalore - Shri AL Shenai	-	10,000
Aurangabad Court Case - Shri Santosh G.Chapalgaonkar	15,000	-
Aurangabad Court Case - Shri Ganesh Aney	-	30,79,827
Aurangabad Court Case -Shri Harshad Hemant Padaikar	-	75,000
Service Tax - M/s Lakshmi Kumaran & Sridharan	1,10,000	1,75,000
Election Caveats Fee - Shri Srikkant Kaveti	-	12,000
Election Caveats Fee - Shri Ankit Mangala	22,000	33,000
Total	5,09,000	36,69,827

16.3 The above expenses include prior period expenses as mentioned below:

Particulars	2019-20	2018-19
Travelling Expenses	53,300	1,36,624
Workshops, Seminar & Training expenses	2,95,854	4,70,181
Legal Expenses	-	2,00,000

Notes forming part of financial statements

Audit Fee	-	50,000
Miscellaneous Expenses	-	2,09,853
Total	3,49,154	10,66,658
16.4 Repairs and Maintenance Charges-Office includes building maintenance charges paid for Hyderabad Office and Delhi Office		

17 - FINANCE COSTS

Particulars	2019-20	2018-19
	₹	₹
Bank Charges	25,265	46,829
Online Payment Charges	3,90,707	1,28,630
Total	4,15,973	1,75,458

17.1 During the previous reporting period the Institute has launched software wherein facility of online payments of fees were enabled due to which payment gateway charges and transaction processing charges were borne by the Institute, thus there is a significant increase in the finance costs

18. **Contingent Liabilities** - There is a demand outstanding towards TDS default to the tune of ₹ 28923.83 as at March 31, 2020 (₹ 311070 as at March 31, 2019) 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.

19. Extra Ordinary item in the previous reporting period represents Service Tax demand of Rs.2.35 Crores pertaining to the period April 2013 to June, 2017 being accounted in the books of accounts as liability and payable. The management has been advised with the Indirect Tax Lawyers that demand may ultimately become payable due various technicality involved and any possible relief might be at an apex level which will also entail substantial costs and time and eventually if the matter is not in favour of the Institute, huge amounts may also be payable in the form of the interest. Institute has since appealed before Hon.CESTAT, Hyderabad bench in the matter and expects the matter to be favourably resolved in near future.

20. 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.

21. 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, revenue receipt from non members for the year and receipts from members which is not used for the benefit of the members

22. 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. Chapters/Zones have not submitted the audited accounts and /or Seminar Income & Expenditure Statement for the year 2019-20. Transactions of such Chapter/Zones have been incorporated in the consolidated accounts of IIISLA wherever accounts were received. Transactions in other cases have been accounted on adhoc basis for others on the basis of bank account statement.

Notes forming part of financial statements

23. During the year 2017-18 IRDAI had appointed M/s M.Anandam & Co, CAs, to conduct a Special Audit of IIISLA 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. In the course of such audit, the Special Auditor had on the basis of whistle blower inputs 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). The erstwhile council being seized of this information 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 IIISLA which hitherto remained unaccounted resulting in unintended defective accounting. The bankers have refused to share any such information and accordingly Council had 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, erstwhile Council had 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.* The present Council has since taken steps to initiate fresh enquiry on the matter and take concrete steps including disciplinary process to bring about the facts on record however pending such enquiry and findings, refrained from accounting transactions embodied in these bank statements in the books of accounts during the current reporting period.

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

25. Reconciliation Statement of Fund with the investments and bank balance

25.1 Benevolent Fund reconciliation is given below

Particulars	2019-20	2018-19
	₹	₹
Balance as per Fund	1,91,86,521	1,70,94,054
Add		
Claims Payable	12,00,000	40,00,000
Less		
Investments in Fixed Deposits	2,06,21,440	1,95,22,963
Investments in Current Accounts	16,95,923	16,25,007
Difference	(19,30,843)	(53,917)

25.1.1 Difference in the reconciliation is due to non-appropriation of funds received in Axis Bank to the current account earmarked for benevolent fund and taxes borne by the funds. The council in its meeting held on 27.11.2020 has decided to transfer the funds from Axis Bank Account to Benevolent Fund earmarked fund account in the year 2020-21 to the extent of difference reported above

26. Events occurring after the reporting period

26.1 The financial statements were approved for issue by the Board of Directors on 27th November 2020

26.2 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.



Notes forming part of financial statements

27. Impact of Covid on Financial statements - The Institute has assessed the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Receivables, Investments and other assets/liabilities. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Institute has used internal and external sources of information. The Institute has concluded that the impact of COVID - 19 is not material based on these estimates. Due to the nature of the pandemic, the institute will continue to monitor developments to identify significant uncertainties in future periods, if any.

As per our report of even date attached
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

Sd/-
SHARAD SINHA
Partner
M. No 202692

Sd/-
CHANDRASEKHARA RAJU DASARAJU
President
DIN:02629173

Sd/-
AJAY GIRDHAR
Vice President
DIN:08517361

Hyderabad, dated this 27th day of November, 2020

Sd/-
RAHUL NARAYANRAO JADHAV
Secretary
DIN:07102203

Sd/-
VIPIN KUMAR SHUKLA
Treasurer
DIN:08517120