September 24, 2018

The Manager
Corporate Relationship Department
BSE Limited
Dalal Street
Mumbai – 400 001

The Manager
Listing Department
The National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
BKC, Bandra (E), Mumbai 400 051

BSE Code: 501295

NSE Scrip Symbol: IITL

Ref: Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir,

Sub: Annual Report for the Financial Year 2017-2018

In compliance with Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, attached please find the Annual Report of the Company for the Financial Year 2017-2018.

You are requested to take the same on record.

Thanking you,

Yours faithfully,
For **Industrial Investment Trust Limited**

INDUSTRIAL INVESTMENT TRUST LTD. BOMBAY

Cumi Banerjee
CEO & Company Secretary

Encl: A/a



85th Annual Report

2017 - 2018

ANNUAL GENERAL MEETING

Date
Friday, September 21, 2018

Time
2.15 p.m.

Venue:
M.C. Ghia Hall, 4th floor,
Bhogilal Hargovindas Building,
18/20 K. Dubash Marg, Mumbai 400 001

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The Annual Report can be accessed at www.iitlgroup.com

INDUSTRIAL INVESTMENT TRUST LIMITED

CIN: L65990MH1933PLC001998

BOARD OF DIRECTORS	:	Dr. B. Samal	- Chairman
		Mr. Bipin Agarwal	
		Mr. Venkatesan Narayanan	
		Mr. Subhash Bhargava	
		Mrs. Bhagyam Ramani	- Upto June 01, 2017
		Mr. Deb Kumar Banerjee	- Nominee of LIC of India
		Ms. Sujata Chattopadhya	- Appointed w.e.f.September 26, 2017
		Ms. Cumi Banerjee	- CEO & Company Secretary
		Mr. Hemang Ladani	- Chief Financial Officer (Appointed w.e.f. April 20, 2018)
BANKERS	:	Axis Bank Limited	
		Union Bank of India	
		HDFC Bank Limited	
AUDITORS	:	Chaturvedi & Shah Chartered Accountants (Registration No. 101720W)	
REGISTRAR & SHARE TRANSFER AGENTS	:	Link Intime India Private Limited C-101, 247 Park, L. B. S. Marg, Vikhroli (W), Mumbai 400 083 Tel: 022 4918 6000 / 4918 6270 - Investor Cell Email address: rnt.helpdesk@linkintime.co.in Website: www.linkintime.co.in	
REGISTERED OFFICE	:	14E, Rajabahadur Mansion, 2nd Floor, 28, Bombay Samachar Marg, Fort, Mumbai 400 001 Tel: 022 43250100 Email address: iitl@iitlgroup.com Website: www.iitlgroup.com	

NOTICE

NOTICE is hereby given that the Eighty Fifth Annual General Meeting of the Members of Industrial Investment Trust Limited will be held at **M.C. Ghia Hall, 4th floor, Bhogilal Hargovindas Building, 18/20 K. Dubash Marg, Mumbai 400 001 on Friday, September 21, 2018 at 2:15 p.m.** to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements including audited consolidated financial statements of the Company for the financial year ended March 31, 2018 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Deb Kumar Banerjee (DIN: 07326051), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. Appointment of Ms. Sujata Chattopadhyay as an Independent Director

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Ms. Sujata Chattopadhyay (DIN: 02336683), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for five consecutive years with effect from September 21, 2018 up to the 90th Annual General Meeting of the Company to be held in 2023 for the year ended March 31, 2023."

4. Re-appointment of Dr. B. Samal as Executive Chairman

To consider, and if thought fit, to pass with or without modifications, the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and subject to such other consents and approvals as may be required and pursuant to the Articles of Association of the Company, the consent of the Members be and is hereby accorded for the re-appointment of Dr. B. Samal as Executive Chairman of the Company for a period of 3 years w.e.f. January 24, 2019 to January 23, 2022 on the following terms and conditions:

1. Tenure of Appointment	:	From January 24, 2019 to January 23, 2022
2. Remuneration Payable	:	₹ 3,00,000/- per month
3. Other Perquisites and Benefits	:	He shall be entitled to, as per rules of the Company, to: i) Housing Accommodation, ii) Company's contribution to Provident Fund, iii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service and iv) Encashment of leave at the end of the tenure In addition to salary, perquisites like club fees and use of Company's car for official purpose.

Provided that the Salary and the Perquisite on Housing Accommodation should not exceed ₹ 4,25,000/- per month.

Minimum Managerial Remuneration (in case of absence or inadequacy of profits):

Notwithstanding anything to the contrary herein contained, where, during the tenure of the appointment of Dr. B. Samal as the Executive Chairman of the Company, the Company has no profits or the profits are inadequate, the Company will pay the above remuneration as minimum remuneration, in compliance with Section 197 read with Section II-Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to do all acts, deeds, matters and things as may be considered necessary, proper or desirable to give effect to this resolution."

5. Approval of Related Party Transaction under Section 188 of the Companies Act, 2013 read with Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with IITL-Nimbus The Express Park View (EPV II)

To consider, and if thought fit, to pass with or without modifications, the following Resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** in partial modification of the resolution passed at the Annual General Meeting held on September 23, 2017 and pursuant to Section 188 and other applicable provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications(s)

or re-enactment thereof for the time being in force), consent of the members of the Company be and is hereby accorded for modification in the terms of the said Related Party Transaction and the revised terms are being reproduced as under:

Sr. No.	Name of the related party	Relationship	Nature of Transaction
1.	IITL-Nimbus The Express Park View (EPV II)	Entity under Significant Influence	Restructuring of Unsecured Loan of ₹ 23,19,87,365/- granted to IITL-Nimbus The Express Park View (EPV II), a joint venture of the subsidiary company, IITL Projects Limited and interest outstanding thereon, the terms of restructuring are as under: a. (i) Moratorium of four years for a period beginning October 01, 2017 and ending on September 30, 2021 on repayment of outstanding loan of ₹ 23,19,87,365/-. ***(ii) Moratorium of four years for a period beginning October 01, 2017 and ending on September 30, 2021 on payment of interest on the outstanding loan of ₹ 23,19,87,365/-.** *b. Interest outstanding upto March 31, 2016 amounting to ₹ 1,57,64,094/- to be converted into Funded Interest Term Loan (FITL) and a Moratorium to be granted for its repayment and the interest thereon for a period of four years beginning October 01, 2017and ending on September 30, 2021. The rate of interest to be charged on FITL will be 12% p.a. **(simple interest)**. c. Interest outstanding from April 01, 2016 upto September 30, 2017 amounting to ₹ 5,22,44,826/- to be waived off. *d. Rate of interest to be charged on the outstanding loan of ₹ 23,19,87,365/- will be reduced from 15% p.a. to 12% p.a. **(simple interest)** w.e.f. October 01, 2017 **and to accrue at the end of the moratorium period.** *e. Interest on Loan and FITL for the period October 01, 2017 to September 30, 2021 **to accrue at the end of the moratorium period.** f. Recompense Clause: The Company reserves the right to claim recompense for the interest amount which has been waived off as part of restructuring. g. (i) Promoters' contribution amounting to ₹ 3,06,60,032/- to be brought jointly by the Promoters in EPV II i.e. to the extent of 20% of the total sacrifice amount on account of Diminution in Fair Value of Loan and waiver of interest; and (ii) Obtaining Corporate Guarantee, to the extent of outstanding loan including FITL amounting to ₹ 24,77,51,459/- and accumulated interest thereon to be calculated (On Loan & FITL) upto the end of moratorium period or repayment whichever is earlier from the Promoters' of EPV II in compliance with the relevant provisions of the Prudential Norms of the Reserve Bank of India pertaining to Restructuring of Loans, as amended from time to time.

(* Proposed Modification)

RESOLVED FURTHER THAT the Company do comply with the relevant provisions of the Prudential Norms of the Reserve Bank of India pertaining to Restructuring of Loans, as amended from time to time, viz. recovery of the recompense amount, bringing in upfront promoters contribution, obtaining personal / corporate guarantees from promoters of the Borrower, etc.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to settle any question, difficulty or doubt that may arise with regard to giving effect to this resolution and to do all such acts, deeds, matters and things as may be deemed necessary, proper or expedient to give effect to this resolution and for the matters connected herewith or incidental hereto including obtaining professional advice from external sources."

6. Approval of Related Party Transaction under Section 188 of the Companies Act, 2013 read with Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with IIT Investrust Limited

To consider, and if thought fit, to pass with or without modifications, the following Resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to Section 188 and other applicable provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications(s) or re-enactment thereof for the time being in force), consent of the members of the Company be and is hereby accorded for renewal of the leave & license agreement with the Company's subsidiary, IIT Investrust Limited for occupation of their residential premises being Flat Nos. 1101 and 1101A situated on the 11th Floor of the building Lokhandwala Galaxy, Byculla, Mumbai for a further period of 33 months with effect from May 21, 2019 at a monthly rent of ₹ 1,25,000/- for the purpose of accommodation of the Company's Chairman.

RESOLVED FURTHER THAT Board of Directors be and is hereby authorized to do all acts, deeds, matters and things as may be considered necessary, proper or desirable to give effect to this resolution."

7. Approval of Related Party Transaction under Section 188 of the Companies Act, 2013 read with Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with IIT Insurance Broking and Risk Management Private Limited

To consider, and if thought fit, to pass with or without modifications, the following Resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to Section 188 and other applicable provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications(s) or re-enactment thereof for the time being in force), consent of the members of the Company be and is hereby accorded for entering into a leave & license agreement with the Company's wholly owned subsidiary, IIT Insurance Broking and Risk Management Private Limited for occupation of their residential premises being Flat no. 702 on the 7th Floor of Shivam Building situated at 8 Babulnath Road, Near Babulnath Temple, Mumbai 400 007 on leave & license basis for a period of 33 months with effect from May 16, 2019 at a monthly rent of ₹ 2,00,000/-, for accommodation of the Company's officials.

RESOLVED FURTHER THAT Board of Directors be and is hereby authorized to do all acts, deeds, matters and things as may be considered necessary, proper or desirable to give effect to this resolution."

8. Resolution for fixation of fee for delivery of document through a particular mode

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 20 of the Companies Act, 2013 and relevant rules framed thereunder and other applicable provisions, if any, whereby, a document may be served on any member by the Company by sending it to him/her by post, by registered post, by speed post, by electronic mode, or any other modes as may be prescribed, consent of the members be and is hereby accorded to charge from the member such fees in advance equivalent to estimated actual expenses of delivery of the documents delivered through registered post or speed post or by courier service or such other mode of delivery of documents pursuant to any request by the shareholder for delivery of documents, through a particular mode of service mentioned above provided such request along with requisite fees has been duly received by the Company at least 10 days in advance of dispatch of documents by the Company to the shareholder."

9. Raising of funds through issuance of Equity Shares and / or other convertible securities including debentures by way of Preferential Allotment / QIP Issue upto a limit of INR 50 Crores

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 42, 55, 62 and 71 and other applicable provisions, if any of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force) as amended from time to time, Foreign Exchange Management Act, 1999, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ('SEBI Regulations'), Listing Agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed, enabling provisions in the Memorandum and Articles of Association of the Company as also provisions of any other applicable laws, rules and regulations (including any amendments thereto or re-enactments thereof for the time being in force) and subject to such approvals, consents, permissions and sanctions of the Securities and Exchange Board of India (SEBI), Government of India (GOI), Reserve Bank of India (RBI) and all other appropriate and/or concerned authorities, or bodies and subject to such conditions and modifications, as may be prescribed by any of them in granting such approvals, consents, permissions and sanctions which may be agreed to by the Board of Directors of the Company ('Board') (which term shall be deemed to include any Committee which the Board may have constituted or hereafter constitute for the time being exercising the powers conferred on the Board by this resolution), the Board be and is hereby authorized to offer, issue and allot in one or more tranches, to Investors including Non-Resident Indians, Corporate Bodies, Mutual Funds, Banks, Insurance Companies, Individuals or otherwise, whether shareholders of the Company or not, by way of Qualified Institutional Placement ('QIP'), to Qualified Institutional Buyers ('QIB') in terms of Chapter VIII of the SEBI Regulations, through one or more placements of Equity Shares and / or other convertible securities including debentures (hereinafter collectively referred to as "Securities"), or by way of private placement or otherwise so that the total amount raised through issue of the Securities shall not exceed INR 50 Crore, as the Board may determine, where necessary in consultation with the Lead Managers, Underwriters, Merchant Bankers, Guarantors, Financial and / or Legal Advisors, Rating Agencies / Advisors, Depositories, Custodians, Principal Paying / Transfer / Conversion agents, Listing agents, Registrars, Trustees, Printers, Auditors, Stabilizing agents and all other Agencies / Advisors.

RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Securities, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of the terms thereof, finalization and approval of the offer document[s], private placement offer letter, determining the form, proportion and manner of the issue, including the class of investors to whom the Securities are to be allotted, number of Securities to be allotted, issue price, premium / discount amount on issue / conversion / exercise / redemption, rate of interest, redemption period, fixing record date, listings

on one or more Stock Exchanges in India, entering into arrangements for managing, underwriting, marketing, listing and trading, to issue placement documents and to sign all deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and for other related matters and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to such offer[s] or issue[s] or allotment[s] as it may, in its absolute discretion, deem fit.

RESOLVED FURTHER THAT in case of QIP issue it shall be completed within 12 months from the date of passing of this resolution.

RESOLVED FURTHER THAT in case of QIP issue the relevant date for determination of the floor price of the Equity Shares to be issued shall be -

i) in case of allotment of equity shares, the date of meeting in which the Board decides to open the proposed issue.

ii) in case of allotment of eligible convertible securities, either the date of the meeting in which the Board decides to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the equity shares, as may be determined by the Board.

RESOLVED FURTHER THAT the Equity Shares so issued shall rank pari passu with the existing Equity Shares of the Company in all respects.

RESOLVED FURTHER THAT the Equity Shares to be offered and allotted shall be in dematerialized form.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the Securities may have such features and attributes or any terms or combination of terms in accordance with domestic and international practices to provide for the tradability and free transferability thereof as per applicable law including but not limited to the terms and conditions in relation to payment of interest, additional interest, premium on redemption, prepayment and any other debt service payments whatsoever including terms for issue of additional Equity Shares or variation of the conversion price of the Securities during the duration of the Securities and the Board be and is hereby authorised in its absolute discretion, in such manner as it may deem fit, to dispose of such of the Securities that are not subscribed in accordance with applicable law.

RESOLVED FURTHER THAT the Board be and is hereby authorised to appoint merchant bankers, underwriters, depositories, custodians, registrars, trustees, bankers, lawyers, advisors and all such agencies as may be involved or concerned in the issue and to remunerate them by way of commission, brokerage, fees or the like [including reimbursement of their actual expenses] and also to enter into and execute all such arrangements, contracts / agreements, memorandum, documents, etc., with such agencies, to seek the listing of Securities on one or more recognized Stock Exchange[s], to affix common seal of the Company on any arrangements, contracts / agreements, memorandum, documents, etc. as may be required.

RESOLVED FURTHER THAT the Company do apply for listing of the new Equity Shares as may be issued with the BSE Limited and National Stock Exchange of India Limited or any other Stock Exchange(s).

RESOLVED FURTHER THAT the Company do apply to the National Securities Depository Limited and/or Central Depository Services (India) Limited for admission of the Securities.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized in consultation with the merchant banker[s], advisors and / or other intermediaries as may be appointed in relation to the issue of Securities to take all actions and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient for the issue and allotment of Securities and listing thereof with the Stock Exchanges or otherwise as may be required in relation to the issue and to resolve and settle all questions and difficulties that may arise in the issue, offer and allotment of Securities, including finalization of the number of Securities to be issued in each tranche thereof, form, terms and timing of the issue of Securities including for each tranche of such issue of Securities, identification of the investors to whom Securities are to be offered, utilization of the proceeds and other related, incidental or ancillary matters as the Board may deem fit at its absolute discretion, to make such other applications to the concerned statutory or regulatory authorities as may be required in relation to the issue of Securities and to agree to such conditions or modifications that may be imposed by any relevant authority or that may otherwise be deemed fit or proper by the Board and to do all acts, deeds, matters and things in connection therewith and incidental thereto as the Board in its absolute discretion deems fit and to settle any questions, difficulties or doubts that may arise in relation to the any of the aforesaid or otherwise in relation to the issue of Securities.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers in such manner as it may deem fit."

By Order of the Board of Directors
For I**ndustrial Investment Trust Limited**

Cumi Banerjee
CEO & Company Secretary

Mumbai : August 13, 2018

Registered Office :
14E, Rajabahadur Mansion, 2nd Floor,
28, Bombay Samachar Marg,
Mumbai 400 001
CIN: L65990MH1933PLC001998
E-mail address: iitl@iitlgroup.com
Website: www.iitlgroup.com

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

   A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, September 14, 2018 to Friday, September 21, 2018 (both days inclusive).

3. Members are requested to send all correspondences relating to shares including requests for transfer, change of address, change of status, change of mandate, Bank Account details to our Registrar and Share Transfer Agents: Link Intime India Private Limited having their office at C-101, 247 Park, L B S Marg, Vikhroli (West), Mumbai 400 083, Tel. No.: 4918 6000. In respect of shares held in dematerialised mode, the shareholders should inform their concerned Depository Participant only.

4. In all the correspondences with the Company / Registrar and Share Transfer Agents, the members holding in physical form are requested to quote their account / folio numbers and in case their shares are held in dematerialised form, they must quote their Client ID Number and DP ID Number.

5. Members are requested to bring the copy of their Annual Report and the Attendance Slip at the Annual General Meeting.

6. Members desiring any information as regards the Accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the meeting.

7. Pursuant to Rule 5(4) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has transferred on due date, the unpaid or unclaimed dividend amount for the financial year ended March 31, 2010 to the Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to Rule 5(8) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on September 23, 2017 (date of the last Annual General Meeting) on the website of the Company viz. www.iitlgroup.com and the website of the Ministry of Corporate Affairs (www.mca.gov.in).

   The IEPF Rules mandate the companies to transfer such shares of Members of whom dividends remain unpaid / unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. Accordingly, the Company has transferred 2,59,037 Equity shares to IEPF account as per the requirements of the IEPF rules. The details are available on our weblink, at http://www.iitlgroup.com/newStatic/InvestorRelations.aspx.

   Members who have not encashed their dividend warrants for the year 2010-2011 or thereafter are requested to write to the Company / Registrars and Share Transfer agents. The Members whose dividend / shares as transferred to the IEPF Authority can now claim their shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority http://iepf.gov.in/IEPFA/refund.html

8. In accordance with the amendments to Regulation 40 of the Listing Regulations, Securities and Exchange Board of India (SEBI) has revised the provisions relating to transfer of listed securities and has decided that requests for effecting transfer of listed securities shall not be processed unless the securities are held in dematerialized form with a Depository (National Securities Depository Limited or Central Depository Services (India) Limited). This measure is aimed at curbing fraud and manipulation risk in physical transfer of securities by unscrupulous entities. Transfer of securities only in demat form will improve ease, facilitate convenience and safety of transactions for investors.

   Members holding shares in physical form are requested to convert their holding(s) to dematerialized form to eliminate all risks associated with physical shares.

9. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.

10. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

11. A route map showing the directions to reach the venue of the 85th AGM is given on the cover page at the end of this Annual Report as per the requirements of the “Secretarial Standard - 2” on General Meetings.

12. E-Voting: In terms of and in compliance with Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 read with Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its shareholders with facility to exercise their right to vote at the 85th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL). The Company has signed an agreement with CDSL for facilitating e-voting to enable the shareholders to cast their vote electronically.

A. The instructions for members for voting electronically:-

(i) The Members can cast their vote through remote e-voting facility provided by Central Depository Services (India) Limited (CDSL). Apart from providing remote e-voting facility, the Company is also providing facility for voting by Ballot at the AGM for all those members who shall be present at the AGM but have not casted their votes by availing the remote e-voting facility.

(ii) The remote e-voting period begins on Tuesday, September 18, 2018 (9.00 a.m.) and ends on Thursday, September 20, 2018 (5.00 p.m.). During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of September 14, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(iii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iv) Any person who becomes a Member of the Company after the date of the Notice of AGM and holding shares as on the cut-off date/entitlement date i.e. September 14, 2018, may obtain the User ID and Password by sending an email request to rnt.helpdesk@linkintime.co.in. Members may also call on 91-22-43250100 or send a request to The Company Secretary of the Company by writing to her at Industrial Investment Trust Limited, 14E, Rajabahadur Mansion, 2nd Floor, 28, Bombay Samachar Marg, Fort, Mumbai- 400001.

(v) The shareholders should log on to the e-voting website www.evotingindia.com

(vi) Click on "Shareholders" tab.

(vii) Now enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 character DP ID followed by 8 digits client ID,

c. Members holding shares in physical form should enter folio number registered with the Company.

(viii) Next enter the Image Verification as displayed and Click on Login.

(ix) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(x) If Demat account holder has forgotten his/her existing password then enter the User ID and the image verification code and click on 'Forgot Password' and enter the details as prompted by the system.

(xi) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Ballot Form / Attendance Slip indicated in the PAN Field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter member id/folio number in the Dividend Bank details field as mentioned in instruction (v)

(xii) After entering these details appropriately, click on "SUBMIT" tab.

(xiii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xiv) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xv) Click on the EVSN for 'Industrial Investment Trust Limited'.

(xvi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you

assent to the resolution and option NO implies that you dissent to the resolution.

(xvii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.

(xviii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xix) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xx) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xxi) After entering these details appropriately, click on 'SUBMIT' tab.

(xxii) Note for Non-Individual Shareholders & Custodians:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates and Custodians respectively.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details they should create compliance user using the admin login and password. The Compliance user would be able to link the depository account(s)/folio numbers on which they wish to vote.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutiniser to verify the same.

(xxiii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

(xxiv) The Notice of the AGM for the Financial Year ended March 31, 2018 is available on Company's website www.iitlgroup.com and on the CDSL's website www.cdslindia.com.

B. The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of September 14, 2018.

C. Ms. Chandanbala O. Mehta, Practising Company Secretary (Membership No. F6122) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

D. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

E. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.iitlgroup.com and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and The National Stock Exchange of India Limited, Mumbai.

F. The Facility for voting through poll shall be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their voting right at the meeting.

G. The Members who have casted their votes by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

Details of the Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting

Name of the Director	Mr. Deb Kumar Banerjee	Dr. B. Samal	Ms. Sujata Chattopadhyay
Director Identification Number	07326051	00007256	02336683
Age	57 years	75 years	53 years
Nationality	Indian	Indian	Indian
Date of Appointment	07.11.2015	05.03.2008	26.09.2017
Qualifications	B.E. (Civil) Chartered Engineer	M.Sc. (Ag.), Ph.D (Economics), Post Graduate Diploma in Bank Management conducted by NIBM, Pune	B.Com, FCWA, FCS
Expertise in specific functional areas	Executive Director in Life Insurance Corporation of India (LIC)	He has more than 35 years of experience in the areas of Banking - Rural Credit, HRD, Security related Market and Industrial Finance. He has served as Chairman & Managing Director of Allahabad Bank and Industrial Investment Bank of India. He was also a member of Securities Appellate Tribunal (SAT), Ministry of Finance, Government of India, Department of Economic Affairs.	She is a registered Insolvency Professional with around 30 years post qualification experience. Starting her career as a Cost Accountant, she has worked across various industries and geographies. Presently in full time practice as a Company Secretary, she was a whole time director with Choice Capital Advisors Private Limited, a Merchant Banking company. She is an Independent Director at Polygenta Technologies Limited, Arysta LifeScience India Limited, Steel Exchange India Limited and Vakrangee Limited.
Terms & Conditions of Appointment/ Re-appointment	As per the resolution passed by the Shareholders of the Company on 83rd Annual General Meeting held on September 16, 2016, Mr. Deb Kumar Banerjee, the LIC Nominee has been appointed as a Non - Executive / Non Independent Director, liable to retire by rotation.	As per the resolution at item no. 4 of the Notice convening the ensuing 85th Annual General Meeting on September 21, 2018 read with explanatory statement thereto.	As per the resolution at item no. 3 of the Notice convening the ensuing 85th Annual General Meeting on September 21, 2018 read with explanatory statement thereto.
Remuneration last drawn (including sitting fees, if any)	₹ 4,50,000/- by way of sitting fees for attending Board / Committee Meetings	₹ 55,32,000/- p.a.	₹ 1,20,000/- by way of sitting fees for attending Board / Committee Meetings
Remuneration proposed to be paid	₹ 30,000/- for every Board / Committee Meeting attended or any other amount decided by the Board from time to time in accordance with the provisions of Companies Act, 2013	As per the resolution at item no. 4 of the Notice convening the ensuing 85th Annual General Meeting on September 21, 2018 read with explanatory statement thereto.	₹ 30,000/- for every Board / Committee Meeting attended or any other amount decided by the Board from time to time in accordance with the provisions of Companies Act, 2013
Relationship with other Directors / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel
Number of meetings of Board attended during the year	4	5	3
Directorships held in other companies (Excluding alternate directorship, foreign companies and companies under Section 8 of the Companies Act, 2013)	NIL	1. Reliance Capital Limited 2. IITL Projects Limited 3. Mayfair Hotels and Resorts Limited 4. Vipul Limited 5. World Resorts Limited 6. Capital Infraprojects Private Limited 7. MRG Hotels Private Limited 8. Future Generali India Life Insurance Company Limited	1. Polygenta Technologies Limited 2. Arysta LifeScience India Limited 3. Steel Exchange India Limited 4. Vakrangee Limited 5. IITL Projects Limited
Committee position held in other companies (Membership and Chairmanship of Audit Committee and Stakeholders Relationship Committee have been included)	NIL	**Audit Committee** **Chairman -** 1. Mayfair Hotels and Resorts Limited Member – 1. Reliance Capital Limited 2. IITL Projects Limited 3. Vipul Limited **Stakeholders Relationship Committee** **Chairman -** 1. Reliance Capital Limited	**Audit Committee** **Chairperson -** 1. Polygenta Technologies Limited **Member -** 1. Arysta LifeScience India Limited **Stakeholders Relationship Committee** **Member -** 1. IITL Projects Limited
No. of shares held in the company	NIL	NIL	NIL

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013, RELATING TO THE SPECIAL BUSINESS UNDER ITEM NOS. 3 TO 9 OF THE ACCOMPANYING NOTICE DATED AUGUST 13, 2018

Item No.3

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) of the Companies Act, 2013 (the "Act") and the Articles of Association of the Company, Ms. Sujata Chattopadhyay as an Additional Director of the Company with effect from September 26, 2017.

In terms of the provisions of Section 161(1) of the Act, Ms. Sujata Chattopadhyay would hold office up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a Member under Section 160 of the Act proposing the candidature of Ms. Sujata Chattopadhyay for the office of Director of the Company.

Ms. Sujata Chattopadhyay is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given her consent to act as Director.

Section 149 of the Act inter alia stipulates the criteria of independence. As per the said Section, an independent Director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he / she shall not be included in the total number of directors for retirement by rotation.

Ms. Sujata Chattopadhyay has given a declaration to the Board that she meets the criteria of independence as provided under Section 149 (6) of the Act. She also meets the criteria for independence as provided under Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, she fulfills the conditions specified in the Act and the Rules made thereunder for appointment as Independent Director and she is independent of the management.

The Nomination & Remuneration Committee at its meeting held on September 26, 2017 recommended the appointment of Ms. Sujata Chattopadhyay as an Independent Woman Director with effect from the forthcoming Annual General Meeting up to the 90th Annual General Meeting of the Company to be held in the year 2023 for the year ended March 31, 2023.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Ms. Sujata Chattopadhyay as an Independent Director is now being placed before the Members in General Meeting for their approval.

The terms and conditions of appointment of Ms. Sujata Chattopadhyay as an Independent Director shall be open for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.

The brief profile of Ms. Sujata Chattopadhyay is given hereunder:

Ms. Sujata Chattopadhyay is a Fellow member of the Institute of Cost Accountants of India and the Institute of Company Secretaries of India. She is a registered Insolvency Professional with over 29 years post qualification experience. Starting her career as a Cost Accountant, she has worked across various industries and geographies. Presently in full time practice as a Company Secretary, She was a Whole Time Director with Choice Capital Advisors Private Limited, a Merchant Banking company. She is an Independent Director at Polygenta Technologies Limited, Arysta LifeScience India Limited, Steel Exchange India Limited and Vakrangee Limited.

Keeping in view her vast experience and knowledge, it will be in the interest of the Company that Ms. Sujata Chattopadhyay is appointed as an Independent Director of the Company.

The Board recommends the resolution as set out in the Item No.3 of accompanying notice for the approval of Members of the Company as an Ordinary Resolution.

Except Ms. Sujata Chattopadhyay, no other Director, Key Managerial Personnel or their respective relatives are concerned or interested, financially or otherwise, in passing of the said resolution.

Item No.4

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee and subject to the approval of Shareholders and any other approvals as may be required, at its meeting held on August 13, 2018, has unanimously approved re-appointment and payment of remuneration to Dr. B. Samal as Executive Chairman of the Company for a further period of 3 years w.e.f. January 24, 2019 to January 23, 2022 on the terms and conditions as set out in the resolution.

The following additional information as required by the Companies Act, 2013 is given below:

I. GENERAL INFORMATION

(1) **Nature of Industry**: Investment Company registered as Non-Banking Finance Company with the Reserve Bank of India.

(2) **Date or expected date of commencement of commercial production**: Certificate of Commencement of Business dated 10.11.1933.

(3) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus**: N.A.

(4) **Financial performance based on given indicators**: Financial performance of the company during last three years.

Amt. in ₹

Financial Parameters	Year		
	2017-2018	2016-2017	2015-2016
Total Revenue	5,97,81,859	2,14,05,674	17,09,84,057
Net Profit / Loss under Section 198 of the Companies Act, 2013	(78,84,752)	(1,85,68,712)	4,85,35,307
Net Profit / Loss after tax as per Statement of Profit and Loss	(32,25,80,465)	(5,67,50,580)	6,50,84,884

(5) **Export performance and net foreign exchange earnings & collaborations**: The company is not engaged in export business. It does not have any foreign collaboration.

(6) **Foreign investments or collaborations, if any** : None

II. INFORMATION ABOUT THE APPOINTEE:

(1) **Background details:** Dr. B. Samal is on the Board of the Company since March 2008. His educational qualifications are M.Sc. (Ag.), Ph.D (Economics), Post Graduate Diploma in Bank Management conducted by NIBM, Pune. He has more than 35 years of experience in the areas of Banking – Rural Credit, HRD, Security related Market and Industrial Finance. He has served as Chairman & Managing Director of Allahabad Bank and Industrial Investment Bank of India. He was also a member of Securities Appellate Tribunal (SAT), Ministry of Finance, Government of India, Department of Economic Affairs.

Dr. B. Samal attained the age of 70 years on March 02, 2013. As per the provisions of Section 196 read with Schedule V - Part I - Clause (c), approval of the Central Government is not required in case the re-appointment and remuneration is approved by the shareholders by a Special Resolution in the General Meeting.

Keeping in view that Dr. B. Samal has more than three decades of rich and varied experience in Banking and Non-Banking financial sectors and has been involved in the operations of the Company, it would be in the interest of the Company to continue the employment of Dr. B. Samal as an Executive Chairman.

(2) Past remuneration:

Year	Salary	Perquisites	Commission	Others (P.F)	Total
2015-2016	28,69,354/-	15,00,000/-	-	3,44,322/-	47,13,676/-
2016-2017	36,00,000/-	15,00,000/-	-	4,32,000/-	55,32,000/-
2017-2018	36,00,000/-	15,00,000/-	-	4,32,000/-	55,32,000/-

(3) **Recognition or Awards**: Seva Ratna awarded by His Excellency Governor of West Bengal.

(4) **Job Profile and his suitability**:

Dr. B. Samal as Executive Chairman looks after the overall management and day-to-day operations of the Company and plays an active role in business strategy and business development of the Company.

Considering his educational qualifications, vast experience and deep knowledge of the business in which the company operates, the remuneration proposed is justified. His appointment on the Board as Executive Chairman would help the Company for future growth and expansion.

(5) **Remuneration proposed**: As mentioned in the Resolution set out in Item No. 4 of the Notice.

(6) **Comparative remuneration profile**: The remuneration proposed to be paid to him is most reasonable considering the size of the company, the type of industry and his position and profile.

(7) **Pecuniary relationship**: Besides the remuneration being paid to him as the Executive Chairman, he does not have any other pecuniary relationship with the company or any other managerial personnel.

III. Other information:

(1) **Reasons of loss or inadequate profits**: The main activities of the Company comprises of Investment in equity shares, quoted as well as unquoted, units of mutual funds, Fixed deposits with renowned banks, Intercorporate deposits and loans to its Group Companies. The Company derives major portion of its revenue from the interest income on the loans granted to various group companies. On account of loss of interest income on the funds lent by the Company, there is a drag on the Company's performance and its overall profitability.

(2) **Steps taken or proposed to be taken for improvement**: Continuous efforts are being made to recover the loans from the group entities.

(3) **Expected increase in productivity and profits in measurable terms**: The Company is exploring various avenues to generate profits for the Company.

IV. DISCLOSURES

The disclosures on remuneration package of each managerial person and details of all elements of remuneration package, details of fixed components etc. are being given in the Corporate Governance Report and Board's Report attached to the Annual Report (2017-18) for the information of the Shareholders.

The Board of Directors believe that his re-appointment as Executive Chairman is in the interest of the Company and therefore recommends the resolution as set out in the Item No.4 of accompanying notice for the approval of Members of the Company as a Special Resolution.

The terms set out in the resolution and Statement pursuant to Section 102 of the Companies Act, 2013 may be deemed and regarded as memorandum in terms of Section 190 of the Companies Act, 2013.

Except Dr. B. Samal, no other Director, Key Managerial Personnel or their respective relatives are concerned or interested, financially or otherwise, in passing of the said resolution.

Item No.5

The Shareholders of the Company through Postal Ballot concluded on April 21, 2017 had accorded their consent by an Ordinary Resolution to the Board of Directors for Restructuring of Unsecured Loan of ₹ 23,19,87,365/- granted to IITL-Nimbus The Express Park View (EPV II) and the interest outstanding thereon. However the process of restructuring could not be consummated within a period of 120 days as per RBI Prudential Norms. Subsequently, EPV II requested the Company to restructure the said loan on revised terms and conditions.

At the Annual General Meeting of the Company held on September 23, 2017, the Shareholders of the Company had accorded their consent by an Ordinary Resolution to the Board of Directors for Restructuring of Unsecured Loan of ₹ 23,19,87,365/- granted to IITL-Nimbus The E xpress Park View (EPV II) and interest outstanding thereon for the period starting from October 01, 2015 to September 30, 2017.

Accordingly, the Company entered into a Restructuring Agreement with IITL-Nimbus The Express Park View (EPV II), a joint venture of the subsidiary company, IITL Projects Limited on September 25, 2017.

However, due to subdued market conditions, EPV II has not been able to achieve the expected sales volume in the fiscal year 2017-2018 and has failed to service its interest obligation on the outstanding loan from October 01, 2017. Hence, EPV II has expressed its inability to pay the outstanding interest from October 01, 2017 and requested the Company once again to modify the terms of restructuring of the said loan.

Based on the prior approval granted by the Audit Committee in its meeting held on August 13, 2018, the Board of Directors in its meeting held on even date, subject to the approval of shareholders of the Company, accorded its consent for modification in terms of Restructuring of the said outstanding loan and interest thereon.

The related information as envisaged under the Companies (Meetings of Board and its Powers) Rules, 2014 are furnished hereunder:

Maximum Value of Contract / Arrangement / Transaction	
Name and Nature of Relationship with Related Party:	**Particulars of the Transaction**
IITL-Nimbus The Express Park View (EPV II), an Entity under Significant Influence and a Related Party as per the provisions of Section 2(76) of the Companies Act, 2013.	Restructuring of Unsecured Loan of ₹ 23,19,87,365/- granted to IITL-Nimbus The Express Park View (EPV II), a joint venture of the subsidiary company, IITL Projects Limited and interest outstanding thereon, the terms of restructuring are as under: a. (i) Moratorium of four years for a period beginning October 01, 2017 and ending on September 30, 2021 on repayment of outstanding loan of ₹ 23,19,87,365/-. ***(ii) Moratorium of four years for a period beginning October 01, 2017 and ending on September 30, 2021 on payment of interest on the outstanding loan of ₹ 23,19,87,365/-.** *b.Interest outstanding upto March 31, 2016 amounting to ₹ 1,57,64,094/- to be converted into Funded Interest Term Loan (FITL) and a Moratorium to be granted for its repayment and the interest thereon for a period of four years beginning October 01, 2017 and ending on September 30, 2021. The rate of interest to be charged on FITL will be 12% p.a. **(simple interest)**. c. Interest outstanding from April 01, 2016 upto September 30, 2017 amounting to ₹ 5,22,44,826/- to be waived off. *d. Rate of interest to be charged on the outstanding loan of ₹ 23,19,87,365/- will be reduced from 15% p.a. to 12% p.a. **(simple interest)** w.e.f. October 01, 2017 **and to accrue at the end of the moratorium period**. *e. Interest on Loan and FITL for the period October 01, 2017 to September 30, 2021 **to accrue at the end of the moratorium period**. f. Recompense Clause: The Company reserves the right to claim recompense for the interest amount which has been waived off as part of restructuring. g. (i) Promoters' contribution amounting to ₹ 3,06,60,032/- to be brought jointly by the Promoters in EPV II i.e. to the extent of 20% of the total sacrifice amount on account of Diminution in Fair Value of Loan and waiver of interest; and (ii) Obtaining Corporate Guarantee, to the extent of outstanding loan including FITL amounting to ₹ 24,77,51,459/- and accumulated interest thereon to be calculated (On Loan & FITL) upto the end of moratorium period or repayment whichever is earlier from the Promoters' of EPV II in compliance with the relevant provisions of the Prudential Norms of the Reserve Bank of India pertaining to Restructuring of Loans, as amended from time to time.

a) **Name and Nature of Relationship with Related Party**: As provided in the table above.

b) **Nature, duration of the contract and particulars of the contract or arrangement**: As provided in the table above.

c) **Material terms of the contract or arrangement including the value, if any**: As provided in the table above.

d) **Any advance paid or received for the contract or arrangement, if any**: Nil

e) **Manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract**: The transaction is carried out as part of the business requirements of the Company and is on arm's length basis.

f) **Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors**: Yes

g) **Any other information relevant or important for the Board to take a decision on the proposed transactions**: Nil

The Board recommends the resolution as set out in the Item No.5 of accompanying notice for the approval of members of the Company as an Ordinary Resolution.

None of Directors, Key Managerial Personnel and / or their relatives, are interested and / or concerned, financially or otherwise, in passing of the said resolution.

Item No.6

The Company has taken on leave and license basis the residential premises of its subsidiary company, IIT Investrust Limited being Flat Nos. 1101 and 1101A situated on 11th Floor of the building Lokhandwala Galaxy, Byculla, Mumbai for a period of 33 months commencing from August 21, 2016 at a monthly rent of ₹ 1,25,000/- for the purpose of accommodation of the Company's Chairman.

Since the lease period is due to expire on May 20, 2019 and based on the prior approval granted by the Audit Committee in its meeting held on August 13, 2018, the Board of Directors in its meeting held on August 13, 2018, subject to the approval of shareholders of the Company, accorded its consent to renew the leave and license agreement with IIT Investrust Limited for a further period of 33 months with effect from May 21, 2019 at a monthly rent of ₹ 1,25,000/-.

The related information as envisaged under the Companies (Meetings of Board and its Powers) Rules, 2014 are furnished hereunder:

Maximum Value of Contract / Arrangement / Transaction	
Name and Nature of Relationship with Related Party:	**Particulars of the Transaction**
IIT Investrust Limited, a subsidiary of the Company and a Related Party as per the provisions of Section 2(76) of the Companies Act, 2013.	Renewal of the Leave & License Agreement with IIT Investrust Limited for its residential premises being Flat Nos. 1101 and 1101A situated on 11th Floor of the building Lokhandwala Galaxy, Byculla, Mumbai for a further period of 33 months with effect from May 21, 2019 at a monthly rent of ₹ 1,25,000/- for the purpose of accommodation of the Company's Chairman.

a) **Name and Nature of Relationship with Related Party**: As provided in the table above.

b) **Nature, duration of the contract and particulars of the contract or arrangement**: As provided in the table above.

c) **Material terms of the contract or arrangement including the value, if any**: As provided in the table above.

d) **Any advance paid or received for the contract or arrangement, if any**: Nil

e) **Manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract**: The rent is determined based on the prevailing market rates in the same locality.

f) **Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors**: Yes

g) **Any other information relevant or important for the Board to take a decision on the proposed transactions**: Nil

The Board recommends the resolution as set out in the Item No.6 of accompanying notice for the approval of Members of the Company as an Ordinary Resolution.

Except Dr. B. Samal's interest to the extent of occupation of the premises, no other Director, Key Managerial Personnel or their respective relatives are concerned or interested, financially or otherwise, in passing of the said resolution.

Item No. 7

The Company has taken on leave and license basis the residential premises of its wholly owned subsidiary company, IIT Insurance Broking & Risk Management Private Limited being Flat no. 702 on the 7th Floor of Shivam Building situated at 8 Babulnath Road, Near Babulnath Temple, Mumbai 400 007 for a period of 33 months commencing from August 16, 2016 at a monthly rent of ₹ 2,00,000/- for accommodation of the Company's officials and the lease period is due to expire on May 15, 2019.

Based on the prior approval granted by the Audit Committee in its meeting held on August 13, 2018, the Board of Directors in its meeting held on August 13, 2018, accorded its consent subject to the approval of shareholders of the Company for renewal of the Leave & License agreement with the Company's wholly owned subsidiary, IIT Insurance Broking and Risk Management Private Limited and for that purpose, to enter into a leave & license agreement for occupation of the residential premises being flat no. 702 on the 7th Floor of Shivam Building situated at 8 Babulnath Road, Near Babulnath Temple, Mumbai 400 007 for a period of 33 months from May 16, 2019 for accommodation of the Company's officials at a monthly rent of ₹ 2,00,000/-.

The related information as envisaged under the Companies (Meetings of Board and its Powers) Rules, 2014 are furnished hereunder:

Maximum Value of Contract / Arrangement / Transaction	
Name and Nature of Relationship with Related Party:	**Particulars of the Transaction**
IIT Insurance Broking & Risk Management Private Limited, a wholly owned subsidiary of the Company and a Related Party as per the provisions of Section 2(76) of the Companies Act, 2013.	Leave & License agreement with the Company's wholly owned subsidiary, IIT Insurance Broking and Risk Management Private Limited for occupation of their residential premises being flat no. 702 on the 7th Floor of Shivam Building situated at 8 Babulnath Road, Near Babulnath Temple, Mumbai 400 007 for a period of 33 months from May 16, 2019 at a monthly rent of ₹ 2,00,000/- for accommodation of the Company's officials.

a) **Name and Nature of Relationship with Related Party**: As provided in the table above.

b) **Nature, duration of the contract and particulars of the contract or arrangement**: As provided in the table above.

c) **Material terms of the contract or arrangement including the value, if any**: As provided in the table above.

d) **Any advance paid or received for the contract or arrangement, if any**: Nil

e) **Manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract**: The rent is determined based on the prevailing market rates in the same locality.

f) **Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors**: Yes

g) **Any other information relevant or important for the Board to take a decision on the proposed transactions**: Nil

The Board recommends the resolution as set out in the Item No.7 of accompanying notice for the approval of Members of the Company as an Ordinary Resolution.

None of Directors, Key Managerial Personnel and / or their relatives, are interested and / or concerned, financially or otherwise, in passing of the said resolution.

Item No. 8

As per the provisions of Section 20 of the Companies Act, 2013, a document may be served on any member by sending it to him by registered post, by speed post, by electronic mode, or any other modes as may be prescribed. Further a member may request the delivery of document through any other mode by paying such fees as may be determined by the members in the Annual General Meeting.

The Board recommends the resolution as set out in the Item No.8 of accompanying notice for the approval of members of the Company as a Special Resolution.

None of the Directors and the Key Managerial Personnel of the Company and their respective relatives are concerned or interested, financially or otherwise, in passing of the said resolution.

Item No. 9

The Company is primarily a Holding company, holding investments in its subsidiaries and other group companies. The activities of the Company comprises of Investment in equity shares, quoted as well as unquoted, units of mutual funds, Fixed deposits with renowned banks, Intercorporate deposits and loans to its Group Entities.

While it is expected that the internal generation of funds would partially finance the need for capital, it is thought prudent for the Company to have enabling approvals to raise a part of the funding requirements for the said purposes as well as for such other corporate purposes as may be permitted under applicable laws through the issue of appropriate securities as defined in the resolution, in Indian markets.

The Board of Directors, accordingly, at their meeting held on August 13, 2018 has recommended to the shareholders to give their consent through Special Resolution to the Board of Directors or any Committee of the Board to raise funds through issuance of Equity Shares and / or other convertible securities including debentures ["Securities"] as may be appropriate, who may or may not be the existing shareholders, through private placement and / or Qualified Institutional Placement ["QIP"] and / or any other permitted modes at a price to be determined as per the SEBI [Issue of Capital and Disclosure Requirement] Regulations or as per other applicable rules and regulations, to the extent of INR 50 Crores [Rupees Fifty Crores Only] under Section 62 read with Section 179 of the Act and other applicable laws. While no specific instrument or instruments of Securities has been identified at this stage, the Board may opt for an appropriate instrument in the best interest of the Company. Such issue shall be subject to the provisions of the Act and Rules made thereunder, Articles of Association of the Company, Securities and Exchange Board of India [Issue of Capital & Disclosure Requirement] Regulations and other applicable laws.

The Company may also opt for issue of securities through Qualified Institutional Placement in terms of Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ('SEBI Regulations'). A Qualified Institutional Placement (QIP) of the shares of the Company would be less time consuming and more economical than other modes of raising capital.

Pursuant to the provisions of Section 42, 62 and 71 of the Act read with Rule 14 of the Companies [Prospectus and Allotment

of Securities] Rules, 2014, a Company offering or making an invitation to subscribe aforesaid Equity Shares and / or other convertible securities including debentures is required to obtain prior approval of the shareholders by way of a Special Resolution.

In case of issue of convertible securities and / or equity shares the price will be determined on the basis of the current market price and other relevant guidelines. The "relevant date" for the above purpose, shall be -

i) in case of allotment of equity shares, the date of meeting in which the Board decides to open the proposed issue

ii) in case of allotment of eligible convertible securities, either the date of the meeting in which the Board decides to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the equity shares, as may be determined by the Board.

Upon conversion of securities, the resultant equity shares shall rank pari passu with the existing equity shares of the Company and shall rank at par, for all the purpose that is to say dividend, voting and all other rights and liability as attached to the existing equity shares in accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company.

Your Directors consider the said resolution in the interest of the Company and therefore recommend the same for your approval as a Special Resolution.

None of the Directors of the Company or Key Managerial Personnel of the Company or their relatives are concerned or interested in this resolution except to the extent of the new shares that they directly or through group entities, may apply for and be allotted to them in terms of this resolution.

By Order of the Board of Directors
For **Industrial Investment Trust Limited**

Cumi Banerjee
CEO & Company Secretary

Mumbai : August 13, 2018

Registered Office :
14E, Rajabahadur Mansion, 2nd Floor,
28, Bombay Samachar Marg, Mumbai 400 001
CIN: L65990MH1933PLC001998
E-mail address: iitl@iitlgroup.com

DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the Eighty Fifth Annual Report of the Company, together with the Audited Statements of Accounts for the year ended March 31, 2018.

Financial Performance

The summarized standalone and consolidated results of your Company and its subsidiaries are given in the table below.

₹ in Lacs

Particulars	Financial Year ended			
	Standalone		Consolidated	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017
Total Income	597.82	214.06	37170.59	32493.23
Profit/(loss) before Interest, Depreciation & Tax (EBITDA)	(3508.99)	(636.56)	(3922.85)	(2108.87)
Finance Charges	0.07	0.80	1158.95	621.24
Depreciation	6.25	8.63	58.91	60.11
Exceptional Items	-	-	(433.64)	-
Provision for Tax (including for earlier years)	(289.50)	(78.48)	(299.68)	(43.58)
Net Profit/(Loss) After Tax	(3225.81)	(567.51)	(4407.39)	(2746.64)
Profit/(Loss) brought forward from previous year	4187.22	4754.72	(545.09)	2006.70
Share in Profit / (Loss) for Associate for the year	-	-	33.95	40.23
Share in Profit / (Loss) Attributable to Minority interest	-	-	0.00	122.92
Less: Reversal of tax on proposed dividend for an earlier year by a jointly controlled entity	-	-	-	(31.70)
Profit/(Loss) carried to Balance Sheet	961.41	4187.22	(4918.53)	(545.09)
From this, the Directors have transferred to:				
Special Reserve	-	-	-	-
General Reserve	-	-	-	-
Capital Redemption Reserve	-	-	-	-
Leaving a balance to be carried forward	961.41	4187.22	(4918.53)	(545.09)

*previous year figures have been regrouped/rearranged wherever necessary.

Results of operations and state of Company's affairs

During the year, the Company has incurred pre-tax Loss of ₹ 3515.30 lakhs as compared to pre-tax loss of ₹ 645.99 lakhs in the previous year. The Revenue from operations during the year was ₹ 597.82 lakhs compared to ₹ 214.06 lakhs in the previous year. The increase in Income is on account of Profit on sale of investment properties during the current year. The Company has made provision for sub-standard and doubtful assets in the current year of ₹ 3740.74 as compared to ₹ 449.78 lakhs in the previous year.

Business Overview

The Company is registered with Reserve Bank of India (RBI) as a Non-Deposit taking Non- Banking Financial Company (NBFC). It is a 'Systemically Important Non-Deposit taking NBFC' with its total assets being more than ₹ 500 Crores. It is primarily a Holding Company, holding investments in its subsidiaries and other group Companies. The activities of the Company comprises of Investment in equity shares quoted as well as unquoted, units of mutual funds, Fixed deposits with renowned Banks, Inter-Corporate Deposits and Loans to its Group Companies. The Committee of Investments / Loans and Risk Management is entrusted with the power to make investments and grant loans and the Board of Directors is apprised of the investments of the Company and monitors the deployment of resources on regular basis.

The details of the Company's investments and analysis of securities held are given in Note No. 2.9 to the Balance Sheet as on March 31, 2018. The loans to subsidiaries and other entities within the group and interest income on the same are disclosed in Note No. 2.24 to the Balance Sheet as on March 31, 2018.

Material changes and commitments occurred after the close of the year till date of this report which affects the financial position of the Company

The Reserve Bank of India (RBI) vide its Letter dated June 25, 2018 has prohibited the Company not to expand its credit / investment portfolio other than investment in Government Securities till Net NPAs are brought down to below 5%.

RBI vide its said letter directed the Company to place the same in the ensuing Board Meeting and submit the Compliance Report on the action taken on the supervisory concerns.

The Board in its meeting held on August 13, 2018 discussed and deliberated on the issues raised by RBI. The Company shall submit an action plan to RBI on the same.

Dividend

In view of losses incurred by the Company, your Directors have not recommended any dividend for the financial year 2017-2018.

Management Discussion and Analysis

Management Discussion and Analysis comprising an overview of the financial results, operations / performance and the future prospects of the Company form part of this Annual Report.

Change in Capital Structure

During the year under review, there was no change in the Capital Structure of the Company.

As on March 31, 2018, the issued, subscribed and paid up share capital of your Company stood at ₹ 22,54,75,500/-, comprising 2,25,47,550 Equity Shares of ₹ 10/- each.

Extract of Annual Return

Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return is appended as **Annexure 1**.

Consolidated Accounts

The Consolidated Financial Statements of your Company for the financial year 2017-18, are prepared in compliance with applicable provisions of the Companies Act, 2013, Accounting Standard and

the Listing Regulations. The Consolidated Financial Statements have been prepared on the basis of audited financial statements of the Company, its subsidiaries, associate and joint venture companies, as approved by their respective Board of Directors.

Subsidiary, Associate and Joint Ventures Companies

Pursuant to sub-section (3) of section 129 of the Act, the statement containing the salient features of the financial statement of company's subsidiaries, associate and joint venture Companies is given as **Annexure 2**.

Brief particulars about the business of each of the Subsidiaries and Joint Venture / Associate Companies is given hereunder:-

Subsidiary Companies:

a. IIT Investrust Limited (IITIL)

IITIL is into Stock Broking and Depository facilities. Besides that, IITIL also provides Advisory and Consultancy services to various Body Corporates.

b. IITL Projects Limited - (IITLPL)

IITLPL is listed on Bombay Stock Exchange and certified as ISO 9001:2008 Company.

IITLPL is engaged in Real Estate business, construction of residential complex in the National Capital Region (NCR). It has acquired a plot of land on long term lease, under Builders Residential Scheme (BRS) of the Greater Noida Industrial Development Authority (GNIDA).

Apart from constructing its own project, IITLPL is also engaged in construction of residential flats through Special Purpose Vehicles (SPVs) and these SPVs have been allotted plots of land on long term lease, under Builders Residential Scheme (BRS) of the New Okhala Industrial Development Authority (NOIDA) and Yamuna Expressway Authority (YEA). The total lease hold area allotted to the Company alongwith SPVs is around 2,65,000 sq. meters and the projects are under various stages of construction.

Project developed by the Company:

Express Park View I: This project is completed and the flats are being allotted to the buyers.

Projects being developed by the Company jointly with SPVs:

1) The Hyde Park
2) The Golden Palms
3) Express Park View-II
4) The Golden Palm Village: The firm has made an application under Project Settlement Policy (PSP) to Yamuna Expressway Industrial Development Authority (YEIDA) for partial surrender of project land, which is principally accepted by YEIDA and the application is under process with them for final disposal and has also temporarily suspended the operations due to subdued market conditions.

c. IIT Insurance Broking and Risk Management Private Limited (IIT Insurance)

During the year under review, two branches were closed. The total number of operational offices at the year end stood at 2.

d. IITL Corporate Insurance Services Private Limited (ICISPL)

In January 2014, the Company had incorporated a wholly owned subsidiary viz. IITL Corporate Insurance Services Private Limited (ICISPL) for undertaking the business of corporate agency (for category Life) of Future Generali India Life Insurance Company Limited (FGILICL).

However, subsequent to withdrawal of application for undertaking Corporate Agency business (Category: Life), ICSPL has not commenced any business till date.

Joint Venture / Associate Companies:

a. Future Generali India Life Insurance Company Limited (FGILICL), a Joint Venture:

In the year 2013, the Company had made an investment of ₹ 340 Crores in Future General India Life Insurance Company Limited to acquire 22.5% of its equity capital. Subsequent to the acquisition, FGILICL is a joint venture of the Company.

Between August 2016 to June 2018, FGILICL has made six Rights Issues. The Company did not subscribe in any of Rights Issues. Subsequent to Rights Issues, the Company's equity stake reduced from 22.50% to 18.80% as on March 31, 2018 and further reduced to 18.43% in June 2018.

b. World Resorts Limited, an Associate Company:

WRL is into the business of hospitality and owns and operates a Five Star Resort by the name "Golden Palms Hotel & Spa", Off. Tumkur Road, Bangalore. It also manages and operates hotels under the brand "Golden Palms". WRL also has a wholly owned subsidiary company by the name, MRG Hotels Private Limited which owns a Hotel in Mussoorie.

Internal financial controls and their adequacy

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of fraud, error reporting mechanisms, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

M/s Patankar Sawant & Co., Chartered Accountants, a consulting / audit firm were appointed for determining the adequacy and operating effectiveness of the existing Internal Financial Controls over Financial Reporting of the Company on behalf of the management.

They have observed that there are no material weaknesses in the financial controls of the Company. Based on the above, management believes that adequate internal financial controls exist in relation to its Financial Statements.

Indian Accounting Standards

The Ministry of Corporate Affairs (MCA), vide its notification in the Official Gazette dated February 16, 2015, notified the Indian Accounting Standards (Ind AS) applicable to certain classes of companies. Ind AS has replaced the existing Indian GAAP prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

NBFCs having net worth of ₹ 500 crores or more alongwith its Holding, subsidiary, joint venture or associate companies are required to prepare Ind AS based financial statements for accounting periods beginning from April 1, 2018 onwards with comparatives for the periods ending March 31, 2018 or thereafter. Ind AS would be applicable to both consolidated and standalone financial statements. For your Company, Ind AS is applicable from April 01, 2018.

Directors and Key Managerial Personnel

Appointment

The Board of Directors on the recommendation of the Nomination and Remuneration Committee vide Circular Resolution dated September 26, 2017 had appointed Ms. Sujata Chattopadhyay as an Additional Director in the category of Independent Woman Director with effect from September 26, 2017. We seek your confirmation for appointment of Ms. Sujata Chattopadhyay as an Independent Director for a term upto five consecutive years with effect from September 21, 2018 up to the 90th Annual General Meeting of the Company to be held in 2023 for the year ended March 31, 2023.

The Company has received Notice in writing from a Member under Section 160 of the Act proposing the candidature of Ms. Sujata Chattopadhyay for the office of Independent Director of the Company.

Dr. B. Samal was appointed as Executive Chairman of the Company for a period of 3 years w.e.f. January 24, 2016 to January 23, 2019. The Nomination and Remuneration Committee in its meeting held on August 13, 2018 has recommended his appointment for a further period of 3 years w.e.f. January 24, 2019 to January 23, 2022. The Board in its meeting held on even date has granted its approval for the appointment of Dr. B. Samal as Executive Chairman of the Company for a further period of 3 years subject to the approval of the Members at the ensuing Annual General Meeting and subject to any other approval as required by Law.

Based on the recommendation of the Nomination and Remuneration Committee and approval of Audit Committee, the Board of Directors appointed Mr. Hemang Ladani as Group Chief Financial Officer of the Company as well as designated him as "Key Managerial Personnel" (KMP), pursuant to Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, w.e.f. April 20, 2018.

Retiring by Rotation

In accordance with the Articles of Association of the Company, Mr. Deb Kumar Banerjee, Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Familarisation Programme

The Company conducts suitable familiarisation programme for Independent Directors so as to associate themselves with the nature of the industry in which the Company operates and business model of the Company in addition to regular presentations on financial statements and other relevant data. In addition to the above, Directors are periodically advised about the changes effected in the Corporate Law, Listing regulations and RBI regulations with regard to their roles, rights and responsibilities as Directors of the Company.

The details of the familiarisation programme have been disclosed and updated from time to time on the Company's website and its weblink is http://www.iitlgroup.com/newStatic/AboutUs.aspx.

Meetings of the Board

Five meetings of the Board of Directors were held during the year. For further details, please refer Report on Corporate Governance.

Directors' Responsibility Statement

Pursuant to Section 134(3)(c) of the Companies Act, 2013, your Directors, to the best of their knowledge and belief, make following statements that:

(a) In preparation of the annual accounts for the year ended March 31, 2018, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

(b) Such accounting policies have been selected 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 as at March 31, 2018 and loss of the Company for the year ended on that date;

(c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) The annual accounts have been prepared on a going concern basis;

(e) The proper internal financial controls were in place and that such internal financial controls are adequate and were operating effectively;

(f) The systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

Corporate Governance

Your Company has been practicing the principles of good Corporate Governance over the years and it is a continuous and ongoing process. A detailed Report on Corporate Governance practices followed by your Company as prescribed by SEBI in Chapter IV read with Schedule V of Listing Regulations together with a Certificate from the Auditors confirming compliance with the conditions of Corporate Governance are provided separately in this Annual Report.

Declaration by Independent Directors

The Company has received declarations from all the Independent Directors of the Company, confirming that, they meet the criteria of independence as prescribed both under Section 149(7) of the Companies Act, 2013 and Regulation 16(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Policy on appointment and remuneration for Directors, Key Managerial Personnel and senior management employees

The Board of the Directors has framed the policy which lays down a framework in relation to Remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members. The Nomination and Remuneration Policy is uploaded on the Company's weblink viz. http://www.iitlgroup.com/newStatic/AboutUs.aspx.

Related Party Transactions

The Company has laid down a Related Party Transaction (RPT) Policy for purpose of identification and monitoring of such transactions. The policy on Related Party Transaction as approved by the Board is uploaded on the Company's weblink viz. http://www.iitlgroup.com/newStatic/AboutUs.aspx.

All Related Party Transactions are placed before the Audit Committee and also the Members / Board for their approval, wherever necessary.

The details of the related party transactions as per Accounting Standard 18 are set out in Note No 2.24 to the Standalone Financial Statements forming part of this report.

All RPTs entered during the financial year by the Company are in ordinary course of business and on an arms' length basis. Particulars of material contracts or arrangements made with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2, is appended as **Annexure 3** to the Directors' Report.

Corporate Social Responsibility (CSR)

The Corporate Social Responsibility Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board.

The CSR Policy is disclosed on the Company's website http://www.iitlgroup.com/newStatic/AboutUs.aspx.

As part of CSR initiative, your Company during the financial year 2017-18 made total contribution of ₹ 7,60,000/-, out of which ₹ 5,00,000/- was given to Nav Bharat Sewa Samiti towards promoting primary health care and sanitation related activities and balance amount of ₹ 2,60,000/- to Prime Minister's National Relief Fund for the Socio Economic development and relief and funds for welfare of scheduled caste, scheduled tribes, other backward classes, minorities and women as prescribed under Schedule VII of the Companies Act, 2013.

The report on CSR activities is attached as **Annexure 4** to this Report.

Secretarial Audit

Pursuant to provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Company has appointed M/s. Chandanbala Jain & Associates, Practicing Company Secretary (CP No. 6400), to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is included as **Annexure 5** and forms an integral part of this report. The Secretarial Auditor in the report has made an observation that the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except the appointment of Woman Director and CFO where there was a delay of 26 days and approximately 3 months respectively.

With regard to the observations made by the Secretarial Auditor in their report, your Directors wish to state that the Company continued its effort for filling the vacancy till suitable candidates were identified.

Particulars of Loans given, Investments made, Guarantees given and Securities provided

The provisions of Section 186 of the Act pertaining to investment and lending activities is not applicable to the Company, since the Company is a Non-Banking Financial Company whose principal business is acquisition of securities.

Details of guarantees and/or security in connection with loans to other bodies corporates or persons as covered under the provisions of Section 186 of the Act, are given in the Notes to the Financial Statements.

Capital Adequacy Ratio

Your Company's Capital to Risk Assets Ratio (CRAR) calculated in line with Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 ("RBI Directions") stood at 66.50% above the regulatory minimum of 15%. Your Company's asset size is ₹ 508.48 crores. The Company has received a certificate from the Auditors of the Company, M/s. Chaturvedi & Shah, Chartered Accountants, pursuant to Non-Banking Financial Companies Auditors' Report (Reserve Bank of India) Directions, 2008 confirming compliance of the conditions with respect to Systemically Important Non-Deposit taking Non-Banking Financial Companies.

Conservation of energy, technology absorption, foreign exchange earnings and outgo:

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

(A) Conservation of energy: Not Applicable

(B) Technology absorption: Not Applicable

(C) Foreign exchange earnings and Outgo: The Company had no foreign exchange earnings and outgo during the financial year.

Risk Management

The Company has formulated a Risk Management Policy. The Company through the Committee for Investments / Loans and Risk Management identifies, evaluates, analyses and prioritise risks in order to address and minimize such risks. This facilitates identifying high level risks and implement appropriate solutions for minimizing the impact of such risks on the business of the Company. The Committee submits its recommendations and comments for Board's review and necessary action.

Vigil Mechanism / Whistle Blower Policy

The Company has a Vigil Mechanism / Whistle Blower Policy to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct. The details of the Vigil Mechanism policy have been provided in the Corporate Governance Report and also disclosed on the website of the Company viz http://www.iitlgroup.com/newStatic/AboutUs.aspx.

Evaluation of the Board, its Committees and individual Directors

The Nomination and Remuneration Policy of the Company empowers the Nomination and Remuneration Committee to formulate a process for evaluating the performance of Directors, Committees of the Board and the Board as a whole.

The process for evaluation of the performance of the Director(s) / Board / Committees of the Board for the financial year 2017-2018 was initiated by the Nomination and Remuneration Committee, by sending out questionnaires designed for the performance evaluation of the Directors, Committees, Chairman and the Board as a whole. The Committee also forwarded their inputs to the Board for carrying out the Performance Evaluation process effectively.

In terms of provisions of Companies Act, 2013 and Schedule II - Part D of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board carried out the annual performance evaluation of its own including the various Committees and individual Directors with a detailed questionnaire covering various aspects of the Boards functioning like, composition of Board and its Committees, Board culture, performance of specific duties and obligations.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated. Based on the feedback received from the Independent Directors and taking into account the views of Executive Directors and the Non-Executive Directors, the Board evaluated its performance on various parameters such as composition of Board and its committees, experience and competencies, performance of duties and obligations, contribution at the meetings and otherwise, independent judgment, governance issues, effectiveness of flow of information.

Auditors and Auditors' Report

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the rules made thereunder, M/s. Chaturvedi & Shah, Chartered Accountants, registered with the Institute of Chartered Accountants of India under Firm registration no. 101720W, have been appointed as the Statutory Auditors of the Company for a term of five years starting from the conclusion of 84th Annual General Meeting held on September 23, 2017 till the conclusion of the 89th Annual general Meeting of the Company to be held in the year 2022.

As per the amended provisions of the Companies Act, 2017 notified on 07.05.2018, Company is not required to ratify the appointment of auditors at every annual general meeting, therefore, it is not proposed to ratify the appointment of auditors at the ensuing Annual General Meeting.

M/s. Chaturvedi & Shah, Chartered Accountants, have carried out Statutory Audit and the Notes on financial statement referred to in the Auditors' Report issued by them are self-explanatory and hence do not call for any further comments under Section 134 of the Act. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Significant and material orders passed by the regulators

During the period under review, there were no significant and material orders passed by the regulators/ courts or tribunals that would impact going concern status of the Company and its future operations.

Transfer of Unclaimed Dividend amounts to Investor Education and Protection Fund

In terms of Rule 5(4) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, a sum of ₹ 6,17,451/- lying with the Company as unclaimed dividend for the year 2009 - 2010 i.e. for a period of seven years from the date they became due for payment, were transferred during the period under review to the Investor Education and Protection Fund.

Pursuant to Rule 5(8) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has already filed the necessary form and uploaded the details of unpaid and unclaimed amounts lying with the Company, as on the date of last AGM (i.e. September 23, 2017), with the Ministry of Corporate Affairs.

Transfer of Equity Shares to Investor Education and Protection Fund (IEPF) Account on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more

According to the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall be transferred to the demat account of the IEPF Authority. Accordingly, the Company has transferred 2,59,037 Equity shares to IEPF account as per the requirements of the IEPF rules. The details are available on our website, at http://www.iitlgroup.com/newStatic/InvestorRelations.aspx.

Particulars of Employees and related disclosures

A) Details of the ratio of the remuneration of each Director to the median employee's remuneration and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

S. No.	Name of Director / KMP and Designation	Remuneration of Director/ KMP for financial year 2017-18 (in ₹)	% increase in Remuneration in the financial year 2017-18	Ratio of remuneration of each Director / to median remuneration of employees
1	Dr. B. Samal, Executive Chairman	55,32,000	0%	13.27
2	Mr. Bipin Agarwal, Non Executive Director	3,00,000 (Sitting fees)	(9%)	0.72
3	Mr. Venkatesan Narayanan, Independent Director	6,90,000 (Sitting fees)	21%	1.66
4	Mr. Subhash Bhargava, Independent Director	6,90,000 (Sitting fees)	10%	1.66
5	Mrs. Bhagyam Ramani, Independent Director $	90,000 (Sitting fees)	Not Applicable	0.22
6	Mr. Deb Kumar Banerjee (LIC Nominee), Non Executive Director	4,50,000 (Sitting fees)	15%	0.83
7	Ms. Sujata Chattopadyay @	1,20,000	Not Applicable	0.29
8	Ms. Cumi Banerjee, Chief Executive Officer & Company Secretary	33,00,000	2%	Not Applicable
9	Mr. Kaushik Desai, Chief Financial Officer#	7,86,438	Not Applicable	Not Applicable

$ Mrs. Bhagyam Ramani resigned as Director w.e.f. 01.06.2017
@ Ms. Sujata Chattopdadyay was appointed as Additional Director w.e.f. 26.09.2017
# Mr. Kaushik Desai resigned from the close of the business hours on 08.08.2017

Note: The remuneration to Directors includes sitting fees paid to them for the financial year 2017-18.

Notes:-

i) Median remuneration of employees of the Company during the financial year 2017-2018 was ₹ 4,16,776/-.

ii) Median remuneration of employees of the Company during the financial year 2016-2017 was ₹ 4,71,948/-. In the financial year, there was a decrease of 11.69% in the median remuneration of employees.

iii) There were 12 confirmed employees on the rolls of the Company as on March 31, 2018.

iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2017-18 was 7.11% whereas the increase in the managerial remuneration for the same financial year was 0.59%. (This excludes the salaries of the newly joined and resigned employees during the same financial year).

v) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees.

B) Details of every employee of the Company as required pursuant to rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

During the year under consideration, none of the employees of the company was in receipt of remuneration in excess of limits prescribed under clause 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Hence particulars as required under 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 have not been provided.

Public Deposits

During the year under review, the Company has not accepted any deposits from the public.

Disclosures under Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013

In accordance with the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013, Internal Complaints Committee (ICC) has been set up to redress complaints. ICC has not received any complaints during the financial year 2017-18.

Acknowledgement

Your Directors place on record their appreciation for employees at all levels, who have contributed to the growth and performance of your Company.

Your Directors thank the bankers, shareholders and advisers of the Company for their continued support.

Your Directors also thank the Central and State Governments and other statutory authorities / regulators for their continued support.

For and on behalf of the Board
Industrial Investment Trust Limited

Dr. B. Samal
Chairman
(DIN: 00007256)

Date : August 13, 2018
Place : Mumbai

Annexure 1

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2018 of
INDUSTRIAL INVESTMENT TRUST LIMITED

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

I. REGISTRATION AND OTHER DETAILS:

i)	CIN:	L65990MH1933PLC001998
ii)	Registration Date:	10.08.1933
iii)	Name of the Company	INDUSTRIAL INVESTMENT TRUST LIMITED
iv)	Category/ Sub-Category of the Company	Public Company / Limited by shares
v)	Address of the Registered office and contact details	Rajabahadur Mansion, 2nd Floor, Bombay Samachar Marg, Fort, Mumbai 400001 Maharashtra. Tel: 022-43250100; Fax: 022-22651105 Email: iitl@iitlgroup.com
vi)	Whether shares listed on recognized Stock Exchange(s) - Yes / No	Yes - BSE Limited and National Stock Exchange of India Limited
vii)	Name, Address and contact details of Registrar and Tranfer Agent, if any	Link Intime India Private Limited C-101, 247 Park, L. B. S. Marg, Vikhroli (W), Mumbai 400083. Tel: 022-4918 6000 Email: mt.helpdesk@linkintime.co.in

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
1	Interest Income on Loans and Fixed Deposits with Banks	64990	90.08

III. PARTICULARS OF HOLDING, SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES -

S. No.	NAME AND ADDRESS OF THE COMPANY	CIN / GLN	Holding / Subsidiary / Associate / JV	% of shares held	Applicable section
1	**IITL PROJECTS LIMITED** Rajabahadur Mansion, 2nd Floor, Bombay Samachar Marg, Fort, Mumbai 400001	L01110MH1994PLC082421	Subsidiary	71.74	2(87)
2	**IIT INSURANCE BROKING AND RISK MANAGEMENT PRIVATE LIMITED** Rajabahadur Mansion, 2nd Floor, Bombay Samachar Marg, Fort, Mumbai 400001	U67190MH2008PTC187076	Subsidiary	100.00	2(87)
3	**IIT INVESTRUST LIMITED** Rajabahadur Mansion, 2nd Floor, Bombay Samachar Marg, Fort, Mumbai 400001	U67190MH1992PLC070247	Subsidiary	99.00	2(87)

4	**IITL CORPORATE INSURANCE SERVICES PRIVATE LIMITED** Rajabahadur Mansion, 2nd Floor, Bombay Samachar Marg, Fort, Mumbai 400001	U66000MH2014PTC252349	Subsidiary	100.00	2(87)
5	**WORLD RESORTS LIMITED** 31/32, Nagrur, Dasanpura Hobli, Off. Tumkur Road, Bangalore 562123	U85110KA1995PLC017694	Associate	25.00	2(6)
6	**FUTURE GENERALI INDIA LIFE INSURANCE COMPANY LIMITED** Indiabulls Finance Centre, Tower 3, 6th Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai-400 013	U66010MH2006PLC165288	Joint Venture	18.80	2(6)

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	50000	0	50000	0.22	50000	0	50000	0.22	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	9382067	0	9382067	41.61	9382067	0	9382067	41.61	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub- total (A) (1)	**9432067**	**0**	**9432067**	**41.83**	**9432067**	**0**	**9432067**	**41.83**	**0.00**
2. Foreign									
a) NRIs-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Body Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other…	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A)(2)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
Total Shreholding of Promoter (A)=(A)(1)+(A)(2)	**9432067**	**0**	**9432067**	**41.83**	**9432067**	**0**	**9432067**	**41.83**	**0.00**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/FI	35700	34950	70650	0.31	35700	34280	69980	0.31	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	37200	37200	0.17	0	37200	37200	0.17	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	1191998	250	1192248	5.29	1191998	250	1192248	5.29	0.00
g) FIIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1):-	**1227698**	**72400**	**1300098**	**5.77**	**1227698**	**71730**	**1299428**	**5.77**	**0.00**

2. Non- Institutions									
a) Bodies Corp									
i) Indian	399075	13550	412625	1.83	148550	13050	161600	0.72	-1.11
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	689064	535891	1224955	5.44	671499	332910	1004409	4.45	-0.99
ii) individual Shareholders holding nominal capital in excess of ₹ 1 lakh	132716	104000	236716	1.05	368349	60000	428349	1.90	+0.85
c) Others (specify)									
Foreign Nationals	13500	0	13500	0.06	13500	0	13500	0.06	0.00
Hindu Undivided Family	24931	0	24931	0.11	70497	0	70497	0.31	+0.20
Non Resident Indians (Repat)	2891	1000	3891	0.02	3713	0	3713	0.02	-0.00
Non Resident Indians (Non Repat)	12936	48500	61436	0.27	15725	19600	35325	0.16	-0.11
Clearing Member	12014	0	12014	0.05	14308	0	14308	0.06	+0.01
Trusts	6267	41500	47767	0.21	6267	41500	47767	0.21	0.00
Investor Education And Protection Fund Authority Ministry Of Corporate Affairs	0	0	0	0	259037	0	259037	1.15	+1.15
Sub-total (B)(2):-	**1293394**	**744441**	**2037835**	**9.04**	**1571445**	**467060**	**2038505**	**9.04**	**+0.00**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**2521092**	**816841**	**3337933**	**14.81**	**2799143**	**538790**	**3337933**	**14.81**	**+0.00**
C. Shares held by Custodian for GDRs & ADRs									
i. Promoter and Promoter group	0	0	0	0.00	0	0	0	0.00	0.00
ii. Public	9777550	0	9777550	43.36	9777550	0	9777550	43.36	0.00
Sub-total C:-	**9777550**	**0**	**9777550**	**43.36**	**9777550**	**0**	**9777550**	**43.36**	**0.00**
Grand Total (A+B+C)	**21730709**	**8166841**	**22547550**	**100.00**	**22008760**	**538790**	**22547550**	**100.00**	**0.00**

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged / encumbered to total shares	% change in share holding during the year
1	N.N. Financial Services Pvt Ltd	7087960	31.44	0.00	7087960	31.44	0.00	0.00
2	Nimbus India Ltd	2294107	10.17	0.00	2294107	10.17	0.00	0.00
3	Bipin Agarwal	25000	0.11	0.00	25000	0.11	0.00	0.00
4	Swarn Mohinder Singh	25000	0.11	0.00	25000	0.11	0.00	0.00

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

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
1	**N.N. Financial Services Pvt Ltd**				
	At the beginning of the year	7087960	31.44	7087960	31.44
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	N.A.	7087960	31.44
	At the End of the year	7087960	31.44	7087960	31.44
2	**Nimbus India Ltd**				
	At the beginning of the year	2294107	10.17	2294107	10.17
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	N.A.	2294107	10.17
	At the End of the year	2294107	10.17	2294107	10.17
3	**Bipin Agarwal**				
	At the beginning of the year	25000	0.11	25000	0.11
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	N.A.	25000	0.11
	At the End of the year	25000	0.11	25000	0.11
4	**Swarn Mohinder Singh**				
	At the beginning of the year	25000	0.11	25000	0.11
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	N.A.	25000	0.11
	At the End of the year	25000	0.11	25000	0.11

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Top 10 Shareholders	No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
1	**Life Insurance Corporation of India**				
	At the beginning of the year	1192248	5.29	1192248	5.29
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the End of the year (or on the date of separation, if separated during the year)	1192248	5.29	1192248	5.29

2	**Naishadh Jawahar Paleja**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	Acquisition of Shares 12.01.2018	125000	0.55	125000	0.55
	At the End of the year (or on the date of separation, if separated during the year)	125000	0.55	125000	0.55
3	**Nippy Trading Private Limited**				
	At the beginning of the year	69581	0.31	69581	0.31
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	No Change	N.A.	69581	0.31
	At the End of the year (or on the date of separation, if separated during the year)	69581	0.31	69581	0.31
4	**Vivek Kumar Bansal**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	Acquisition of Shares 02.02.2018	68502	0.30	68502	0.30
	At the End of the year (or on the date of separation, if separated during the year)	68502	0.30	68502	0.30
5	**Shashikant Jain**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	Acquisition of Shares 12.01.2018	33000	0.15	33000	0.15
	At the End of the year (or on the date of separation, if separated during the year)	33000	0.15	33000	0.15
6	**Shashikant Jain (HUF)**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	Acquisition of Shares 12.01.2018	32000	0.14	32000	0.14
	At the End of the year (or on the date of separation, if separated during the year)	32000	0.14	32000	0.14
7	**Official Trustee Bombay**				
	At the beginning of the year	30000	0.13	30000	0.13
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	No Change	N.A.	30000	0.13
	At the End of the year (or on the date of separation, if separated during the year)	30000	0.13	30000	0.13

8	**Bank of India**				
	At the beginning of the year	28110	0.12	28110	0.12
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	N.A.	28110	0.12
	At the End of the year (or on the date of separation, if separated during the year)	28110	0.12	28110	0.12
9	**Vinay Somani**				
	At the beginning of the year	16001	0.07	16001	0.07
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	Acquisition of Shares 07.04.2017	100	0.00	16101	0.07
	Acquisition of Shares 14.04.2017	100	0.00	16201	0.07
	Sale of Shares 19.05.2017	-4	-0.00	16197	0.07
	Acquisition of Shares 26.05.2017	16001	0.07	32198	0.14
	Sale of Shares 02.06.2017	-16099	-0.07	16099	0.07
	Sale of Shares 09.06.2017	-96	-0.00	16003	0.07
	Acquisition of Shares 07.07.2017	200	0.00	16203	0.07
	Acquisition of Shares 11.08.2017	799	0.01	17002	0.08
	Acquisition of Shares 18.08.2017	500	0.00	17502	0.08
	Acquisition of Shares 01.09.2017	2225	0.01	19727	0.09
	Acquisition of Shares 08.09.2017	3501	0.01	23228	0.10
	Acquisition of Shares 15.09.2017	25974	0.12	49202	0.22
	Sale of Shares 29.09.2017	-200	0.00	49002	0.22
	Sale of Shares 30.09.2017	-24501	-0.11	24501	0.11
	Acquisition of Shares 06.10.2017	835	0.00	25336	0.11
	Acquisition of Shares 13.10.2017	1892	0.01	27228	0.12
	Acquisition of Shares 20.10.2017	374	0.00	27602	0.12
	Sale of Shares 27.10.2017	-600	0.00	27002	0.12
	Acquisition of Shares 11.11.2017	1	0.00	27003	0.12
	Acquisition of Shares 17.11.2017	1	0.00	27004	0.12
	At the End of the year (or on the date of separation, if separated during the year)	27004	0.12	27004	0.12
10	**Sangeeta Jain**				
	At the beginning of the year	26645	0.12	26645	0.12
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	N.A.	26645	0.12
	At the End of the year (or on the date of separation, if separated during the year)	26645	0.12	26645	0.12
11	**Pushpak Trading and Consultancy Pvt. Ltd.#**				
	At the beginning of the year	98900	0.44	98900	0.44
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	Sale of Shares 05.01.2018	-1000	-0.01	97900	0.43
	Sale of Shares 12.01.2018	-97900	-0.43	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	0	0.00	0	0.00

12	**Mokha Vyapaar Pvt. Ltd#**				
	At the beginning of the year	74845	0.33	74845	0.33
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	Sale of Shares 05.01.2018	-1000	-0.00	73845	0.33
	Sale of Shares 12.01.2018	-73845	-0.33	0	0.00
	At the End of the year (or on the date of separation, if separated during the year)	0	0.00	0	0.00
13	**C S Leasefin Limited#**				
	At the beginning of the year	68502	0.30	68502	0.30
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	Sale of Shares 02.02.2018	-68502	-0.30	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	0	0.00	0	0.00
14	**Brothers Trading Private Limited#**				
	At the beginning of the year	46969	0.21	46969	0.21
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	Sale of Shares 22.12.2017	-1000	-0.01	45969	0.20
	Sale of Shares 06.01.2018	-45969	-0.20	0	0.00
	At the End of the year (or on the date of separation, if separated during the year)	0	0.00	0	0.00
15	**Rustom Nusserwanji Cooper#**				
	At the beginning of the year	24000	0.11	24000	0.11
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	Transfer to IEPF	24000	-0.11	0	0.00
	At the End of the year (or on the date of separation, if separated during the year)	0	0.00	0	0.00
16	**The Governor of Madhya Pradesh#**				
	At the beginning of the year	23000	0.10	23000	0.10
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	N.A.	23000	0.10
	At the End of the year (or on the date of separation, if separated during the year)	23000	0.10	23000	0.10

Ceased to be in the list of Top 10 shareholders as on 31.03.2018. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01.04.2017.

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
	DIRECTORS:				
1	**Bipin Agarwal**				
	At the beginning of the year	25000	0.11	25000	0.11
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	N.A.	25000	0.11
	At the End of the year	25000	0.11	25000	0.11
2	**Dr. Bidhubhushan Samal**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	N.A.	0	0.00
	At the End of the year	0	0.00	0	0.00
3	**Venkatesan Narayanan**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	N.A.	0	0.00
	At the End of the year	0	0.00	0	0.00
4	**Subhash Bhargava**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	N.A.	0	0.00
	At the End of the year	0	0.00	0	0.00
5	**Bhagyam Ramani (up to 01.06.2017)**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	N.A.	0	0.00
	At the End of the year	0	0.00	0	0.00
6	**Deb Kumar Banerjee**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	N.A.	0	0.00
	At the End of the year	0	0.00	0	0.00

7	**Sujata Chattopadyay (Additional Director w.e.f. 26.09.2017)**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	N.A.	0	0.00
	At the End of the year	0	0.00	0	0.00
KEY MANAGERIAL PERSONNEL:					
1	**Cumi Banerjee**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	N.A.	0	0.00
	At the End of the year	0	0.00	0	0.00
2	**Kaushik Desai (up to 08.08.2017)**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	N.A.	0	0.00
	At the End of the year	0	0.00	0	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment **(Amount in ₹)**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	297929	NIL	NIL	297929
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	**297929**	**NIL**	**NIL**	**297929**
Change in Indebtedness during the financial year				
* Addition	NIL	NIL	NIL	NIL
* Reduction	297929	NIL	NIL	297929
Net Change	**297929**	**NIL**	**NIL**	**297929**
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	**NIL**	**NIL**	**NIL**	**NIL**

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole -time Directors and /or Manger: **(Amount in ₹)**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager
		Dr. B. Samal
1	Gross salary	
	a) Salary as per provisions contained in section 17(1) of Income-tax Act, 1961	40,32,000
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	15,00,000
	c) Profits in lieu of salary under section 17(3) Income -tax Act, 1961	NIL
2	Stock Option	NIL
3	Sweat Equity	NIL
4	Commission	
	as % of profit	NIL
	others, specify	NIL
5	others, please specify	NIL
	Total (A)	**55,32,000**
	Ceiling as per the Act	Maximum Yearly Remuneration as per Schedule V Part II based on Effective Capital of the Company is ₹ 60 Lakhs (excluding Contribution to Provident Fund, Gratuity and Encashment of Leave as per Rules of the Company)

B. Remuneration to other directors: **(Amount in ₹)**

Sl. No.	Particulars of Remuneration	Name of Directors						
		Bipin Agarwal	**Venkatesan Narayanan**	**Subhash Bhargava**	**Bhagyam Ramani**	**Sujata Chattopadhyay**	**Deb Kumar Banerjee**	**Total Amount**
1	**Independent Directors**							
	Fee for attending board committee meetings	--	690000	690000	90000	120000	--	**1590000**
	Commission	--	--	--	--	--	--	**--**
	Others, please specify	--	--	--	--	--	--	**--**
	Total (1)	**--**	**690000**	**690000**	**90000**	**120000**	**--**	**1590000**
2	**Other Non-Executive Directors**							
	Fee for attending board committee meetings	300000	--	--	--	--	**450000**	**750000**
	Commission	--	--	--	--	--		**--**
	Others, please specify	--	--	--	--	--		**--**
	Total (2)	**300000**	**--**	**--**	**--**	**--**	**450000**	**750000**
	Total (B)=(1+2)	**300000**	**690000**	**690000**	**90000**	**120000**	**450000**	**2340000**
	Total Managerial Remuneration (A+B)							**7872000**
	Overall Ceiling as per the Act	Ceiling on Sitting Fees as prescribed under the Act is ₹ 1,00,000/- per meeting per Director						

C. Remuneration to Key Managerial Personnel Other Than MD/Manager /WTD **(Amount in ₹)**

Sl No.	Particulars of Remuneration	Key Managerial Personnel	
		CEO & Company Secretary (Cumi Banerjee)	Group Chief Financial Officer (Kaushik Desai) (up to 08.08.2017)
1	Gross Salary		
	a) Salary as per provisions contained in Section 17(1) of the Income -Tax Act, 1961	33,00,000	7,86,438
	b) Value of perquisites u/s 17(2) Income -tax Act, 1961	NIL	NIL
	c) profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL
2	Stock Option	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission as % of profit others, specify	NIL	NIL
5	Others, please specify	NIL	NIL
	Total	**33,00,000**	**7,86,438**

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

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

For and on behalf of the Board
Industrial Investment Trust Limited

Dr. B. Samal
Chairman
(DIN: 00007256)

Date : August 13, 2018
Place : Mumbai

Annexure 2

AOC - 1

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules 2014

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries **(Amount in ₹)**

Name of the subsidiary	IITL Projects Limited (Consolidated)*	IIT Investrust Ltd	IIT Insurance Broking and Risk Management Pvt. Ltd	IITL Corporate Insurance Services Pvt. Ltd
1. The date since when subsidiary was acquired	August 04, 2008	December 31, 1992	September 25, 2008	January 22, 2014
2. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	March 31, 2018	March 31, 2018	March 31, 2018	March 31, 2018
3. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Nil	Nil	Nil	Nil
4. Share capital	228,570,200	125,000,000	25,000,000	2,500,000
5. Reserves & surplus	(126,397,641)	44,277,101	(6,644,899)	(1,754,241)
6. Total assets	4,134,407,594	169,657,972	98,236,617	795,265
7. Total Liabilities	4,032,235,035	380,871	79,881,516	49,506
8. Investments	250,804,195	122,655,865	-	-
9. Turnover	1,247,339,230	4,016,798	6,790,610	37,253
10. Profit before taxation	(22,586,662)	32,767	(11,416,365)	(159,688)
11. Provision for taxation	(397,025)	-	(620,820)	-
12. Profit after taxation	(22,189,637)	32,767	(10,795,545)	(159,688)
13. Proposed Dividend	-	-	-	-
14. % of shareholding	71.74%	99%	100%	100%

* Refers to amounts from consolidated financial statements of IITL Projects Limited.

The following information shall be furnished:-

1. **Names of subsidiaries which are yet to commence operations - IITL Corporate Insurance Services Pvt. Ltd ---** not commenced any business till date
2. **Names of subsidiaries which have been liquidated or sold during the year -** None

Part "B": Associates and Joint Ventures **(Amount in ₹ except shareholding)**

Name of Associates/Joint Ventures	World Resorts Limited (Associate)	Future Generali India Life Insurance Company Limited (Joint Venture)
1. Latest audited Balance Sheet Date	March 31, 2018	March 31, 2018
2. Date on which the Associate or Joint Venture was associated or acquired	August 28, 2012	December 17, 2013
3. Shares of Associate/Joint Ventures held by the company on the year end	March 31, 2018	March 31, 2018
Amount of Investment in Associates/Joint Venture	Equity - 13,018,125 Preference - 5,000,000	Equity - 326,700,000
Extent of Holding %	Equity - 155,181,250 Preference - 250,000,000 Preference - 283,314,407	Equity - 3,400,000,000
4. Description of how there is significant influence	25%	18.80%
5. Reason why the associate/joint venture is not consolidated	By way of Share Capital (Associate Company)	By way of Share Capital (Joint Venture)
6. Networth attributable to Shareholding as per latest audited Balance Sheet	N.A.	N.A.
7. Profit / Loss for the year		
i. Considered in Consolidation	163,839,277	515,656,309
ii. Not Considered in Consolidation	2,254,281	(269,500,816)

The following information shall be furnished:-

1. **Names of associates or joint ventures which are yet to commence operations** Nil
2. **Names of associates or joint ventures which have been liquidated or sold during the year** Nil

Dr. B. Samal Chairman — **Bipin Agarwal** Director

Cumi Banerjee CEO & Company Secretary — **Hemang Ladani** Chief Financial Officer

Place : Mumbai
Date : August 13, 2018

Annexure 3

AOC - 2

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis for the year ended March 31, 2018 - NIL
   (a) Name(s) of the related party and nature of relationship
   (b) Nature of contracts/arrangements/transactions
   (c) Duration of the contracts / arrangements/transactions
   (d) Salient terms of the contracts or arrangements or transactions including the value, if any
   (e) Justification for entering into such contracts or arrangements or transactions
   (f) Date(s) of approval by the Board
   (g) Amount paid as advances, if any:
   (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188
2. Details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2018 are as follows:

Sl. No.	Particulars	Description
1.	Name(s) of the related party	IITL-Nimbus The Express Park View (EPV II)
2.	Nature of relationship	Entity under Significant Influence
3.	Nature of contracts / arrangements / transactions	Restructuring of Unsecured Loan of ₹ 23,19,87,365/- granted to IITL-Nimbus The Express Park View (EPV II), a joint venture of the subsidiary company, IITL Projects Limited and interest outstanding thereon.
4.	Duration of the contracts / arrangements / transactions	Not Applicable
5.	Salient terms of the contracts or arrangements or transactions including the value, if any	Restructuring of Unsecured Loan of ₹ 23,19,87,365/- granted to IITL-Nimbus The Express Park View (EPV II), a joint venture of the subsidiary company, IITL Projects Limited and interest outstanding thereon. The terms of restructuring are as under: a. Moratorium of four years for a period beginning October 01, 2017 and ending on September 30, 2021 on repayment of outstanding loan of ₹ 23,19,87,365/-. b. Interest outstanding upto March 31, 2016 amounting to ₹ 1,57,64,094/- to be converted into Funded Interest Term Loan (FITL) and a Moratorium to be granted for its repayment and the interest thereon for a period of four years ending on September 30, 2021. The rate of interest to be charged on FITL will be 12%. c. Interest outstanding from April 01, 2016 upto September 30, 2017 amounting to ₹ 5,22,44,826/- to be waived off. d. Rate of interest to be charged on the outstanding loan of ₹ 23,19,87,365/- will be reduced from 15% p.a. to 12% p.a. w.e.f. October 01, 2017. e. Interest on Loan and FITL to accrue annually (at the end of each financial year) instead of quarterly rests for the period October 01, 2017 to September 30, 2021. f. Recompense Clause: The Company reserves the right to claim recompense for the interest amount which has been waived off as part of restructuring. g. (i) Promoters' contribution amounting to ₹ 3,06,60,032/- to be brought jointly by the Promoters in EPV II i.e. to the extent of 20% of the total sacrifice amount on account of Diminution in Fair Value of Loan and waiver of interest; and (ii) Obtaining Corporate Guarantee, to the extent of outstanding loan including FITL amounting to ₹ 24,77,51,459/- and accumulated interest thereon to be calculated (On Loan & FITL) upto the end of moratorium period or repayment whichever is earlier from the Promoters' of EPV II in compliance with the relevant provisions of the Prudential Norms of the Reserve Bank of India pertaining to Restructuring of Loans, as amended from time to time.
6.	Date(s) of approval by the Board, if any	August 08, 2017. Approval of the Shareholders of the Company and the Shareholders of IITL Projects Limited by way of Ordinary Resolutions was obtained on September 23, 2017.
7.	Amount paid as advances, if any	NIL

For and on behalf of the Board
Industrial Investment Trust Limited

Dr. B. Samal
Chairman
(DIN: 00007256)

Date : August 13, 2018
Place : Mumbai

Annexure 4

REPORT ON CSR ACTIVITIES/INITIATIVES
[Pursuant to Section 135 of the Act & Rules made thereunder]

1. A brief outline of the company's CSR policy, including overview of the projects or programmes proposed to be undertaken and reference to the web-link to the CSR Policy is provided in the table here below.

   The Company will focus its efforts through programs designed in the domains of education, health and environment. The Company may also form its own Foundations / Trusts for carrying out socio-economic projects as approved by the Board or alternatively make contributions to its Associate Companies' Corporate Foundations / Trusts towards its corpus for projects approved by the Board.

   A Company may also collaborate with group companies for undertaking projects or programs or CSR activities in such a manner that the CSR Committees of respective companies are in a position to report separately on such projects or programs in accordance with the prescribed CSR Rules.

   The Board level Corporate Social Responsibility Committee (CSR Committee) of the Company shall be responsible for monitoring the CSR Policy from time to time. The CSR Committee shall approve and recommend to the Board, the projects or programs to be undertaken, the modalities of execution and implementation schedule from time to time.

   Further, to ensure that there is focus and maximum impact, the CSR Committee will endeavor to work on selected projects over a longer period of time so as to ensure that the outcomes of the projects can be measured.

   Details of the policy can be viewed on the following weblink.

   Weblink : http://www.iitlgroup.com/newStatic/AboutUs.aspx

2. The composition of the CSR Committee :

   Dr. B. Samal

   Mr. Bipin Agarwal

   Mr. Venkatesan Narayanan

3. Average Net Profit of the company for last 3 financial years : ₹ 3,53,49,413/-

4. Prescribed CSR expenditure (2% of the amount) : ₹ 7,06,988/- (rounded upto ₹ 7,60,000/-)

5. Details of CSR activities/projects undertaken during the year :

   a) total amount spent for the financial year 2017-2018 : ₹ 7,60,000/-

   b) amount un-spent, if any : NIL

c) manner in which the amount spent during financial year, is detailed below :

1	2	3	4	5	6	7	8
Sr. No	CSR project/ activity identified	Sector in which the Project is covered	Projects/ Programmes 1. Local area/ others- 2. specify the state /district (Name of the District/s, State/s where project/ programme was undertaken	Amount outlay (budget) project/ programme wise	Amount spent on the project/ programme <u>Sub-heads</u>: 1. Direct expenditure on project/ programme, 2. Overheads:	Cumulative spend upto to the reporting period	Amount spent: Direct/ through implementing agency
				₹ in lacs	₹ in lacs	₹ in lacs	
1	Activities of establishing and running old age homes, institutions for welfare and relief for the poor, handicapped, old, orphans, widows, etc.	Promoting primary health care and sanitation related activities	Delhi	₹ 5.00	₹ 5.00	₹ 5.00	Contribution made to Nav Bharat Sewa Samiti
2	Activities like Socio Economic development and relief and funds for welfare of scheduled caste, scheduled tribes, other backward classes, minorities and women covered under the Prime Minister's National Relief Fund	Sectors under Prime Minister's National Relief Fund	Development of Socio economic activity in any part of the Country.	₹ 2.60	₹ 2.60	₹ 2.60	Contribution made to Prime Minister's National Relief Fund by cheque

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

Pursuant to Section 135 of the Companies Act, 2013 & Rules made thereunder, the Company has spent 2% of the average net profit of the last 3 financial years as stated above.

7. CSR activities are implemented and monitored in compliance with CSR objectives and Policy of the Company.

Bipin Agarwal
Director

Dr. B.Samal
Chairman of CSR Committee

Annexure 5

Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,
Industrial Investment Trust Limited
Rajabahadur Mansion, 2nd Floor,
28, Bombay Samachar Marg,
Fort, Mumbai 400 001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by "Industrial Investment Trust Limited" (CIN: L65990MH1933PLC001998) (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2018 ("the reporting period") complied with the statutory provisions listed hereunder and also that the company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Industrial Investment Trust Limited for the financial year ended on March 31, 2018 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the company during the Audit Period)

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the company during the Audit Period)

  (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the company during the Audit Period)

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the company during the Audit Period)

  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the company during the Audit Period)

  (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the company during the Audit Period) and

  (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) Apart from the above, we have relied on the representation made by the company through its officers for systems and mechanisms formed by the company for compliance of the following specific applicable laws:

  (a) Reserve Bank of India Act, 1934

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the company with the BSE Limited and the National Stock Exchange of India Limited.

During the period under review, the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

a) Whereas in terms of the provisions of Section 149(4) & 149(5) of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 25(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has made a delay of approx. 26 days in filling the casual vacancy created by resignation of Mrs. Bhagyam Ramani (an Independent Woman Director) w.e.f. June 01, 2017 by appointing Ms. Sujata Chattopadhyay as an Additional Independent Woman Director w.e.f September 26, 2017.

b) Whereas in terms of the provisions of Section 203 of the Companies Act, 2013, the Company has made a delay of approx. 3 months in filling the casual vacancy created by resignation of Mr. Kaushik Desai, Chief Financial Officer of the Company w.e.f. August 08, 2017 by appointing Mr. Hemang Ladani as Chief Financial Officer of the Company w.e.f. April 20, 2018.

We further report that

The compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

We further report that

The Board of Directors of the company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act **except one case of delay (i.e. appointment of Independent Woman Director).**

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that based on the information provided by the company, its officers and authorized representatives during the conduct of the audit, in our opinion, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines including labour laws viz. Employees Provident Fund and Miscellaneous Provisions Act, 1952 and The Payment of Gratuity Act, 1972.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period,

1. The Members through Postal Ballot, vide Ordinary resolutions passed on April 21, 2017 granted their approval for:
   (i) Related Party Transaction under Section 188 of the Companies Act, 2013 read with Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with IITL Projects Limited; and
   (ii) Related Party Transaction under Section 188 of the Companies Act, 2013 read with Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with IITL-Nimbus The Express Park View (EPV II).
2. The Board of Directors in its meeting held on August 08, 2017 and the shareholders of the Company in their 84th Annual General Meeting held on September 23, 2017 granted their approval for Restructuring of unsecured loan granted to IITL-Nimbus The Express Park View (EPV II) and interest outstanding thereon.

For Chandanbala Jain and Associates
Practising Company Secretaries

Chandanbala O. Mehta
FCS: 6122
C.P.No.: 6400

Place: Mumbai
Date: August 13, 2018

Note: This report is to be read with our letter of even date which is annexed herewith and forms an integral part of this report.

Annexure to Secretarial Audit Report

The Members,
Industrial Investment Trust Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by "Industrial Investment Trust Limited" (CIN: L65990MH1933PLC001998) (the company). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon. Further, our Secretarial Audit Report of even date is to be read along with this Annexed letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Chandanbala Jain and Associates
Practising Company Secretaries

Chandanbala O. Mehta
FCS: 6122
C.P.No.: 6400

Place: Mumbai
Date: August 13, 2018

MANAGEMENT DISCUSSION AND ANALYSIS

GLOBAL ECONOMIC SCENARIO :

The global economic upswing that began around mid-2016 became stronger. Global growth strengthened in 2017 with GDP having expanded by 3.8% a significant improvement from 3.1% in 2016. It has been a favourable year with growth across most countries. The World Economic Outlook Report projects that advanced economies will grow faster this fiscal year and in next year also, while growth in emerging market and developing economies will rise before leveling off. As per the projections made by International Monetary Fund (IMF), global growth is expected to remain at 3.9% in both 2018 and 2019.

Although the world economy has shown signs of improvement, the largest economy of the globe i.e. U.S is moving to a protectionist stance in its international trade. This could have important ramifications for the U.S and other world economies. There are concerns that U.S. protectionist measures may result in other countries' counter actions which will increase economic uncertainty. A potential escalation of the trade conflict will significantly damage world economic growth in the mid-term. Analysts believe that not only will U.S. and Chinese businesses and consumers suffer from dampened demand and higher prices of goods, but other countries will experience collateral damage.

INDIAN ECONOMIC SCENARIO:

During the financial year 2017-18, the Indian economy faced several challenges. It was a year of structural reforms with the implementation of GST, major thrust on Insolvency and Bankruptcy proceedings and Government's massive bank recapitalization plan. By the time the negative effects of demonetization were diminishing, the Indian economy was shaken up with the announcement of Goods and Service Tax (GST) which was to be implemented by July 1, 2017.The first two quarters of the financial year witnessed low growth. Initially GST brought uncertainties but gradually businesses adjusted to new regime. The turnaround started from the third quarter. Notwithstanding the challenges India became fastest growing economy. As per the estimates released by Central Statistical Organisation (CSO), India's GDP grew at 6.7%. The service sector grew by 7.9% compared to manufacturing growth which slowed down to 5.7% . Despite the growth, there are other challenges that remain such as rising crude oil prices, increase in protectionism by U.S. and the worsening Indian banking system.

INDIAN CAPITAL MARKETS:

The Indian capital markets remained stable during most part of 2017 and January 2018. Financial markets turned volatile in February and went into swift correction on fears of faster rate hikes by the U.S. Fed. The Indian markets came under pressure on March 23, 2018 on account of sell off in global equities due to rising trade tensions between U.S. and China. The dispute between the two large economies raised concerns of slowing global economic growth. The equity markets were hit hard on the announcement of the imposition of tariffs by U.S. on Chinese imports. The NSE Nifty fell below 10000 mark for the first time since October 9. The Sensex declined 410 points to close at 32597 the lowest since December 5. The Indian markets have also been under pressure due to high oil prices, political uncertainty and frauds at public sector banks. Tariff wars have made investors worrisome. Markets could fall further. Global developments and domestic political uncertainty have made stocks volatile. In addition, there are other domestic factors which contribute to the situation, such as the imposition of long term capital gains tax and dividend distribution tax on equities. Political uncertainty, fiscal deficit, current account deficit, trade wars are going to keep the markets volatile. A good monsoon and improving earnings could protect the downside.

BUSINESS OVERVIEW OF THE COMPANY, ITS SUBSIDIARIES, ASSOCIATE COMPANIES AND JOINT VENTURE:

Your Company is registered with Reserve Bank of India (RBI) as a Non-Deposit taking Non-Banking Financial Company. In terms of provisions of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve bank) Directions, 2007, your Company is categorized as a 'Systemically Important Non-Deposit taking Non –Banking Financial Company'. It is primarily a Holding company, holding investments in its subsidiaries and other group companies. The activities of the Company comprises of Investment in equity shares, quoted as well as unquoted, units of mutual funds, Fixed deposits with renowned banks, Inter Corporate deposits and loans to its Group Entities.

The Company through its subsidiary viz., IITL Projects Limited (IITLPL) and the joint ventures of subsidiary are in the business of real estate. The residential projects which have been undertaken by them are located in Noida and Greater Noida region and Yamuna Express way. (The details of projects undertaken by IITLPL and through Joint ventures have been provided in the Directors' Report), IIT Investrust is in the business of Stock Broking and IIT Insurance Broking and Risk Management Private Limited (IIT Insurance) is in the business of Direct Insurance Broking. (Life and Non-Life). IITL Corporate Insurance Services Private Limited (IITL Corporate Insurance) had withdrawn the application for undertaking the business of Corporate Agency. Subsequent to that it has not commenced any business till date.

The Company has granted loans from time to time to its Group Entities which includes subsidiaries, joint ventures of subsidiaries and associates. The loans granted to the Joint Ventures of the subsidiary company viz., IITL Nimbus The Hyde Park Noida (Hyde Park), IITL Nimbus The Express Park View (EPV II) and IITL Nimbus The Palm Village were renewed from time to time. Hyde Park has been regular in servicing its interest obligation. However Hyde Park has not repaid the loan till date. The Joint Ventures, EPV II and IITL Nimbus The Palm Village have not been able to service their interest obligation since December 2015 and March 2017 respectively and also have not repaid the loans. In terms of Prudential Norms of RBI these loans cannot be renewed further and are classified as NPA.

EPV II approached the Company for restructuring of the said loan. The shareholders of the company through Postal Ballot concluded on April 21, 2017 had accorded their consent for restructuring of the said loan. However the restructuring could not

be consummated within 120 days as per RBI prudential norms. Subsequently EPV II approached the company for restructuring of the said loan on revised terms and conditions. Based on the approval accorded by the members of the Company at the Annual General Meeting held on September 23, 2017 , the Company entered into restructuring agreement on September 25, 2017. Due to declining sales, EPV II has expressed its inability on payment of interest obligation and requested the company once again to modify the terms of restructuring which is being placed before the shareholders for approval.

The real estate sector has been witnessing weakness in sales momentum, rising inventory and debt levels for past three to four years. Besides that, since the beginning of 2016 there have been many structural changes which the sector has observed like RERA, Demonetisation and GST. These factors contributed to further slowdown in sales and construction activities. With the diminishing effects of demonetisation, GST and on account of stability in the prices, sales are expected to pick up in the second half of the year. Connectivity & infrastructure also has been a key reason for the stagnation in sales .However due to upcoming Noida-Greater Noida Metro Rail project (Aqua Line), the situation may improve as proximity to transportation networks will raise home prices and rents in Noida, Noida Extension and Greater Noida, accessibility to offices and other parts of the National Capital Region of Delhi will also rise, making property in Noida a sound investment option. The year 2018 could be the turnaround year for real estate and the year of consolidation.

The Company has also granted loans to its subsidiary company IIT Insurance from time to time. However due to low business volume, establishment costs of various branches and overhead expenses, the Company has not been able to generate sufficient revenue to service its interest obligation. During the year IIT Insurance closed down couple of its branches.

The company derives major source of revenue from the interest income on the loans granted to various group companies. These loans have become NPAs on account of non repayment of loan as well as default in servicing their interest obligations. Besides that in compliance with RBI guidelines, the Company is also required to make provisions on said loans which has further impacted the financials of the company, its performance and profitability.

RISKS AND CONCERNS:

The Company is exposed to specific risks that are particular to its business and the environment within which it operates, including interest rate risk, market risk, credit risk, liquidity risk, geo-political risk or uncertain economic conditions. Besides that the equity markets become extremely volatile due to various other factors like policy changes, capital inflows/outflows etc. The Company manages these risks by maintaining conservative financial profile and by following prudent business and risk management practices. The Company manages the risks through proper frame work of policy and procedures approved by the Board of Directors from time to time. The Company has formulated a Risk Management Policy. The Company through the Committee for Investments / Loans and Risk Management identifies, evaluates, analyses and prioritize risks in order to address and minimize such risks. This exercise facilitates identifying high level risks and implement appropriate solutions for minimizing the impact of such risks on the business of the Company. The Company is exposed to Credit risk which can be on account of loss of interest income and the Company's inability to recover the principal amount of the loan disbursed to the borrowers.

The assets are classified from time to time as performing and non-performing in accordance with RBI guidelines. Provisions are made on standard, sub standard and doubtful assets at rates prescribed by RBI. An asset is classified as non-performing if any amount of interest or principal remains overdue for the number of stipulated days.

The Company has made a substantial investment by acquiring stake in Insurance Company as a Joint Venture participant. The insurance business is subjected to many risks like pricing risk, market-viability risk, asset related risk, lapse rates, mortality assumption risk or any other acquisition risks. Under the said circumstances, the Company is required to monitor the risks managed by the investee company in order to avoid adverse impact on the investment made by the company. However insurance business has a gestation period and therefore management views this as long term investment.

The Company's subsidiary and its joint ventures are in the business of real estate and their financial performance will have impact on the Group's business results and financial condition.

The subsidiaries of the company also manage their business risks by following proper risk management policies to avoid any adverse impact on the holding company.

FINANCIAL PERFORMANCE

The Company has incurred a loss after tax of ₹ 3,225.80 lakhs during the year compared to loss of ₹ 567.51 lakhs in the previous year. The Revenue from operations during the year is ₹ 597.82 lakhs compared to ₹ 214.06 lakhs in the previous year. Provision for sub standard and doubtful assets (Net) of ₹ 3740.07 has been made towards long term loans given to related parties of the company as compared to ₹ 449.78 lakhs in the previous year. The income of ₹ 597.82 lakhs comprises of interest income of ₹ 271.26 lakhs. Segment wise performance is provided in Consolidated Financial Statements

HUMAN RESOURCE:

Your company considers Human Resource as key drivers to the growth of the Company. The Company has performance based appraisal system. As on March 31, 2018, the total number of employees including subsidiaries was 30.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company maintains appropriate systems of Internal Control, including monitoring procedures, to ensure that all assets are safeguarded against loss from unauthorised use or disposition. Company policies, guidelines and procedures provide for adequate checks and balances and are meant to ensure that all transactions are authorized, recorded and reported correctly.

The Company has established appropriate Internal control

framework in its operations and financial accounting and reporting practices to ensure due adherence to the Internal Financial Control over Financial Reporting under section 143 (3) of The Companies Act 2013.

The Board of Directors have adopted Related Party Transactions Policy and Whistle Blower /Vigil Mechanism for ensuring efficient conduct of the business of the Company, 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.

The internal control is supplemented by an effective internal audit carried out by an external firm of Chartered Accountants. The management regularly reviews the findings of the internal auditors and takes appropriate steps to implement the suggestions and observations made by them. The management ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines. The Audit Committee of the Board of Directors reviews the adequacy of Internal Controls. The Internal Auditors are present at the Audit Committee Meetings where Internal Audit Reports are discussed alongside of management comments and the final observation of the Internal Auditor.

All these measures assist in timely detection of any irregularities and remedial steps that can be taken to avoid any pecuniary loss.

OUTLOOK:

The performance of the company during the financial year 2017-18 remained subdued on account of under performance of its subsidiaries and other group entities. Major component of the loans granted to real estate group entities have turned NPAs. Due to low sales volume they have not been able to generate enough cash flows. The management is of the opinion that on account of regulatory stability through RERA and consolidation in the real estate industry, there will be improvement in performance of group entities which are in real estate. It is expected that sales will pick up in the current financial year 2018-19. The company is also exploring other business avenues to enhance shareholders value.

In India the year started off well with normal monsoon and trade coming back to relative normalcy after the GST disruptions. Growth in India is projected to increase from 6.7% in 2017 to 7.4% in 2018 and 7.8% in 2019 lifted by strong private consumption as well as fading transitory effects of the currency exchange initiative and implementation of the national goods and services tax. The Reserve Bank of India also expects the economy to grow 7.4% this fiscal. FY2019, therefore, could be a challenging year. The positive is the general sense that India should see higher GDP growth, subject to normal monsoons.

As for the global economy, it is stabilising with favourable global trade and financial conditions. Global economic activity continues to strengthen, global growth is forecast to grow by 3.9% during 2018 as per the International Monetary Fund's (IMF) January 2018 World Economic Outlook

DISCLAIMER:

The information and opinion expressed in this section of the Annual Report may contain certain statements, which the Management believes are true to the best of its knowledge at the time of its preparation. The Company and the Management shall not be held liable for any loss, which may arise as a result of any action taken on the basis of the information contained herein.

On Behalf of the Board of Directors,

Dr. B. Samal
Chairman
(DIN: 00007256)

Place: Mumbai
Date: August 13, 2018

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company has been upholding the core values in all facets of its corporate working, with due concern for the welfare of shareholders of the Company. The Management has consistently followed the principles of Corporate Governance, based on fairness, transparency, integrity, accountability and the compliance with laws in all corporate decisions.

A report on compliance with the principles of Corporate Governance as prescribed by SEBI in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) is given hereunder:

2. BOARD OF DIRECTORS

Composition of the Board, Category of Directors, Other Directorships, Committee Memberships and Chairmanships of other companies are given in the table below:

Sr. No	Name of the Directors	Category	No. of other Director-ships held*	No. of Committee Member-ships of other Companies#	No. of Committee Chairman-ships of other Companies#
1	Dr. B. Samal	NI / E Executive Chairman	6	3	2
2	Mr. Bipin Agarwal	NI / NE Promoter	6	1	1
3	Mr. Venkatesan Narayanan	I / NE	3	3	1
4	Mr. Subhash C. Bhargava	I / NE	8	6	Nil
5	Mr. Deb Kumar Banerjee	I / NE Representative of LIC of India	Nil	Nil	Nil
6.	Ms. Sujata Chattopadyay (Appointed w.e.f. September 26, 2017)	I / NE	5	2	1
7.	Mrs. Bhagyam Ramani (resigned w.e.f. June 01, 2017)	NI / NE	7	4	Nil

NI - Non Independent Director
I - Independent Director
NE - Non-Executive Director
E - Executive Director

* Excludes alternate directorships, directorships in foreign companies, private limited companies and Companies under Section 8 of the Companies Act, 2013.

\# Excludes Committees other than Audit Committee and Stakeholders' Relationship Committee of public limited companies.

Disclosure of relationship between directors inter-se

None of the Directors of the Company are related to each other.

Number of shares and convertible instruments held by Non-Executive Directors

None of the Non-Executive Directors hold any shares or convertible instrument of the Company.

Board Procedures

The dates for meetings of the Board of Directors and its Committees are scheduled in advance and published as a part of the Annual Report. The Agenda and the explanatory notes are circulated well in advance to the Directors in accordance with the Secretarial Standards.

The CEO / CFO make presentations to the Board on matters including but not limited to the Company's performance, operations, plans, etc. The Board has complete access to any information within your Company which includes the information as specified in Regulation 17 of the Listing Regulations.

The draft minutes of the Board and its Committees are sent to the Directors / Members of the Board / Committees for their comments and then the minutes are entered in the minutes book within 30 days of the conclusion of the meeting.

Independent Directors

The Independent Directors have submitted declarations that they meet the criteria of Independence laid down under the Companies Act, 2013 and the Listing Regulations and have confirmed that they do not hold directorship more than the prescribed limit in the Listing Regulations. The terms and conditions of appointment of Independent Directors have been disclosed on the weblink of the Company viz. http://www.iitlgroup.com/newStatic/AboutUs.aspx

Board Meetings and Annual General Meeting

The meetings of the Board are scheduled well in advance. The Board meets at least once in a quarter inter alia to review the performance of the Company. For each meeting, a detailed agenda is prepared in consultation with the Chairman.

During the year 2017-2018, five Board Meetings were held i.e., on May 30, 2017, August 08, 2017, November 11, 2017, February 10, 2018 and March 16, 2018.

Attendance at the Board Meetings and at the Annual General Meeting (AGM)

Name of the Director	No. of Board Meetings attended	Attendance at the last AGM
Dr. B. Samal	5	Yes
Mr. Bipin Agarwal	5	Yes
Mr. Venkatesan Narayanan	5	Yes
Mr. Subhash C. Bhargava	5	Yes
Mr. Deb Kumar Banerjee	4	Yes
Ms. Sujata Chattopadyay#	3	Not Applicable
Mrs. Bhagyam Ramani*	1	Not Applicable

\# Appointed w.e.f. September 26, 2017

* Resigned w.e.f. June 01, 2017

3. FAMILIARISATION PROGRAMME

The Company has formulated a Familiarisation Programme for Independent Directors with an aim to familiarise the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., to provide them with better understanding of the business and operations of the Company and so as to enable them to contribute significantly to the Company.

The Company conducts periodical meetings and make presentations to familiarise Independent Directors with the strategy, operations and functions of the Company.

The details of the familiarisation programme have been disclosed on the website of the Company under the web link http://www.iitlgroup.com/newStatic/AboutUs.aspx.

4. GOVERNANCE CODES

Code of Conduct

As required by the Listing Regulations, the Board of Directors of the Company have adopted a Code of Conduct for all Board members which incorporates the duties of Independent Directors and Senior Management of the Company. In terms of Regulation 26(3) of the Listing Regulations, the members of the Board of Directors and Senior Management have affirmed compliance of the said Code during the period under review. A declaration to this effect signed by the Chairman of the Company is given elsewhere in the Annual Report.

The full text of the Code is disclosed on the Company's weblink http://www.iitlgroup.com/newStatic/AboutUs.aspx.

Code of Conduct for Prevention of Insider Trading

A Code of Conduct to regulate, monitor and report trading by Insiders has been approved by the Board on May 14, 2015 to conform to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code has been made applicable to cover Directors, Senior Management Personnel, persons forming part of Promoter(s)/ Promoter group(s) and such other designated employees of the Company, who are expected to have access to unpublished price sensitive information relating to the Company ("Designated Persons"). The Company Secretary is a Compliance Officer for monitoring adherence to the said Regulations.

5. COMMITTEES OF THE BOARD

The Board has constituted the following Committees of Directors:

a) Audit Committee:

The Audit Committee was constituted on March 14, 2001. It was last reconstituted on August 09, 2016. The Committee is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of the Regulation 18 of the Listing Regulations.

During the year under review, eight meetings of the Audit Committee were held, the dates being May 09, 2017, May 30, 2017, August 08, 2017, November 11, 2017, December 12, 2017, January 04, 2018, February 10, 2018 and March 16, 2018.

The composition and attendance of members at the Audit Committee Meetings are as follows:

Audit Committee Members	Status	No. of Audit Committee Meetings Attended
Mr. Subhash C. Bhargava	Chairman	8
Mr. Deb Kumar Banerjee	Member	6
Mr. Venkatesan Narayanan	Member	8
Mrs. Bhagyam Ramani*	Member	2

* Ceased to be member of Audit Committee on June 01, 2017

Each member of the Committee has relevant experience in the field of accounts and finance, with the Chairman of Committee being a Chartered Accountant.

Mr. Subhash C. Bhargava, the Chairman of Audit Committee was present at the Annual General Meeting held on September 23, 2017.

The representatives of Statutory Auditors and Internal Auditors are invitees to the Audit Committee Meetings at the discretion of the Committee Members. They have attended four Audit Committee meetings out of eight meetings held during the year.

Ms. Cumi Banerjee, CEO & Company Secretary acts as Secretary to the Committee and attends the meetings.

Terms of Reference:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing and examination, with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval, with particular reference to:
   a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
   b. Changes, if any, in accounting policies and practices and reasons for the same
   c. Major accounting entries involving estimates based on the exercise of judgment by management
   d. Significant adjustments made in the financial statements arising out of audit findings
   e. Compliance with listing and other legal requirements relating to financial statements
   f. Disclosure of any related party transactions
   g. Modified Opinion in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring

agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as prescribed by the Board of Directors from time to time.

b) Nomination and Remuneration Committee:

The role of the Nomination and Remuneration Committee is governed by its Charter and its composition is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

The Committee was last reconstituted on August 09, 2016.

The Key Objectives of the Committee

i) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.

ii) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.

iii) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

iv) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

During the year under review, three meetings of the Nomination and Remuneration Committee were held on September 26, 2017, January 04, 2018 and March 16, 2018.

The composition and attendance of members at the Committee Meeting as on March 31, 2018 are as follows:

Nomination and Remuneration Committee Members	Status	No. of Nomination and Remuneration Committee Meetings Attended
Mr. Subhash C. Bhargava	Chairman	3
Mr. Deb Kumar Banerjee	Member	3
Mr. Venkatesan Narayanan	Member	3

Terms of Reference:

a. Identification of persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommendation to the Board about their appointment and removal and carrying out evaluation of every Director's performance;

b. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommendation to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;

c. Formulate a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees and while formulating the policy the Committee to ensure that the:

   i. Level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

   ii. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

iii. Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

d. In cases where any services rendered by a Director are of a professional nature to opine whether the Director possesses the requisite qualification for the practice of the profession;

e. Approve the payment of remuneration of Executive Chairman / Managing Director or Whole-time Director or a Manager (Managerial Person) for the purposes of Section II (dealing with remuneration payable by companies having no profit or inadequate profit without Central Government approval) of Part II of the Schedule V (under sections 196 and 197) of the Companies Act, 2013.

f. to look into the entire gamut of remuneration package for the working Director(s) and revise their remuneration suitably within the limits prescribed under the Companies Act, 2013 or any rules or amendments thereto, with power to consider fixing/ re-fixing salaries, perquisites and other terms of remuneration of the working Director(s) of the Company subject to approval of shareholders, where necessary;

g. to decide on the commission payable to the Directors within the prescribed limit and as approved by the shareholders of the Company;

h. to attend to such other matters and functions as may be prescribed from time to time.

Evaluation

The Committee carries out evaluation of performance of every Director, Key Managerial Personnel and Senior Management Personnel once a year.

Performance evaluation of independent directors

The Nomination and Remuneration Committee of the Board laid down the evaluation criteria for performance of all its Directors including the Independent Directors. The performance evaluation of the Independent Directors has been done by the entire Board of Directors, except the Director concerned being evaluated. Some of the performance indicators, based on which the independent directors, are evaluated include:

- Attendance and participations in the Meetings and timely inputs on the minutes of the meetings
- The ability to contribute to and monitor our corporate governance practices
- Raising of valid concerns to the Board and constructive contribution to resolution of issues at meetings
- Interpersonal relations with other directors and management
- Objective evaluation of Board's performance, rendering independent, unbiased opinion
- Safeguarding interest of whistle-blowers under vigil mechanism and safeguard of confidential information
- Understanding of the Company and the external environment in which it operates and contribution to strategic direction

Pecuniary transactions with non-executive directors

During the year under review, there were no pecuniary transactions with any non-executive director of the Company. The register of contracts is maintained by the Company under section 189 of the Companies Act, 2013. The register is signed by all the directors present at the respective Board meetings.

Criteria of making payments to non-executive directors

Non-executive directors of the Company play a crucial role in the independent functioning of the Board. They bring in an external perspective to decision-making, and provide leadership and strategic guidance while maintaining objective judgment. They also oversee the corporate governance framework of the Company. The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed ₹ One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

Nomination and Remuneration Policy

The Board, on the recommendation of the Nomination and Remuneration Committee, has framed a Remuneration Policy providing (a) criteria for determining qualifications, positive attributes and independence of directors and (b) a policy on remuneration for directors, key managerial personnel and other employees. The detailed Nomination and Remuneration Policy is placed on http://www.iitlgroup.com/newStatic/AboutUs.aspx

Details of remuneration paid to the Executive Chairman for the year 2017-2018 are given below:

Name	Salary	Perquisites	Contribution to P.F	Total
	₹	₹	₹	₹
Dr. B. Samal	36,00,000/-	15,00,000/-	4,32,000/-	55,32,000/-

Apart from fixed components set by the Nomination and Remuneration Committee, no performance linked incentives are paid to Dr. B. Samal.

Details of remuneration paid to Non-Executive Directors for the year 2017-2018 are given below:

Sitting Fees (excluding GST)

Name	Board Meetings ₹	Committee Meetings ₹	Total ₹
Mr. Bipin Agarwal	1,50,000/-	1,50,000/-	3,00,000/-
Mr. Venkatesan Narayanan	1,50,000/-	5,40,000/-	6,90,000/-
Mr. Subhash Bhargava	1,50,000/-	5,40,000/-	6,90,000/-
Mr. Deb Kumar Banerjee (Representative of LIC of India)	1,20,000/-	3,30,000/-	4,50,000/-
Ms. Sujata Chattopadyay#	90,000/-	30,000/-	1,20,000/-
Mrs. Bhagyam Ramani*	30,000/-	60,000/-	90,000/-
Total	**6,90,000/-**	**16,50,000/-**	**23,40,000/-**

Appointed w.e.f. September 26, 2017
* Resigned w.e.f. June 01, 2017

Mr. Bipin Agarwal holds 25,000 equity shares in the Company and none of the remaining Directors hold any equity share of the Company as on March 31, 2018.

Stock Option

Presently, the Company does not have a practice of granting stock options.

c) Stakeholders Relationship Committee (SRC)

The composition of the Stakeholders Relationship Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations. The Committee was last re-constituted on February 09, 2017.

During the year under review, two meetings of the Stakeholders Relationship Committee were held on March 07, 2018 and March 16, 2018

The composition and attendance of members at the SRC Meetings as on March 31, 2018 are as follows:

Stakeholders Relationship Committee Members	Status	No. of Stakeholders Relationship Committee Meetings Attended
Mr. Venkatesan Narayanan	Non Executive Director - Chairman	2
Dr. B. Samal	Member	2
Mr. Deb Kumar Banerjee	Member	2

This Committee:

(1) approves and monitors transfers, transmissions, splitting and consolidation of shares and the issue of duplicate share certificates; and

(2) looks into various issues relating to shareholders, including redressal of complaints received from shareholders relating to transfer of shares, non-receipt of annual report, dividends etc.

To expedite share transfer process, the Board has authorised the CEO & Company Secretary to approve share transfer / transmission / consolidation / split / deletion up to five thousand shares. Requests for share transfer / transmission / consolidation / split / deletion for more than five thousand shares and issue of duplicate share certificates are approved by the SRC. Transfer formalities have been attended at least once in a fortnight.

- Name and designation of Compliance Officer: Ms. Cumi Banerjee, CEO & Company Secretary
- No. of shareholders' complaints received: Nil
- No. of shareholders' complaints resolved: Nil
- No. of complaints not resolved to the satisfaction of the shareholders: Nil
- Pending complaints as on 31.03.2018: Nil

The Company attends to investors' & shareholders' grievances within 15 days from the date of its receipt.

d) Committee for Investments / Loans and Risk Management

The Board had re-constituted 'Committee of Directors' on March 05, 2008 to deal with matters concerning investments and granting loans. On July 20, 2010, the nomenclature of Committee of Directors was changed to 'Committee for Investment and Loans'.

The Board had constituted a Risk Management Committee on June 26, 2006.

The Board of Directors in their meeting held on August 01, 2013, decided that a new Committee by the name **'Committee for Investments / Loans and Risk Management'** be constituted in place of 'Committee for Investments and Loans' and 'Risk Management Committee' which would deal with matters concerning investments, granting loans, taking / providing guarantees / securities and address all risks which can create impact on the business of the Company.

During the year under review, six meetings of Committee for Investments / Loans and Risk Management were held on May 08, 2017, May 30, 2017, August 08, 2017, December 12, 2017, February 10, 2018 and March 16, 2018.

The composition and attendance of members at the Committee for Investments / Loans and Risk Management Meetings as on March 31, 2018 are as follows:

Committee for Investments / Loans and Risk Management Members	Status	No. of Committee for Investments / Loans and Risk Management Meetings Attended
Mr. Subhash C. Bhargava	Chairman	6
Dr. B. Samal	Member	6
Mr. Bipin Agarwal	Member	5

e) Corporate Social Responsibility Committee (CSR)

Pursuant to Section 135 of the Companies Act, 2013, the Corporate Social Responsibility (CSR) Committee was constituted on May 20, 2014.

During the year under review, one meeting of Corporate Social Responsibility Committee was held on January 23, 2018.

The Company has formulated CSR Policy, which is uploaded on the Website of the Company (Weblink: http://www.iitlgroup.com/newStatic/AboutUs.aspx).

The composition and attendance of members at the Corporate Social Responsibility Committee Meetings as on March 31, 2018 are as follows:

Corporate Social Responsibility Committee Members	Status	No. of Corporate Social Responsibility Committee Meetings Attended
Dr. B. Samal	Chairman	1
Mr. Bipin Agarwal	Member	-
Mr. Venkatesan Narayanan	Member	1

f) **Asset Liability Management Committee**

The Board has constituted 'Asset Liability Management Committee' (ALCO) on August 01, 2013 consisting of senior management executives which monitors liquidity and interest rate risks of the Company. The functioning of ALCO is reviewed by the Committee for Investments / Loans and Risk Management which meets on quarterly basis and reports to the Board of Directors.

During the year under review, three meetings of Asset Liability Management Committee were held on May 6, 2017, August 02, 2017 and February 09, 2018.

g) IT Strategy Committee

The Board has constituted 'IT Strategy Committee' on February 10, 2018 consisting of an Independent Director, Chief Executive Officer (CEO), Chief Information Officer (CIO) and Chief Technology Officer (CTO) to carry out review and amend the IT strategies in line with the corporate strategies, Board Policy reviews, cyber security arrangements and any other matter related to IT Governance.

During the year under review, no meetings of IT Strategy Committee were held.

6. COMPLIANCE WITH OTHER MANDATORY REQUIREMENTS

a) Management Discussion and Analysis

A Management Discussion and Analysis Report forms part of the Annual Report and includes discussions on various matters specified under the Listing Regulations.

b) Separate Meeting of Independent Directors

During the year under review, the Independent Directors met on March 16, 2018, inter alia, to discuss:

i) Evaluation of performance of Non-Independent Directors and the Board of Directors as a whole;

ii) Evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;

iii) Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

c) Subsidiary Companies

As per clause (c) of sub-regulation (1) of Regulation 16 of the Listing Regulations "material subsidiary" shall mean a subsidiary, whose income or net worth exceeds twenty percent of the consolidated income or net worth, of the listed entity and its subsidiaries in the immediately preceding accounting year.

The Company has formulated a Policy for determining Material Subsidiaries. The policy is available on the website of the Company. (Weblink: http://www.iitlgroup.com/newStatic/AboutUs.aspx).

As on March 31, 2018, there is no material unlisted subsidiary of the Company.

The unlisted subsidiary companies are managed by their separate Board of Directors, who are empowered to exercise the rights and perform the duties for efficient monitoring and management of the unlisted subsidiary companies. The Company overseas and monitors the performance of subsidiary companies by following means:

i. The Audit Committee reviews the financial statements and, in particular the investments made by the unlisted subsidiary companies.

ii. The minutes of the meetings of the Board of Directors of the unlisted subsidiary companies are placed before the Board of Directors of the Company.

iii. A statement of all significant transactions and arrangements entered into by the unlisted subsidiary companies is placed before the Board of Directors of the Company.

d) Disclosures - Related Party transactions

As per Section 188 of the Companies Act 2013 and Regulation 23 of the Listing Regulations, all the Related Party transactions were on arm's length basis and the same were duly approved by the Audit Committee.

Sub-regulation (1) of Regulation 23 of SEBI Listing Regulations explains that "A transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds

ten percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity."

Statements in summary form of transactions with related parties are periodically placed before the Audit Committee.

As required under Listing Regulations, the Company has formulated a policy on materiality of related party transactions and on dealing with related party transactions. The policy is available on the website of the Company. (Weblink: http://www.iitlgroup.com/newStatic/AboutUs.aspx).

e) Vigil Mechanism/ Whistle Blower Policy

As required by the Companies Act, 2013 and Regulation 22 of the Listing Regulations, your Company has formulated a Vigil Mechanism/ Whistle Blower Policy to maintain the standard of ethical, moral and legal conduct of business operations. A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or policy. The mechanism provides for adequate safeguards against victimization of employees or Directors or any other person to avail of the mechanism and also provide for direct access to the Chairman/ CEO/ Chairman of the Audit Committee in exceptional cases.

Your Company hereby affirms that no Director/ employee/ any other person has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

The Whistle Blower Policy has been disclosed on the Company's website under the web link http://www.iitlgroup.com/newStatic/AboutUs.aspx and circulated to all the Directors / employees.

f) Disclosure of Accounting Treatment

In the preparation of financial statements, the Company has followed the Accounting Standards specified under Section 133 of the Companies Act, 2013 and Non-Banking Financial Company - Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016.

g) Disclosure on Risk Management

The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. The Board periodically reviews the same.

h) CEO / CFO Certification

In terms of the requirements of Regulation 17(8) of the Listing Regulations, the Executive Chairman, Dr. B. Samal, CEO & Company Secretary, Ms. Cumi Banerjee and Mr. Hemang Ladani, Group CFO have submitted necessary certificate to the Board of Directors stating the particulars specified under the said regulations.

This certificate has been reviewed and taken on record by the Board of Directors at its meeting held on May 29, 2018.

i) Non-mandatory requirements

Besides complying with mandatory requirements of the Listing Regulations, the Company has also complied with the following non-mandatory requirements of Listing Regulations.

i) Audit Qualifications

The Company continues to remain in the regime of unqualified financial statements and submits a Declaration with regard to Audit Reports on Standalone & Consolidated Financial Results for the year ended March 31, 2018 with unmodified opinion to the Stock Exchanges.

ii) Separate posts of Chairman and Chief Executive Officer (CEO)

Separate persons have been appointed as Chairman and Chief Executive Officer of the Company.

iii) Reporting by internal auditor

The internal auditor reports directly to the Audit Committee.

7. GENERAL BODY MEETINGS / POSTAL BALLOT

Location and time where last three AGMs were held:

Sr. No.	Date	Location	Time	Special Resolution passed
1.	September 23, 2017	M.C. Ghia Hall, 18/20, K. Dubash Marg, Mumbai - 400 001	2.15 p.m.	Nil
2.	September 16, 2016	M.C. Ghia Hall, 18/20, K. Dubash Marg, Mumbai - 400 001	2.30 p.m.	Nil
3.	September 16, 2015	M.C. Ghia Hall, 18/20, K. Dubash Marg, Mumbai - 400 001	2.30 p.m.	1) Re-appointment of Dr. B. Samal as Executive Chairman 2) Adoption of new set of Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 3) Approval of Related Party Transactions under Clause 49 of the Equity Listing Agreement

POSTAL BALLOT:

During the year, pursuant to the provisions of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules 2014, the Shareholders granted their approval through postal ballot for the following Ordinary Resolutions:

(i) Approval of Related Party Transaction under Section 188 of the Companies Act, 2013 read with Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with IITL Projects Limited; and

(ii) Approval of Related Party Transaction under Section 188 of the Companies Act, 2013 read with Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with IITL-Nimbus The Express Park View (EPV II).

8. OTHER DISCLOSURES:

a) Related Party Transactions:

All transactions entered into by the Company with related parties, during the financial year 2017-18, were in ordinary course of business and on arm's length basis. The details of the Related Party Transactions are set out in the Note 2.24 to Financial Statements forming part of this Annual Report.

Also, the Related Party Transactions undertaken by the Company were in compliance with the provisions set out in the Companies Act, 2013 read with the Rules issued thereunder and Regulation 23 of the Listing Regulations. The Audit Committee, during the financial year 2017-18, has approved Related Party Transactions in line with the Policy of dealing with Related Party Transactions and the applicable provisions of the Companies Act, 2013 read with the Rules issued thereunder and the Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

The policy on Related Party Transactions has been placed and can be accessed on the Company's weblink (http://www.iitlgroup.com/newStatic/AboutUs.aspx).

Pursuant to the approval received from the Shareholders of the Company and shareholders of the subsidiary Company IITL Projects Limited (IITLPL), the Company entered into Restructuring Agreement with IITL-Nimbus The Express Park View (EPV II), a joint venture of the subsidiary company on September 25, 2017 for Restructuring of Unsecured Loan of ₹ 23,19,87,365/- granted to EPV II and interest outstanding thereon.

The transaction of Restructuring of Unsecured Loan entered into with EPV II for the outstanding Unsecured Loan granted by the Company to EPV II alongwith the outstanding interest thereon is deemed to be a materially significant Related Party Transaction of the Company which may be considered to have potential conflict with the interest of the Company.

b) No penalties or strictures have been imposed on the Company by SEBI, Stock Exchanges or any other statutory authority, for non-compliance of any laws, on any matter related to the capital markets, during the last three years.

c) The Company has submitted the quarterly compliance reports to the Stock Exchanges for the Financial Year 2017-2018.

9. MEANS OF COMMUNICATION

a) Quarterly and annual financial results of the Company are forwarded to BSE Limited and The National Stock Exchange of India Limited and published in Free Press Journal (English) and Navshakti (Marathi). Half yearly report is not sent to each shareholder. However, the results of the Company are published in the newspapers.

b) The Company has not made any presentation to any institutional investor or to any analyst during the year.

c) Management Discussion and Analysis Report forms part of the Directors' Report.

d) The Company has its website namely www.iitlgroup.com. Annual Report of the Company shall be available on the website in a user friendly and downloadable form. The quarterly / half yearly results are also available on the Company's website.

10. GENERAL SHAREHOLDER INFORMATION

a) Annual General Meeting

Date & Time : Friday, September 21, 2018 at 2.15 p.m.
Venue : M.C. Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20 K. Dubash Marg, Mumbai 400 001.

b) Financial Year : 2018-2019

Adoption of Quarterly Results for

Quarter ending	In the month of **(Tentative)**
June 2018	: On or before September 14, 2018
September 2018	: On or before December 14, 2018
December 2018	: On or before February 14, 2019
March 2019 (Audited annual results)	: On or before May 30, 2019

c) Book Closure period : September 14, 2018 to September 21, 2018

d) Listing on Stock Exchange : BSE Limited, Dalal Street, Mumbai 400001

The National Stock Exchange of India Limited (NSE) BKC, Bandra (E), Mumbai 400051

Listing fees, as prescribed, have been paid to the BSE and NSE up to March 31, 2018.

f) Stock Code at BSE : 501295

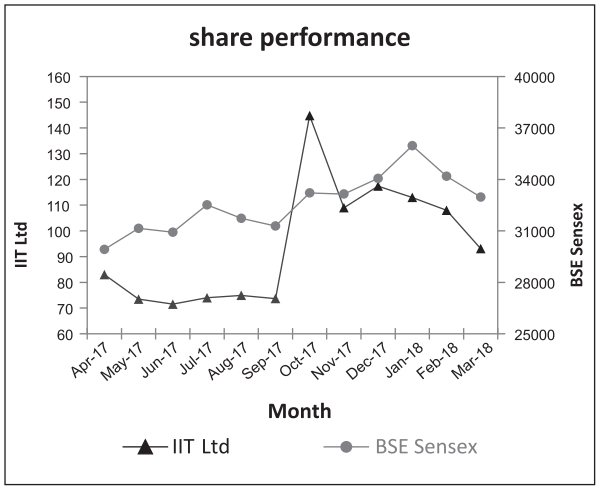
NSE Stock Symbol : IITL

g) Stock price data at the BSE and NSE

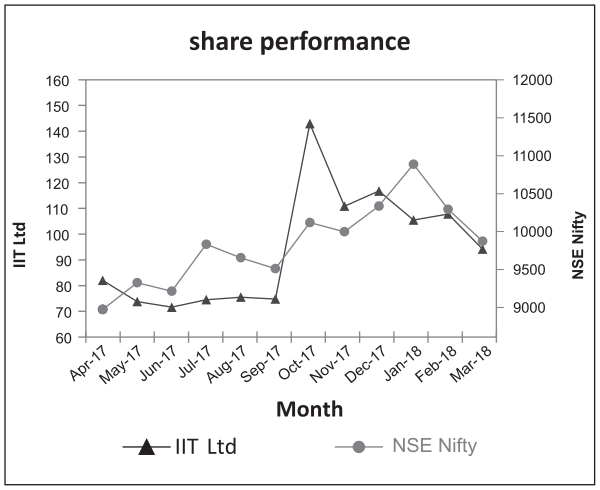
Month	BSE			NSE		
	High (₹)	Low (₹)	Close (₹)	High (₹)	Low (₹)	Close (₹)
April, 2017	85.85	70.05	83.00	85.85	66.00	81.65
May, 2017	86.00	70.10	73.45	83.95	70.30	73.25
June, 2017	97.70	71.50	71.50	97.75	68.00	71.00
July, 2017	77.00	70.00	74.00	75.80	70.00	74.00
August, 2017	77.00	70.50	74.95	79.55	68.10	75.00
September, 2017	83.80	73.00	73.70	82.85	70.15	74.25
October, 2017	159.00	73.00	144.80	158.75	69.00	143.65
November, 2017	137.60	96.50	109.00	143.00	90.50	111.00
December, 2017	133.95	102.05	117.40	135.90	97.65	116.95
January, 2018	131.00	106.40	113.00	136.40	105.50	105.50
February, 2018	113.40	93.50	108.00	115.40	92.00	107.90
March, 2018	113.40	92.00	93.10	113.00	93.00	94.00

h) Graph

Share Price / BSE (Monthly Closing)



Share Price / NSE (Monthly Closing)



i) Registrar and Transfer Agents

Link Intime India Private Limited
C - 101, 247 Park, LBS Marg, Vikhroli West,
Mumbai - 400 083. Tel. No.: 022 49186000 / 49186270

j) Share Transfer System

The transfer of shares held in physical mode is processed by Link Intime India Private Limited and is approved by the Stakeholders Relationship Committee / CEO & Company Secretary of the Company as the case may be. The transfer of shares is effected and share certificates are dispatched within a period of 15 days from the date of receipt, provided that the relevant documents are complete in all respects.

k) Distribution of shareholding as on March 31, 2018

Grouping of Shares	No. of Share-holders	% of total share-holders	No. of Shares per Category	% of total shares
1 - 500	1568	75.75	2,36,718	1.05
501 - 1000	206	9.95	1,75,657	0.78
1001 - 2000	123	5.94	1,90,549	0.85
2001 - 3000	61	2.95	1,57,295	0.70
3001 - 4000	16	0.77	56,813	0.25
4001 - 5000	27	1.30	1,30,802	0.58
5001 - 10000	35	1.69	2,64,340	1.17
10001 - 22547550	34	1.64	2,13,35,376	94.62
TOTAL	**2070**	**100.00**	**2,25,47,550**	**100.00**

Shareholding pattern as on March 31, 2018

Category	No. of shares held	% of shareholding
Promoters	94,32,067	41.83
Foreign Company	-	-
Non Resident Indian (Non Repat & Repat)	39,038	0.17
Foreign Nationals	13,500	0.06
Foreign Institutional Investors	-	-
Insurance Companies	11,92,248	5.29
Financial Institutions / Banks	69,980	0.31
Mutual Funds	-	-
Central Government / State Government(s)	37200	0.16
Resident Individuals	14,32,758	6.35
Clearing Member	14,308	0.06
Trusts	47,767	0.21
Other bodies corporate	1,61,600	0.72
Hindu Undivided Family	70,497	0.31
Investor Education And Protection Fund Authority Ministry of Corporate Affairs	2,59,037	1.15
Shares held by custodians and against which Depository Receipts have been issued	97,77,550	43.36
TOTAL	**2,25,47,550**	**100.00**

l) Dematerialisation

The Company has entered into agreements with National Security Depository Limited and Central Depository Services (India) Limited for the dematerialisation of shares. As on March 31, 2018, a total of 2,20,08,760 shares, which forms 97.61% of the share capital of the Company stands dematerialized and 5,38,790 shares which forms 2.39% of the share capital are in physical form.

m) Outstanding GDRs / ADRs / Warrants or any convertible instruments

On June 15, 2012, the Company had issued 48,88,775 Global Depositary Receipts (GDRs), each GDR representing two Equity Shares of ₹ 10/- each. The GDRs issued by the Company are listed on the Luxembourg Stock Exchange. As on March 31, 2018, the total outstanding GDRs stood at 48,88,775.

n) Plant Location

The Company does not have a manufacturing plant.

o) Address for Correspondence

Shareholders can correspond with the Registrars & Share Transfer Agents or at the Registered Office of the Company.

Address of the Registrar & Share Transfer Agents

Link Intime India Private Limited

C - 101, 247 Park,
LBS Marg, Vikhroli West,
Mumbai - 400 083
Tel. No.: 022 49186000 / 49186270

For the convenience of the investors, transfer requests are also accepted at the Registered Office of the Company.

Address of Registered Office

14 E Rajabahadur Mansion, 2nd Floor
28, Bombay Samachar Marg,
Fort, Mumbai - 400 001
Contact Person
Ms. Cumi Banerjee - CEO & Company Secretary
Tel. No.: 022 4325 0100

Auditors' Certificate on Corporate Governance

The Auditors' Certificate on compliance of the Listing Regulations relating to Corporate Governance is published as an annexure to this Report.

Declaration on Compliance with Code of Conduct

It is hereby affirmed that all the directors and the senior management personnel have complied with the Code of Conduct framed by the Company and a confirmation to that effect has been obtained from the directors and senior management personnel.

On behalf of the Board of Directors

Dr. B. Samal
Chairman
(DIN: 00007256)

Place : Mumbai
Date: August 13, 2018

TO THE MEMBERS OF
INDUSTRIAL INVESTMENT TRUST LIMITED

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

1. This certificate is issued in accordance with the terms of our engagement letter dated September 23, 2017.

2. We, Chaturvedi & Shah, Chartered Accountants, the Statutory Auditors of Industrial Investment Trust Limited ("the Company") have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2018, as stipulated in regulation 17 to 27 and clause (b) to (i) of regulation 46(2) and para C and D of schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

5. We have examined the books of accounts and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirement by the Company.

6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certificate of Corporate Governance issued by the Institute of the Chartered Accountant of India (the ICAI), the Standards on Auditing specified under section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirement of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the standard on Quality Control (SQC) 1, Quality Control for Firms that perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulation during the year ended March 31, 2018.

9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Chaturvedi & Shah
Chartered Accountants
(Registration No- 101720W)

Vitesh D. Gandh
Partner
Membership No. 110248

MUMBAI, August 13, 2018

CERTIFICATE
[UNDER REGULATION 17 (8) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015]

To,

The Board of Directors
Industrial Investment Trust Limited
Mumbai

This is to certify that:

a) We have reviewed financial statements and the cash flow statements for the year and that to the best of our knowledge and belief :

   (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

We have indicated to the auditors and the Audit Committee

(i) significant changes, if any, in internal control during the year;

(ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(iii) We have not come across any instances of fraud or fraudulent activities during the year.

Dr. B Samal	Cumi Banerjee	Hemang Ladani
Chairman	CEO & Company Secretary	Chief Financial Officer

Place : Mumbai
Date : May 29, 2018

INDUSTRIAL INVESTMENT TRUST LIMITED

STANDALONE FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF INDUSTRIAL INVESTMENT TRUST LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying Standalone financial statements of **Industrial Investment Trust Limited** ("the Company"), which comprises the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements 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 fair presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

We conducted our audit of standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

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.

Other Matter

The Statutory Audit for the preceding financial year was not carried out by us. The comparative financial information of the Company for the year ended March 31 , 2017, included in these standalone financial statements, have been audited by Deloitte Haskins & Sells, Chartered Accountants, which had given unmodified opinion vide their report dated May 30, 2017.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its Loss and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 2.30 of the standalone financial statements. As stated in the Note the net worth of Future Generali India Life Insurance Company Limited ("FGILICL"), a Joint Venture of the Company, as at 31st March, 2018 has substantially eroded. However, the Management of the Company is of the view, for the reasons stated in the note, that there is no diminution other than temporary in the value of investment of the Company in FGILICL as at 31st March, 2018.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

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

   a) 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 Company so far as appears from our examination of those books.

   c) 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.

d) In our opinion, the aforesaid standalone 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) The matter related to investment of the Company in a Joint Venture described under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.

f) On the basis of written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2018, from being appointed as a director in terms of section 164(2) of the Act.

g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rules 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone financial statements - Refer Note 2.20(i)(a) to the financial statements;

ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act , we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Chaturvedi & Shah
Chartered Accountants
Firm Registration No:101720W

Vitesh D. Gandhi
Partner
Membership No. :110248

Mumbai, May 29, 2018

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Paragraph 1(g) under "Report on other legal and regulatory requirements" of our report of even date to the members of Industrial Investment Trust Limited on the standalone financial statements for the year ended 31st March, 2018

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

We have audited the internal financial controls over financial reporting of Industrial Investment Trust Limited ("the Company") as of 31st March, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management Responsibility for the Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, 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 ICAI. 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Chaturvedi & Shah
Chartered Accountants
Firm Registration No:101720W

Vitesh D. Gandhi
Partner
Membership No. :110248

Mumbai, May 29, 2018

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Paragraph 2 under the "Report on other legal and regulatory requirements" of our report of even date to the members of Industrial Investment Trust Limited on the standalone financial statements for the year ended 31st March, 2018

i. In respect of its property, plant and equipment:

   a) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.

   b) The property, plant and equipment were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

   c) In our opinion and according to the information and explanations given to us, title deeds of immovable properties are held in the name of the Company.

ii. The Company does not have any inventory and hence reporting under clause (ii) of the Order is not applicable.

iii. According to the information and explanations given to us, the Company has granted loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:

   a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.

   b) The schedule of repayment of principal and payment of interest has been stipulated but repayments of principal amounts and receipt of interest are not regular.

   c) In respect of amount of ₹ 27,52,94,964 of principal amount of loan, given to 4 parties, which is overdue for more than 90 days, as explained to us, the Management has taken reasonable steps for recovery of the principal amount and interest.

iv. In our opinion and according to the information and explanations given to us, the Company is a Non-Banking Finance Company and provisions of Sections 185 and 186 of the Companies Act, 2013 do not apply and hence reporting under clause (iv) of the Order is not applicable.

v. According to the information and explanations given to us, the Company has not accepted any deposit and the provisions of Sections 73 to 76 of the Companies Act, 2013 are not applicable and hence reporting under clause (v) of the Order is not applicable.

vi. In respect of maintenance of Cost records has not been specified by the Central Government under section 148 (1) of the Companies Act, 2013, accordingly reporting under clause (vi) of the Order is not applicable.

vii. According to the information and explanations given to us, in respect of statutory dues:

   a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess, Goods and Service Tax with effect from July 1, 2017 and other material statutory dues have been generally regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues, were outstanding as at 31st March, 2018 for a period of more than six months from the date they became payable.

   b) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Service Tax on account of any dispute, which have not been deposited.

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions. The Company has neither taken any loans or borrowings from banks and government nor has issued any debentures.

ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transaction have been disclosed in the financial statements etc. as required by the applicable accounting standards.

xiv. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

xvi. The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained the registration.

For Chaturvedi & Shah
Chartered Accountants
Firm Registration No:101720W

Vitesh D. Gandhi
Partner
Membership No. :110248

Mumbai, May 29, 2018

BALANCE SHEET AS AT 31ST MARCH, 2018

Particulars	Note No.	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.1	225,475,500	225,475,500
Reserves and surplus	2.2	4,790,579,165	5,113,159,630
		5,016,054,665	**5,338,635,130**
Non-current liabilities			
Other long-term liabilities	2.3	51,870,678	-
Long term provisions	2.4	5,361,575	5,383,947
		57,232,253	**5,383,947**
Current liabilities			
Trade payables	2.5	1,781,712	2,170,811
Other current liabilities	2.6	3,587,699	7,080,557
Short-term provisions	2.7	6,215,985	1,806,650
		11,585,396	**11,058,018**
TOTAL		**5,084,872,314**	**5,355,077,095**
ASSETS			
Non-current assets			
Property, plant and equipment	2.8	3,742,574	4,341,442
Non-current investments	2.9	4,837,190,866	4,436,309,954
Deferred tax assets (net)	2.10	56,982,129	21,344,924
Long-term loans and advances	2.11	132,369,942	858,471,079
		5,030,285,511	**5,320,467,399**
Current assets			
Cash and cash equivalents	2.12	40,225,629	27,818,463
Short-term loans and advances	2.13	12,304,131	2,475,894
Other current assets	2.14	2,057,043	4,315,339
		54,586,803	**34,609,696**
TOTAL		**5,084,872,314**	**5,355,077,095**
Significant Accounting Policies	1.2		
See accompanying notes to the financial statements	1 to 2.37		

As per our report of even date
For **CHATURVEDI & SHAH**
Chartered Accountants
Firm Registration No. 101720W

VITESH D. GANDHI
Partner
Membership No. 110248

Mumbai: May 29, 2018

For and on behalf of the Board of Directors

DR. B. SAMAL
Executive Chairman
DIN: 00007256

BIPIN AGARWAL
Director
DIN: 00001276

CUMI BANERJEE
CEO & Company Secretary

HEMANG LADANI
Chief Financial Officer

Mumbai: May 29, 2018

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	Note No.	Year ended 31st March, 2018 ₹	Year ended 31st March, 2017 ₹
Revenue from operations	2.15	57,554,160	19,281,694
Other income	2.16	2,227,699	2,123,980
Total Revenue		**59,781,859**	**21,405,674**
Employee benefits expense	2.17	12,464,610	13,703,109
Finance costs	2.18	6,603	80,130
Depreciation expense			
- on investment properties		3,643	4,980
- on property, plant and equipment	2.8	621,199	858,468
Other expenses	2.19	24,141,988	25,329,134
Net loss on sale of long-term investments		-	1,050,637
Provision for sub-standard and doubtful assets (net)		374,074,096	44,978,233
Total expenses		**411,312,138**	**86,004,691**
(Loss) before tax		**(351,530,279)**	**(64,599,017)**
Tax expenses:			
(a) Current tax		4,562,000	-
(b) Less: MAT Credit		(4,562,000)	-
(c) Short provision for tax relating to earlier year		6,687,391	72,385
(d) Net current tax expense		**6,687,391**	**72,385**
(e) Deferred tax	2.10	(35,637,205)	(7,920,822)
		(28,949,814)	**(7,848,437)**
(Loss) for the year		**(322,580,465)**	**(56,750,580)**
Earnings per share:	2.23		
Basic and diluted		(14.31)	(2.52)
Nominal Value per equity share		10.00	10.00
Significant Accounting Policies	1.2		
See accompanying notes to the financial statements	1 to 2.37		

As per our report of even date
For **CHATURVEDI & SHAH**
Chartered Accountants
Firm Registration No. 101720W

VITESH D. GANDHI
Partner
Membership No. 110248

Mumbai: May 29, 2018

For and on behalf of the Board of Directors

DR. B. SAMAL
Executive Chairman
DIN: 00007256

BIPIN AGARWAL
Director
DIN: 00001276

CUMI BANERJEE
CEO & Company Secretary

HEMANG LADANI
Chief Financial Officer

Mumbai: May 29, 2018

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

	Particulars	Year ended 31st March, 2018 ₹	Year ended 31st March, 2017 ₹
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	(Loss) before tax	**(351,530,279)**	**(64,599,017)**
	Adjustments for:		
	Depreciation on property, plant and equipment	621,199	858,468
	Depreciation on investment property	3,643	4,980
	Interest income	(29,146,752)	(20,109,019)
	Profit on sale of investment properties (net)	(30,428,569)	-
	Reversal of contingent provision against standard assets	(172,484)	(1,250,635)
	Finance costs	6,603	81,565
	Provision for compensated absences	(2,553)	188,690
	Provision for sub-standard asset	374,074,095	44,978,233
	Loss on sale of long-term investments (net)	-	1,050,637
	Operating loss before changes in working capital	**(36,575,097)**	**(38,796,098)**
	Changes in working capital		
	Adjustments for (increase) / decrease in operating assets:		
	Short-term loans and advances	171,763	1,636,952
	Long-term loans and advances	(4,527,727)	310,121
	Other current assets	(317,337)	-
	Dividend account balance with banks	618,326	329,686
	Adjustments for increase / (decrease) in operating liabilities:		
	Trade payables	(389,099)	(399,649)
	Other current liabilities	(576,604)	127,144
	Other adjustments :		
	Bank balances not considered as cash and cash equivalents		
	- Placed	(82,750,376)	(189,316,391)
	- Matured	70,532,637	222,816,391
	Proceeds from sale of long-term investments:		
	- Others	-	1,789,057
	Proceeds from sale of investment properties	28,450,602	-
	Loans given:		
	- Subsidiaries	(7,500,000)	(18,200,000)
	- Associates	(10,000,000)	(55,000,000)
	Loans realised:		
	- Associates	11,500,000	35,000,000
	Interest received:		
	- Subsidiaries	-	4,156,435
	- Associates	28,339,824	32,079,733
	- Others	1,361,401	3,584,646
	Cash flow from operations	**(1,661,686)**	**118,027**
	Net income tax paid	3,414,628	(4,357,384)
	Net cash flow (used in) operating activities (A)	**1,752,942**	**(4,239,357)**

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018 (Contd.)

	Particulars	Year ended 31st March, 2018 ₹	Year ended 31st March, 2017 ₹
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment	(22,331)	(50,900)
	Advance received against sale of a unit of investment property	-	2,000,000
	Net cash flow (used in) / from investing activities (B)	**(22,331)**	**1,949,100**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Repayment of long term borrowings	(297,929)	(833,466)
	Finance costs	(6,603)	(80,130)
	Dividend and tax on dividend paid	(618,326)	(329,686)
	Net cash used in financing activities (C)	**(922,858)**	**(1,243,282)**
	Net (decrease) / increase in Cash and cash equivalents (A+B+C)	**807,753**	**(3,533,539)**
	Cash and cash equivalents at the beginning of the year	2,760,900	6,294,439
	Cash and cash equivalents at the end of the year (See Note 2.12)	**3,568,653**	**2,760,900**

Note:

1 Investment is the principal business activity of the Company and therefore the cash flow relating to it is included under operating activities.

2 The Cash Flow Statement has been prepared under the “Indirect Method” as set out in the Accounting Standard - 3 Cash Flow Statements.

3 Previous year figures have been regrouped wherever necessary.

As per our report of even date

For **CHATURVEDI & SHAH**

Chartered Accountants

Firm Registration No. 101720W

VITESH D. GANDHI

Partner

Membership No. 110248

Mumbai: May 29, 2018

For and on behalf of the Board of Directors

DR. B. SAMAL
Executive Chairman
DIN: 00007256

BIPIN AGARWAL
Director
DIN: 00001276

CUMI BANERJEE
CEO & Company Secretary

HEMANG LADANI
Chief Financial Officer

Mumbai: May 29, 2018

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1.1 Corporate Information

Industrial Investment Trust Limited (the Company) is a Public company incorporated under the provisions of the Companies Act, 1956. The Company is a Systemically Important Non-Deposit taking Non-Banking Financial Company registered with the Reserve Bank of India. The Company has been classified as an Investment Company.

1.2 Significant Accounting Policies

(A) Basis of accounting and preparation of financial statements:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with Accounting Standards specified under Section 133 of the Companies Act, 2013 ("the 2013 Act") and the relevant provisions of the 2013 Act as applicable. 'The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year. The Company follows the Systemically Important Non-Banking Financial (Non-Deposit taking Company or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016 (RBI guidelines).

An asset or a liability is classified as current if it is expected to realise or settle within 12 months after Balance Sheet date.

(B) Use of estimates:

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

(C) Revenue Recognition:

(a) Interest on all lending such as inter corporate deposits and finance against securities are accounted on time proportionate basis except in case of non-perfoming assets, where it is recognised upon realisation, as per RBI guidelines.

(b) Rental income is accrued on the basis of the agreement.

(c) Dividend income is accounted for when the right to receive it is established.

(d) Profit/Losses from share trading/investment activities is determined on the basis of weighted average carrying amount of investments and is recognised on the basis of contract notes.

(D) Property, Plant and equipment:

Property, plant and equipment are carried at cost less accumulated depreciation. Cost comprises of the purchase price and any other attributable expenditure of bringing the asset to its working condition for its intended use.

Depreciation:

(a) Depreciation on Property, plant and equipment has been provided on the written down value basis as per the useful life prescribed in Schedule II to the 2013 Act.

(b) Depreciation on additions to Property, plant and equipment is provided for the full period irrespective of the date of addition. No depreciation is provided on deletions to Property, plant and equipment in the year of sale.

(E) Investments:

Long Term Investments (excluding investment property) are valued at cost unless there is a diminution in value, other than temporary for which provision is made.

Current Investments are stated at lower of cost and fair value.

Investment properties are carried individually at cost less accumulated depreciation. Investment properties are capitalised and depreciated in accordance with the policy stated for Property, plant and equipment.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

1.2 Significant Accounting Policies (Contd.)

(F) Taxation:

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabosrbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

(G) Provisions and contingencies:

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

(H) Operating Lease:

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets, are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

(I) Employee benefits:

(a) Short term employee benefits:

Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the period in which the related service is rendered.

(b) Long term employee benefits:

1. Defined Contribution Plan:

The eligible employees of the Company are entitled to receive post employment benefits in respect of provident and family pension fund, in which both employees and the Company makes monthly contributions at a specified percentage of the employees' eligible salary (currently 12% of employees' eligible salary). The contributions made to Employees Provident Fund Organisation. Provident Fund and Family Pension Fund are classified as Defined Contribution Plans as the Company has no further obligation beyond making the contribution. The Company's contributions to Defined Contribution Plans are charged to Statement of Profit and Loss as incurred.

2. Defined Benefit Plans:

Gratuity

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuation being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

3. Other long term employee benefits:

Compensated absences

The Company provides for the encashment of leave or leave with pay subject to certain rules. The Employees are entitled to accumulate leave subject to certain limits for future encashment/availment. The Company makes provision for compensated absences based on an actuarial valuation carried out at the end of the year. Actuarial gains and losses are recognised in the Statement of Profit and Loss.

(J) Foreign Currency Transactions:

Transactions in foreign currencies are translated to reporting currency based on the exchange rate on the date of the transaction. Exchange differences arising on settlement thereof during the year are recognized as income or expense in the Statement of Profit and Loss.

Cash and bank balances, receivables and liabilities (monetary items) in foreign currencies as at the year end are translated at closing date rates and unrealized translation differences are included in the Statement of Profit and Loss.

(K) Share issue expenses:

Share issue expenses are adjusted against Securities Premium Account in terms of Section 52 of the 2013 Act, to the extent any balance is available for utilisation in the Securities Premium Account. Share issue expenses in excess of the balance in Securities Premium Account is expensed in the Statement of Profit and Loss.

(L) Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

(M) Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(N) Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.1 Share Capital

Particulars	As at 31st March, 2018	As at 31st March, 2017
	₹	₹
Authorised		
30,000,000 (previous year 30,000,000) Equity shares of ₹ 10 each	300,000,000	300,000,000
5,000,000 (previous year 5,000,000) Preference shares of ₹ 10 each	50,000,000	50,000,000
Issued, subscribed and fully paid-up:		
22,547,550 (previous year 22,547,550) Equity shares of ₹ 10 each	225,475,500	225,475,500
[Included above are 9,777,550 (Previous year: 9,777,550) equity shares represented by 4,888,775 (Previous year: 4,888,775) Global Depository Shares "GDS"]		
Total	**225,475,500**	**225,475,500**

(a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Equity Shares	As at 31st March, 2018		As at 31st March 2017	
	No. of shares	₹	No. of shares	₹
Opening Balance	22,547,550	225,475,500	22,547,550	225,475,500
Fresh issue	-	-	-	-
Buy back	-	-	-	-
Closing balance	**22,547,550**	**225,475,500**	**22,547,5 50**	**225,475,500**

The Company had issued 4,888,775 Global Depository Shares ('GDSs') representing 9,777,550 equity shares of the Company of nominal value ₹ 10 each, aggregating to US $ 59.89 millions equivalent to ₹ 3,377,606,725 (including share premium of ₹ 3,279,831,225). The GDSs are listed on Luxembourg Stock Exchange.

(b) Rights, preferences and restrictions attached to equity shares

Equity shares of the Company are issued at a par value of ₹ 10 per share.

(i) **Equity Shares represented by GDS** - Holders of the GDSs will have no voting rights with respect to the underlying equity shares. The Depository will not exercise any voting rights with respect to the deposited shares. Other rights, preferences and restrictions are same as other equity shares.

(ii) **Other Equity Shares** - Each holder of other equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(c) Equity shares held by each shareholder holding more than 5% equity shares in the Company are as follows:

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
N. N. Financial Services Private Limited	7,087,960	31.44	7,087,960	31.44
Nimbus India Limited	2,294,107	10.17	2,294,107	10.17
Life Insurance Corporation of India	1,191,998	5.29	1,192,248	5.29
The Bank of New York Mellon (Depository for GDS holders) *	9,777,550	43.36	9,777,550	43.36

* The Company does not have details of individual holders.

(d) The Company has not allotted any equity shares for consideration other than cash, bonus shares, nor have any shares been bought back during the period of five years immediately preceding the Balance Sheet date.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.2 Reserves and surplus

Particulars	As at 31st March, 2018	As at 31st March, 2017
	₹	₹
Capital Reserve		
Balance as per last Balance Sheet	**750**	**750**
Securities Premium Account		
Balance as per last Balance Sheet	**4,186,487,469**	**4,186,487,469**
General Reserve		
Balance as per last Balance Sheet	**185,542,587**	**185,542,587**
Special Reserve (as per the RBI regulations)		
Opening balance as per last balancesheet*	322,407,000	322,407,000
Add: Transfer from Surplus in the Statement of Profit and Loss *	-	-
Closing balance	**322,407,000**	**322,407,000**
Surplus in Statement of Profit and Loss		
Opening balance	418,721,824	475,472,404
Add: (Loss) for the year	(322,580,465)	(56,750,580)
Closing balance	**96,141,359**	**418,721,824**
Total	**4,790,579,165**	**5,113,159,630**

* In the absence of net profit for the year, no transfer has been made during the year to special reserve in terms of section 45 -IC of the Reserve Bank of India Act, 1934.

2.3 Other long-term liabilities

Particulars	As at 31st March, 2018	As at 31st March, 2017
	₹	₹
Income received in advance (Unearned revenue) (See note 2.35)	36,106,588	-
Sundry liabilities account (Interest capitilisation) (See note 2.36)	15,764,090	-
Total	**51,870,678**	**-**

2.4 Long term provisions

Particulars	As at 31st March, 2018	As at 31st March, 2017
	₹	₹
Provision for employee benefits:		
Compensated absences	361,575	383,947
Provision - Others:		
Provision for contigency (See note 2.33)	5,000,000	5,000,000
Total	**5,361,575**	**5,383,947**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.5 Trade payables

Particulars	As at 31st March, 2018	As at 31st March, 2017
	₹	₹
Trade payables :		
(a) Total outstanding dues of micro enterprises and small enterprises; and (See note 2.32)	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,781,712	2,170,811
Total	**1,781,712**	**2,170,811**

2.6 Other current liabilities

Particulars	As at 31st March, 2018	As at 31st March, 2017
	₹	₹
Current maturities of long-term debt #	-	297,929
Unclaimed dividends *	2,939,237	3,557,563
Other payables:		
Statutory remittances (Contributions to PF, Service Tax, GST etc.)	66,054	657,941
Advance received against sale of a unit of investment property	-	2,000,000
Salary payable	15,284	-
Expense payable		
Others	567,124	567,124
Total	**3,587,700**	**7,080,557**

Notes :

Details of terms of repayment and security provided: **Kotak Mahindra Prime Limited**

Terms of Repayment:

Repayable in 35 Equated Monthly Installments (EMI) each of ₹ 76,133; Number of Installments outstanding as at 31st March, 2018: Nil (As at 31st March 2017: 4)

Security Provided:

Secured by hypothecation of the vehicle purchased from the loan.

* Investor Education and Protection Fund is being credited as and when due.

2.7 Short term provisions

Particulars	As at 31st March, 2018	As at 31st March, 2017
	₹	₹
Provision for employee benefits:		
Compensated absences	1,493,244	1,473,425
Provision - Others:		
Income tax [net of advance tax ₹ 25,744,501 (previous year ₹ 25,744,501)]	4,587,499	25,499
Contingent Provision against Standard Assets	135,242	307,726
Total	**6,215,985**	**1,806,650**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.8 Property, Plant and Equipment

(₹)

ASSETS Owned	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT	
	As at 1st April, 2017	Additions	Disposals / Adjustments	As at 31st March, 2018	As at 1st April, 2017	For the year	On disposals	As at 31st March, 2018	As at 31st March, 2018	As at 31st March, 2017
Buildings	**9,100,000**	**-**	**-**	**9,100,000**	**6,285,826**	**135,232**	**-**	**6,421,058**	**2,678,942**	**2,814,174**
	(9,100,000)	(-)	(-)	(9,100,000)	(6,143,770)	(142,056)	(-)	(6,285,826)	(2,814,174)	(2,956,230)
Furniture and fixtures	**363,919**	**-**	**-**	**363,919**	**264,800**	**26,976**	**-**	**291,776**	**72,143**	**99,119**
	(363,919)	(-)	(-)	(363,919)	(227,244)	(37,556)	(-)	(264,800)	(99,119)	(136,675)
Vehicles	**4,254,161**	**-**	**-**	**4,254,161**	**3,021,694**	**387,567**	**-**	**3,409,261**	**844,900**	**1,232,467**
	(4,254,161)	(-)	(-)	(4,254,161)	(2,456,222)	(565,472)	(-)	(3,021,694)	(1,232,467)	(1,797,939)
Office equipment	**1,525,319**	**11,999**	**-**	**1,537,318**	**1,371,248**	**52,056**	**-**	**1,423,304**	**114,014**	**154,071**
	(1,496,519)	(28,800)	(-)	(1,525,319)	(1,284,084)	(87,164)	(-)	(1,371,248)	(154,071)	(212,435)
Computers	**647,212**	**10,332**	**-**	**657,544**	**605,601**	**19,368**	**-**	**624,969**	**32,575**	**41,611**
	(625,112)	(22,100)	(-)	(647,212)	(579,381)	(26,220)	(-)	(605,601)	(41,611)	(45,731)
Total	**15,890,611**	**22,331**	**-**	**15,912,942**	**11,549,169**	**621,199**	**-**	**12,170,368**	**3,742,574**	**4,341,442**
	(15,839,711)	(50,900)	(-)	(15,890,611)	(10,690,701)	(858,468)	(-)	(11,549,169)	(4,341,442)	(5,149,010)

Figure stated in brackets pertain to the previous year

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.9 Non-current investments

Particulars	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
(I) Trade Investments (valued at cost) [See Note 2.9 (a)]		
(A) Investment in Equity Instruments (fully paid-up):		
- of subsidiaries		
- quoted	136,123,073	136,123,073
- unquoted	144,910,000	144,910,000
	281,033,073	**281,033,073**
- of associate, unquoted	155,181,250	155,181,250
- of joint venture, unquoted (See Note 2.30)	3,400,000,000	3,400,000,000
Total (A)	**3,836,214,323**	**3,836,214,323**
(B) Investment in Preference Shares (fully paid-up) [See Note 2.9 (a)]		
- of subsidiary		
0% Non-Convertible Redeemable Preference shares, unquoted (Refer Footnote below)	350,000,000	350,000,000
- **of associate**		
0% Redeemable Preference shares, unquoted	250,000,000	250,000,000
0% Redeemable Preference shares, unquoted (Refer Footnote below and Note 2.35)	283,314,407	-
- **of other**		
0% Redeemable Preference shares, unquoted (See note 2.35)	117,592,181	-
Total (B)	**1,000,906,588**	**600,000,000**
Total C= (A+B)	**4,837,120,911**	**4,436,214,323**
-of other entities, unquoted [See Note 2.9 (a)]	28,148,218	28,148,218
Less: Provision for diminution in the value of investments	(28,148,218)	(28,148,218)
	-	-
Investment properties (valued at cost less accumulated depreciation)		
Immovable properties (cost)	506,667	658,359
Less: Accumulated depreciation	(436,712)	(562,728)
	69,955	**95,631**
Total D	**69,955**	**95,631**
Total (C + D)	**4,837,190,866**	**4,436,309,954**
Aggregate amount of quoted investments (net of provision)	136,123,073	136,123,073
Aggregate market value of quoted investments	50,303,875	92,193,935
Aggregate value of listed but not quoted investments (net of provision)	-	-
Aggregate amount of unquoted investments (net of provision)	4,700,997,838	4,300,091,250
Investment properties	69,955	95,631

Footnote:

1. During the previous year the Company vide its Board resolution dated 8th March, 2017 and 9th February, 2017 consented to the variation of rights relating to 12% Non-Convertible Cumulative Redeemable Preference shares issued by IITL Projects Limited (IPL) and 10% Cumulative Redeemable Preference shares issued by World Resorts Limited (WRL) respectively by extending the period of redemption, increasing the premium on redemption, waiver of dividend till 31st March 2016 and reducing the coupon rate from 12% & 10% respectively to 0% w.e.f 1st April 2016. The nomenclature of the shares has also been changed from 12% Non-Convertible Cumulative Redeemable Preference shares and 10% Cumulative Redeemable Preference shares to 0% Non-Convertible Redeemable Preference shares and 0% Redeemable Preference shares respectively.
2) The financial statements of the IITL Projects Limited ("Subsidiary company") have been prepared on a going concern basis, although the networth of the Company is negative as on 31st March, 2018. The Subsidiary company has through its joint ventures adequate unsold inventories which on sale is expected to generate profits based on, interalia, Management's estimate of sale price and cost escalations. Considering the business plan and future cash flows of the various projects of the subsidiary company, management is of the opinion that, there is no dimunition in value of the investment and no provision is required to be made for the year ended 31/03/2018.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.9 (a) Details of Non-current investments

Name of the Company	Face Value per Share ₹	As at 31st March, 2018 Holding Nos.	As at 31st March, 2018 Book Value ₹	As at 31st March, 2017 Holding Nos.	As at 31st March, 2017 Book Value ₹
(I) Trade Investments					
(A) Investment in Equity Instruments:					
- of subsidiaries					
- quoted					
IITL Projects Limited	10	3,580,347	136,123,073	3,580,347	136,123,073
- unquoted					
IIT Investrust Limited	10	12,375,000	117,410,000	12,375,000	117,410,000
IIT Insurance Broking and Risk Management Private Limited	10	2,500,000	25,000,000	2,500,000	25,000,000
IITL Corporate Insurance Service Private Limited	10	250,000	2,500,000	250,000	2,500,000
			144,910,000		144,910,000
Sub-total			**281,033,073**		**281,033,073**
- of associate, unquoted					
World Resorts Limited	10	13,018,125	155,181,250	13,018,125	155,181,250
- of joint venture, unquoted					
Future Generali India Life Insurance Company Limited	10	326,700,000	3,400,000,000	326,700,000	3,400,000,000
Total (A)			**3,836,214,323**		**3,836,214,323**
(B) Investment in Preference Shares:					
- of subsidiary, unquoted					
IITL Projects Limited	10	7,000,000	350,000,000	7,000,000	350,000,000
- of associate, unquoted					
World Resorts Limited	10	5,000,000	250,000,000	5,000,000	250,000,000
World Resorts Limited	10	5,000,000	283,314,407		
- of others related party, unquoted					
Capital Infraprojects Private Limited	10	10,849,120	117,592,181	-	-
Total (B)			**1,000,906,588**		**600,000,000**
Total (A+B)			**4,837,120,911**		**4,436,214,323**
(II) Other investments					
- of other entities, unquoted					
Reliance Media Works Limited	5	10,000	3,668,331	10,000	3,668,331
Reliance Broadcast Network Limited	5	10,000	1,794,343	10,000	1,794,343
SQL Star International Limited *	10	547,677	22,685,544	547,677	22,685,544
			28,148,218		**28,148,218**
Total			**28,148,218**		**28,148,218**

* Listed but unquoted as scrip has been suspended due to penal reasons

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.10 Deferred tax assets

Nature of timing difference	As at 31st March, 2017	(Charge) / credit for the current year	As at 31st March, 2018
	₹	₹	₹
Deferred tax liabilities:			
On difference between book balance and tax balance of property, plant and equipment	(188,083)	20,062	(168,021)
Total	**(188,083)**	**20,062**	**(168,021)**
Deferred tax assets:			
Disallowances under Section 43B of the Income Tax Act, 1961	478,273	(657)	477,616
Contingent Provision against standard assets	79,239	(44,414)	34,825
Contingent Provision against sub-standard assets	20,975,495	96,324,081	117,299,575
Total	**21,533,007**	**96,279,010**	**117,812,016**
Deferred tax assets (net)	**21,344,924**	**96,299,072**	**117,643,996**

The company has recognised defeered tax assets only to the extent of ₹ 56,982,129/-, on prudent basis the excess deferred tax assets have not been recognised in the books of accounts.

2.11 Long-term loans and advances (considered good, unless otherwise stated)

Particulars		As at 31st March, 2018	As at 31st March, 2017
	₹	₹	₹
Loans and advances to related parties [see note 2.24]			
Unsecured:			
Standard assets			
Loan to a subsidiary		-	50,000,000
Loan to an entity under significant influence		23,500,000	35,000,000
Non-performing asset			
Loan to a subsidiary	57,500,000		364,800,000
Loan to an entity under significant influence	440,546,419		424,782,329
Loan to an associate	25,000,000		25,000,000
Less:- Provision for Non-performing asset	(455,532,329)	67,514,090	(81,458,233)
		91,014,090	818,124,096
Deposit placed against disputed property tax (See note 2.33)		16,363,512	11,216,892
Debit balance in gratuity fund (See note 2.22)		34,217	6,490
Advance payment of income tax [net of provisions ₹ 42,379,000 (Previous year ₹ 51,729,000)]		20,396,123	29,123,601
MAT credit untitiled		4,562,000	-
Total		**132,369,942**	**858,471,079**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.12 Cash and cash equivalents

Particulars	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Cash and cash equivalents (As per AS 3 Cash Flow Statements)		
Cash on hand	11,279	13,241
Cheques, drafts on hand	41,715	-
Balances with banks:		
- In current accounts	3,510,576	2,742,112
- Others (Balance in foreign currency travellers cards)	5,083	5,547
	3,568,653	**2,760,900**
Other Bank Balances:		
- In deposit accounts with original maturity of more than 3 months	33,717,739	21,500,000
- In earmarked accounts - unpaid dividend accounts	2,939,237	3,557,563
	36,656,976	**25,057,563**
Total	**40,225,629**	**27,818,463**

2.13 Short-term loans and advances (considered good, unless otherwise stated)

Particulars	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Loans and advances to related parties [see note 2.23]		
Unsecured:		
Standard assets-		
Loan to an entity under significant influence	10,000,000	-
	10,000,000	**-**
Other loans and advances		
Security deposits	41,500	190,088
Prepaid expenses	650,631	2,033,474
Advances to related parties	1,612,000	252,332
	2,304,131	**2,475,894**
Total	**12,304,131**	**2,475,894**

2.14 Other current assets (unsecured, considered good)

Particulars	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Interest accrued but not due		
- bank deposits	505,445	463,323
Interest accrued and due (Standard Assets)		
- Loans	304,027	2,921,783
- Others receivable from related parties	1,247,571	930,233
Total	**2,057,043**	**4,315,339**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.15 Revenue from operations

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
	₹	₹
Interest [See Note 2.15 (a)]	27,125,591	19,281,694
Other operating income [See Note 2.15 (b)]	30,428,569	-
Total	**57,554,160**	**19,281,694**

2.15 (a) Interest

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
	₹	₹
Interest:		
- On deposits with banks	1,403,523	3,093,701
- On loans*	25,722,068	16,187,993
Total	**27,125,591**	**19,281,694**

* Interest income is net of reversal of interest income ₹ 2,921,783 (Previous year ₹18,074,400) remaining unrealised on loans which became non-performing.

2.15 (b) Other operating Income

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
	₹	₹
Profit on sale of investment properties (net)	30,428,569	-
Total	**30,428,569**	**-**

2.16 Other income

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
	₹	₹
Interest on deposits placed	468,268	827,325
Reversal of contingent provision against standard assets	172,484	1,250,635
Interest income from Income tax refund	1,552,893	-
Miscellaneous income	34,054	46,020
Total	**2,227,699**	**2,123,980**

2.17 Employee benefits expense

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
	₹	₹
Salaries and bonus	11,225,780	12,318,141
Contribution to provident and other funds (See note 2.22)	987,836	1,126,580
Staff welfare expenses	250,994	258,388
Total	**12,464,610**	**13,703,109**

2.18 Finance cost

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
	₹	₹
Interest on borrowings	6,603	80,130
Total	**6,603**	**80,130**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.19 Other expenses

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
	₹	₹
Electricity charges (net of recovery ₹ 206,402; previous year ₹ 242,100)	788,661	931,315
Rent including lease rentals (net of recovery ₹ 624,000; previous year ₹ 732,000) [See Note 2.25]	5,627,180	4,550,700
Repairs and Maintenance:		
-Buildings (net of recovery ₹ 624,000; previous year ₹ 732,000)	3,304,913	3,221,517
-Others	154,129	246,745
	3,459,042	3,468,262
Insurance	322,451	419,943
Rates and taxes	322,351	372,176
Communication expenses (net of recovery ₹ 2,553; previous year ₹ 3,348)	277,522	288,163
Travelling and conveyance	1,287,404	1,486,526
Printing and stationery	397,494	353,123
Business promotion	154,148	483,135
Legal and Professional Fees	3,785,573	3,584,822
Payment to auditors [See Note 2.19(a))	1,626,110	2,511,650
Stamping charges	295,542	870
Registrar and transfer charges	347,522	187,197
Investment in subsidiary - Written Off	-	1,500,000
Less:- Provision held	-	(1,500,000)
	-	-
Expenditure on Corporate Social Responsibility	760,000	2,050,000
Directors' fees	2,581,200	2,551,350
Membership fees	1,449,699	1,533,371
Security transaction charges	-	1,797
Miscellaneous expenditure	660,088	554,734
Total	**24,141,988**	**25,329,134**

2.19 (a) Payments to the auditors

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
	₹	₹
To statutory auditors		
For Audit	725,000	800,000
For other services	846,249	1,350,000
For reimbursement of out of pocket expenses	-	10,965
Service tax / GST	54,861	328,185
Total	**1,626,110**	**2,511,650**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.20 Contingent liabilities and commitments not provided for

Particulars	As at 31st March, 2018	As at 31st March, 2017
	₹	₹
(i) Contingent liabilities:		
(a) Claims against the Company not acknowledged as debt		
- Disputed income-tax matters #	-	7,038,768
- Disputed wealth-tax matter in appeal	3,250,246	3,250,246
- Disputed property tax levied by Mumbai Muncipal Corporation (MMC) based on enhanced ratable value for the period 1st April 2007 to 31st March 2010 in respect of the Company's Investment Property in Atlanta Building, Nariman Point * net of provision referred to in Note 2.33	19,869,855 *	19,869,855 *

The income tax assessment upto financial year 2015-16 has been completed. For FY 2016-17 the income-tax assessment is in process, for which in the opinion of the management there is no tax liabilities to be created in the books of accounts.

In respect of above items, outflow of resources would depend upon the outcome of the appeal/petition.

(b) Guarantees

Guarantees given to banks on behalf of associate company	253,400,000	253,400,000

The Company has received counter-guarantees from other parties amounting to ₹ 190,050,000 (previous year ₹ 190,050,000) against the aforesaid guarantees given by the Company to the banks. The outstanding amount of loan availed by the associate company as at 31st March 2018 is ₹ 36,777,958 (as at 31st March 2017 ₹ 73,635,169)

2.21 Disclosure as per Regulation 34(3) and 53(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Particulars	Balance as at 31st March, 2018 ₹	Maximum balance outstanding during the year ended 31st March, 2018 ₹
Loans and advances (excluding interest accrued and due) in the nature of loans to subsidiaries, associates, firms/companies in which directors are interested:		
Subsidiaries:		
-IITL Projects Limited	**-**	**364,800,000**
	(364,800,000)	(364,800,000)
-IIT Insurance Broking and Risk Management Private Limited	**57,500,000**	**57,500,000**
	(50,000,000)	(50,000,000)
Associate Company:		.
-World Resorts Limited	**25,000,000**	**25,000,000**
	(25,000,000)	(25,000,000)
Entities over which the company can exercise significant influence:		
-IITL Nimbus The Express Park View	**247,751,455**	**247,751,455**
	(231,987,365)	(231,987,365)
-IITL Nimbus The Palm Village	**30,000,000**	**30,000,000**
	(30,000,000)	(30,000,000)
-IITL Nimbus The Hyde Park Noida	**162,794,964**	**162,794,964**
	(162,794,964)	(162,794,964)
-MRG Hotels Private Limited	**23,500,000**	**35,000,000**
	(35,000,000)	(45,000,000)
-Capital Infraprojetcs Private Limited	**10,000,000**	**10,000,000**
	(-)	(-)

Figures in brackets are for the previous year.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.22 Employee Benefits

(a) Defined Contribution Plan

The Company makes Provident Fund contributions which are defined contribution plans, for qualifying employees. The Company recognised ₹ 837,333 (previous year ₹ 809,654) for Provident Fund contributions in the Statement of Profit and Loss. (See 'Contribution to provident and other funds' in Note 2.17)

(b) Defined Benefit Plan

The Company offers its employees defined-benefit plan in the form of a Gratuity Scheme. Benefits under the defined benefits plan are typically based on years of service and the employees compensation covering all regular employees. Commitments are actuarially determined at year-end. The benefits vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India.

	Particulars	Gratuity (funded)	
		31st March, 2018	31st March, 2017
		₹	₹
i	Reconciliation of opening and closing balances of Defined Benefit Obligation:		
	Present value of Defined Benefit Obligation as at the beginning of the year	2,995,113	2,464,784
	Interest Cost	224,633	197,183
	Current Service Cost	383,227	356,490
	Benefits paid	20,169	-
	Net Actuarial (Gain) / Loss	(237,052)	(23,344)
	Present value of Defined Benefit Obligation as at the end of the year	**3,386,090**	**2,995,113**
ii	Reconciliation of fair value of Plan Assets:		
	Fair value of Plan Assets as at the beginning of the year	3,001,603	2,591,307
	Expected return on Plan Assets	225,120	207,305
	Net Actuarial Gain / (Loss)	4,287	14,806
	Employer's Contribution	169,128	188,185
	Benefits paid	20,169	-
	Fair value of Plan Assets as at the end of the year	**3,420,307**	**3,001,603**
	The major categories of Plan Assets as a percentage of the fair value of total Plan Assets are as follows:		
	Bank Balance	5.80%	6.37%
	Funds maintained with Life Insurance Corporation of India	94.20%	93.63%
	Note: The Company is unable to obtain the details of major category of plan assets from the insurance company (Life Insurance Corporation of India) and hence the disclosure thereof is not made.		
(iii)	Net assets / (liabilities) recognised in the Balance Sheet		
	Present value of Defined Benefit Obligation	(3,386,090)	(2,995,113)
	Fair value of Plan Assets	3,420,307	3,001,603
	Net assets recognised in the Balance Sheet	**34,217**	**6,490**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.21 Employee Benefits (contd.)

	Particulars	Gratuity (funded)	
		31st March, 2018	31st March, 2017
		₹	₹
iv	Components of Employer's Expenses		
	Current Service Cost	383,227	356,490
	Interest Cost	224,633	197,183
	Expected return on Plan Assets	(225,120)	(207,305)
	Net Actuarial (Gain)	(241,339)	(38,150)
	Total expense recognised in Statement of Profit and Loss	**141,401**	**308,218**
	Actual return on Plan Assets	**229,407**	**222,111**
	Estimated contribution in the next year	**150,000**	**140,000**
v	Actuarial Assumptions		
	Mortality Table	Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2006-08) Ult
	Discount rate	7.30%	7.50%
	Expected rate of return on Plan Assets	7.30%	8.00%
	Salary escalation	7.00%	6.00%
	Attrition	10% at younger ages reducing to 2% at older ages	1.00%

vi a. The estimate of rate of escalation in salary considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

b. The discounting rate is considered based on market yield on government bonds having currency and terms consistent with the currency and terms of the post-employment benefit obligations.

c. Expected rate of return on assets is determined based on the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

vii Experience adjustment:

	Gratuity (Funded)				
	31st March, 2018	31st March, 2017	31st March, 2016	31st March, 2015	31st March, 2014
	₹	₹	₹	₹	₹
1. Present Value of Defined Benefit Obligation	3,386,090	2,995,113	2,464,784	1,951,582	1,590,626
2. Fair Value of Plan Assets	3,420,307	3,001,603	2,591,307	2,372,992	2,067,147
3. Funded Status [Surplus]	34,217	6,490	126,523	421,410	476,521
4. Net Asset	34,217	6,490	126,523	421,410	476,521
5. Experience adjustment arising on:					
a. Plan Liabilities (Gain)/Loss	(899,442)	(23,245)	139,505	(99)	25,444
b. Plan Assets (Gain)/Loss	(4,287)	(14,806)	6,319	20,221	29,784

viii The above information is as certified by the actuary and relied upon by the auditors.

2.23 Earnings per share

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
	₹	₹
(a) (Loss) / Profit for the year attributable to equity shareholders	(322,580,465)	(56,750,580)
(b) Weighted average number of equity shares for Basic and Diluted Earnings per share (Nos.)	22,547,550	22,547,550
(c) Basic and Diluted Earnings per share (Face value ₹ 10/-)	(14.31)	(2.52)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.24 Related party disclosures:

(i) Names of related parties:

(a) Names of related parties and nature of related party relationship where control exists are as under:

Subsidiary companies:	IIT Investrust Limited
	IITL Projects Limited
	IIT Insurance Broking and Risk Management Private Limited
	IITL Corporate Insurance Services Private Limited
Joint venture:	Future Generali India Life Insurance Company Limited

(b) Names of other related parties and nature of relationship:

Key management personnel:	Dr. B. Samal, Executive Chairman
Associate company:	World Resort Limited
Entities over which the company can exercise significant influence:	IITL Nimbus The Express Park View - a partnership firm
	IITL Nimbus The Palm Village - a partnership firm
	IITL Nimbus The Hyde Park Noida -a partnership firm
	Capital Infraprojects Private Limited
	MRG Hotels Private Limited

(ii) Transactions with related parties:

(a) Key management personnel:

Sr. No.	Nature of transactions	₹
(A)	Remuneration paid to Dr. B. Samal @	**5,532,000**
		(5,532,000)

@ Excludes provision for gratuity and compensated absences, which is determined on the basis of actuarial valuation done on overall basis for the Company

Figures in brackets are for the previous year.

(b) Other related parties:

Sr. No.	Nature of transactions	Subsidiary companies	Associate company	Entities under Significant influence
		₹	₹	₹
(i)	**Transactions during the year**			
(A)	Loans given:			
	-IIT Insurance Broking and Risk Management Private Limited	**7,500,000** (18,200,000)		
	-IITL Nimbus The Palm Village			**-** (10,000,000)
	-IITL Nimbus The Hyde Park Noida			- (35,000,000)
	-IITL Nimbus The Express Park View (Refer note 2.36)		**15,764,090** (-)	
	-World Resorts Limited		- (10,000,000)	
	-Capital Infraproject Private Limited			**10,000,000** (-)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.24 Related party disclosures: (contd)

Sr. No.	Nature of transactions	Subsidiary companies	Associate company	Entities under Significant influence
		₹	₹	₹
(B)	Refund of loans given:			
	- IITL Nimbus the Hyde Park Noida			-
				(25,000,000)
	-MRG Hotels Private Limited			**11,500,000**
				(10,000,000)
(C)	Interest income (net of reversal):			
	-IITL Projects Limited	-		
		(-)		
	-IIT Insurance Broking and Risk Management Private Limited	-		
		(6,044,431)		
	-IITL Nimbus The Express Park View			-
				(16,035,194)
	-IITL Nimbus The Palm Village			-
				(311,946)
	-IITL Nimbus The Hyde Park Noida			**19,853,533**
				(17,649,914)
	-World Resorts Limited		**3,750,000**	
			(3,326,713)	
	-MRG Hotels Private Limited			**3,918,045**
				(5,514,075)
	-Capital Infraproject Private Limited			**1,122,274**
				(-)
(D)	Rent Expenses:			
	-IIT Investrust Limited	**1,500,000**		
		(1,500,000)		
	-IIT Insurance Broking and Risk Management Private Limited	**2,400,000**		
		(1,500,000)		
(E)	Brokerage paid on sale of quoted investments:			
	-IIT Investrust Limited	-		
		(4,488)		

	(ii) Balances at year-end			
(A)	Loans oustanding as at year-end:			
	- IITL Projects Limited #	-		
		(364,800,000)		
	-Capital Infraprojects Private Limited			**10,000,000**
				(-)
	-IIT Insurance Broking and Risk Management Private Limited	*** 57,500,000**		
		(50,000,000)		
	-IITL Nimbus The Express Park View			*** 247,751,455**
				(231,987,365)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.24 Related party disclosures: (contd)

Sr. No.	Nature of transactions	Subsidiary companies	Associate company	Entities under Significant influence
		₹	₹	₹
	-IITL Nimbus The Palm Village			*** 30,000,000**
				(30,000,000)
	-IITL Nimbus The Hyde Park Noida			*** 162,794,964**
				(162,794,964)
	-World Resorts Limited		*** 25,000,000**	
			(25,000,000)	
	-MRG Hotels Private Limited			**23,500,000**
				(35,000,000)
(B)	Interest accrued and due as at year-end:			
	-IIT Insurance Broking and Risk Management Private Limited	**-**		
		(2,921,783)		
	-Capital Infraproject Private Limited		**304,027**	**-**
			(-)	(-)
(C)	Advance rent paid (Prepaid Expenses)			
	-IIT Insurance Broking and Risk Management Private Limited	**1,600,000**		
		(1,400,000)		

* Provision for has been made for Non-performing assets against these loans.
# During previous year the Company had waived off interest of ₹ 54,720,000 for the period from 1 April 2016 to 31 March 2017 on this loan as part of the One-time settlement (refer note 2.35).
Above disclosures exclude related party transactions in the nature of reimbursements.
Figures in brackets are for the previous year.

2.25 Details of leasing arrangements

The Company has taken an office premise and residential premises on operating lease. There are no restrictions imposed by the lease arrangement. There are no sub-leases. The lease rental expense recognised in the Statement of Profit and Loss for the year is ₹ 5,627,180 (previous year: ₹ 4,550,700) [net of recoveries ₹ 624,000(previous year: ₹ 732,000)].

2.26 Interest in joint ventures

The Company has interests in the following joint venture:

Sr. No.	Name of joint venture and country of incorporation	Year ended 31st March, 2018 % of interest	Year ended 31st March, 2017 % of interest
1	Future Generali India Life Insurance Company Limited (FGILICL) (India) (See note 2.29)	18.80	21.67

Financial interest of the company in jointly controlled entities is as under:

Sr. No.	Particulars	Amount of interest based on the audited accounts	
		Year ended 31 March, 2018	Year ended 31 March, 2017
		₹	₹
1	Assets	6,857,939,271	6,762,719,226
2	Liabilities	6,342,282,961	6,353,862,230
3	Income	2,411,126,610	2,228,499,092
4	Expenditure	2,680,627,425	2,417,078,360
5	Contingent liabilities	10,001,412	801,227
6	Capital commitments	6,026,716	21,976,420

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.27 Disclosure in terms of Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016

2.27 (a) Maturity pattern of certain items of Assets and Liabilities (Based on RBI Guidelines at Book values) ₹

Particulars	Liabilities		Assets	
	Borrowing from banks	Market Borrowing	Advances	Investments
1 day to 30/31 days (One month)	-	-	-	-
Over one month upto 2 months	-	-	-	-
Over 2 months upto 3 months	-	-	-	-
Over 3 months upto 6 months	-	-	-	-
Over 6 months upto 1 year	-		10,000,000	-
Over 1 year upto 3 years	-	-	23,500,000	-
Over 3 years upto 5 years	-	-	-	-
Over 5 years	-	-	-	4,837,190,866
Total	**-**	**-**	**33,500,000**	**4,837,190,866**

Notes:

1. The above maturity pattern of assets and liabilities has been prepared by the Company after taking into consideration structural liquidity guidelines for assets-liabilities management (ALM) system in non-banking financial companies issued by RBI, best practices and best estimate of the Assets-Liability Committee with regard to the timing of various cash flows, which has been relied upon by the auditors.
2. Additional disclosures in term of Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016, are provided in Annexure-I and Annexure-II.

2.27 (b) Capital to Risk Assets Ratio ("CRAR")

Items	As at 31st March, 2018	As at 31st March, 2017
CRAR (%)	66.50	81.11
CRAR - Tier I Capital (%)	66.48	81.08
CRAR - Tier II Capital (%)	0.02	0.03
Amount of subordinated debt raised as Tier-II Capital	-	-
Amount raised by issue of perpetual Debt Instruments	-	-

2.27 (c) Exposure to Real Estate Sector ₹

Category	As at 31st March, 2018	As at 31st March, 2017
a) Direct Exposure		
i) Residential Mortgages -	Nil	Nil
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented:		
- Individual housing loans up to ₹ 15 lakh	Nil	Nil
- Individual housing loans above ₹ 15 lakh	Nil	Nil

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Category	As at 31st March, 2018	As at 31st March, 2017
ii) Commercial Real Estate - Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial buildings, multi-tenanted commercial premises, multi-family residential premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc). Exposure includes non-fund based (NFB) limits.	Nil	Nil
iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
1. Residential	Nil	Nil
2. Commercial Real Estate	Nil	Nil

Note: The Company has given term loans to its subsidiary and joint ventures of that subsidiary engaged in real estate business of construction of residential complexes which are not covered by the above mentioned categories. The outstanding balance of such loans is ₹ 450,546,419 (Previous year ₹ 789,582,329). The Company also has long-term equity investments in the said subsidiary of ₹ 136,123,073 (Previous year ₹ 136,123,073).

2.27 (d) Exposure to Capital Market

Category	As at 31st March, 2018	As at 31st March, 2017
Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	Nil	Nil
Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	Nil	Nil
Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	Nil	Nil
Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	Nil	Nil
Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	Nil	Nil
Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	Nil	Nil
Bridge loans to companies against expected equity flows / issues;	Nil	Nil
All exposures to Venture Capital Funds (both registered and unregistered)	Nil	Nil
Total Exposure to Capital Market		

2.27 (e) Details of financing of parent company products

NA

2.27 (f) Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the applicable NBFC

NIL

2.27 (g) Unsecured Advances

NA

2.27 Disclosure of Restructured Accounts

₹ in lakhs

Sl. No.	Type of Restructuring		Under CDR Mechanism					Under SME Debt Restructuring Mechanism					Others					Total				
	Asset Classification		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
	Details																					
1	Restructured Accounts as on April 1, 2017	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	1.00	-	-	1.00	-	1.00	-	-	1.00
		Amount outstanding												3,648.00	-	-	3,648.00		3,648.00	-	-	3,648.00
		Provision thereon												364.80	-	-	364.80		364.80	-	-	364.80
2	Fresh restructuring during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	1.00	-	1.00	-	-	1.00	-	1.00
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	2,319.87	-	2,319.87	-	-	2,319.87	-	2,319.87
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-		2,319.87		2,319.87	-	-	2,319.87	-	2,319.87
3	Upgradations to restructured standard category during year (refer note 2.35)	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	1.00	-	-	1.00	-	1.00	-	-	1.00
		Amount outstanding												3,648.00	-		3,648.00	-	3,648.00	-	-	3,648.00
		Provision thereon												364.80	-		364.80	-	364.80	-	-	364.80
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Downgradations of restructured accounts during the FY		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Write-offs of restructured accounts during the FY																					
7	Restructured Accounts as on March 31, 2018	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	1.00	-	1.00	-	-	1.00	-	1.00
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	2,319.87	-	2,319.87	-	-	2,319.87	-	2,319.87
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	2,319.87	-	2,319.87	-	-	2,319.87	-	2,319.87

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.29 The Company is engaged in Investment activities and in Insurance business undertaken through the joint venture company FGILICL. Hence there are two reportable business segments as per Accounting Standard-17 Segment Reporting. The Company operates only in one geographical segment i.e. India. The segment information has been provided in the consolidated financial statements.

2.30 The Company had entered into Share Purchase Agreement with Pantaloon Retail India Limited (now known as Future Retail Limited) to acquire 22.5% of its equity stake in Future Generali India Life Insurance Company Ltd (FGILICL). Pursuant to approval received from CCI, RBI & IRDA the transaction was consummated on 17th December 2013 for a total consideration of ₹ 340 crores. FGILICL became a joint venture of the Company.

In August 2016 and December 2016 FGILICL came out with Rights Issues of 30,000,000 and 25,508,850 equity shares respectively of ₹ 10 each at par aggregating to ₹ 300,000,000 and ₹ 255,088,500, in the ratio of 10:484 and 21:1220 respectively. The Company did not subscribe to both the rights issues. The total subscription amount received from the other shareholders was ₹ 299,414,160 equivalent to 29,941,416 equity shares and ₹ 255,088,500 equivalent to 25,508,850 equity shares. The resultant effect is, the Company's stake in FGILICL reduced to 22.05% after the first rights issue and 21.67% after the second rights issue.

Subsequent to the year end, in April 2017, August 2017 and February 2018 FGILICL came out with three rights issue of 75,372,514, 99,997,829 and 55,000,000 equity shares respectively of ₹ 10 each at par aggregating to ₹ 753,725,140, 999,978,290 and 550,000,000. The Company did not subscribe to these rights issue and the resultant effect is, the Company's stake in FGILICL reduced from 21.67 to 18.80% after these three rights issue.

The management views the investment in positive light as insurance industry plays a crucial role in the growth and development of the overall economy. There is a huge potential to be tapped across India for life insurance. Life Insurance Industry has a long gestation period and the Company views this as a long term investment. Having regard to the projections and future business plan provided by FGILICL to the Company and based on management's assessment of the same, the management of the Company is of the view that, although the net-worth of FGILICL as at 31st March 2018 has substantially eroded, there is no diminution other than temporary in the value of investment of the Company in FGILICL as at 31st March 2018.

2.31 Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016.

₹

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 8th November, 2016	8,000	27,483	35,483
(+) Permitted receipts	-	95,235	95,235
(-) Permitted payments	-	77,608	77,608
(-) Amount deposited in Banks	8,000	-	8,000
Closing cash in hand as on 30th December, 2016	-	45,110	45,110

2.32 There are no amounts due to the suppliers covered under the Micro, Small and Medium Enterprises Development Act, 2006 (the Act). The identification of vendors as a "Supplier" under the Act has been done on the basis of the information to the extent provided by the vendors to the Company. This has been relied upon by the auditors.

2.33 The amount of ₹ 19,869,855 disclosed as Contingent Liability (See note 2.20(i)(a)) is towards the disputed property tax levied by MMC based on enhanced ratable value for the period 1st April 2007 to 31st March 2010 in respect of the Company's Investment Property in Atlanta Building, Nariman Point.

During the financial year 2015-16, the Company sold four units of the said property. Upon sale of said units the Company was required to deposit ₹ 10,028,864 with Atlanta Premises Co-operative Society Limited (the society) towards part of the disputed property tax related to units sold.

During the current year, the Company has sold one unit of the said property. Upon sale of said unit the Company was required to deposit ₹ 4,678,352 with Atlanta Premises Co-operative Society Limited (the society) towards part of the disputed property tax related to unit sold.

The total amount of ₹ 14,707,216 has been placed by the society in Fixed Deposits with Bank.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

The disputed property tax issue is still subjudice and the order is awaited from the Mumbai High court. Pending the outcome of the matter, out of abundant caution, the Company has made a provision of ₹ 5,000,000 in respect of the units sold.

However, the total amount of ₹ 24,869,855 is fully recoverable from the ex-Licensee as per the Leave and License Agreements entered by the Company with them from time to time.

The movement in the above mentioned provision is detailed below as per Accounting Standard-29 Provisions, Contingent Laibilities and Contingent Assets: ₹

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
As at 1st April	5,000,000	5,000,000
Additions	-	-
Utilisation/Reversal	-	-
As at 31st March	**5,000,000**	**5,000,000**

2.34 The details of Corporate Social Responsibility (CSR) expenditure are as below:

(a) The CSR obligation for the year as computed by the Company and relied upon by the auditors is ₹ 7,60,000 (previous year ₹ 2,050,000)

(b) Amount spent during the year on: ₹

Particulars	Paid	Yet to be paid	Total
(i) Construction/acquisition of any asset	-	-	-
	(-)	(-)	(-)
(ii) On purposes other than (i) above	760,000	-	760,000
	(2,050,000)	(-)	(2,050,000)

Figures in brackets are for the previous year.

2.35 In its meeting held on 8th March, 2017, the Board of directors approved the proposal of One-Time Settlement ("OTS") with IITL Projects Limited (IPL), the subsidiary company, in relation to unsecured outstanding loan given along with the outstanding interest thereon, as under :-

(i) Loan of ₹ 36.48 crores along with outstanding interest as on 31st March, 2016 amounting to ₹ 3.61 crores (Net of TDS) aggregating ₹ 40.09 crores would be adjusted against the transfer of assets of IPL namely 5,000,000 Zero % Non-Convertible Redeemable Preference Shares of World Resorts Limited and 10,849,120 Zero% Non-Convertible Redeemable Preference Shares of Capital Infraprojects Private Limited based on its value determined by independent valuers amounting to ₹ 28.33 Crores and ₹ 11.76 crores respectively (in favour of the Company).

(ii) The Company to waive off Interest accrued for the period April, 2016 to March, 2017 amounting to ₹ 5.47 Crores.

(iii) IPL to agree to recompense the Company in one or more installments, as may be mutually agreed between the parties at the relevant time the interest amount of ₹ 5.47 Crores which has been waived off as part of One Time Settlement in case IPL turns profitable in future and has adequate cash flows.

The above proposal was approved by the members of IPL and those of the Company on 18th April, 2017 and 21st April, 2017 respectively. Subsequently the company entered into OTS agreement on 18th May, 2017 with IPL to transfer the said shares in name of the Company.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.36 Pursuant to the approval received from the shareholders and resolution passed at the 84th Annual General Meeting of the Company, the unsecured loan of ₹ 23,19,87,365/- granted to IITL Nimbus the Express Park View (EPV-II) has been restructured according to the following terms and condition.

a) Moratorium of four years for a period beginning October 01, 2017 and ending on September 30, 2021 on repayment of outstanding loan of ₹ 23,19,87,365/-

b) Interest outstanding upto March 31, 2016 amounting to ₹ 1,57,64,094/- to be converted into Funded Interest Term Loan (FITL) and a Moratorium to be granted for its repayment and the interest thereon for a period of 4 years ending on September 30, 2021. The rate of interest to be charged on FITL will be 12%.

c) Interest outstanding from April 01, 2016 upto September 30, 2017 amounting to ₹ 5,22,44,826/- to be waived off and interest rate change from @15% to @12% with Recompense Clause.

d) Promoters' contribution amounting to ₹ 3,06,60,032/- has been brought jointly by the Promoters in EPV II i.e. to the extent of 20% of the total sacrifice amount on account of Diminution in Fair Value of Loan and waiver of interest; and has given Corporate Guarantee, to the extent of outstanding loan including FITL amounting to ₹ 24,77,51,459/- and accumulated interest thereon to be calculated (On Loan & FITL) upto the end of moratorium period or repayment whichever is earlier from the Promoters' of EPV II in compliance with the relevant provisions of the Prudential Norms of the Reserve Bank of India pertaining to Restructuring of Loans, as amended from time to time.

2.37 Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year classification/ disclosure.

As per our report of even date
For **CHATURVEDI & SHAH**
Chartered Accountants
Firm Registration No. 101720W

VITESH D. GANDHI
Partner
Membership No. 110248

Mumbai: May 29, 2018

For and on behalf of the Board of Directors

DR. B. SAMAL
Executive Chairman
DIN: 00007256

BIPIN AGARWAL
Director
DIN: 00001276

CUMI BANERJEE
CEO & Company Secretary

HEMANG LADANI
Chief Financial Officer

Mumbai: May 29, 2018

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Annexure-I

Additional Disclosure in terms of Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016

1. Registration/licence/authorisation, by whatever name called, obtained from other financial sector regulators:

In addition to registration with RBI as NBFC-NDSI, the Company has not obtained any registration/licence/authorisation, by whatever name called, from other financial sector regulators.

2. Ratings assigned by credit rating agencies and migration of ratings during the year:

The Company has not obtained credit ratings from credit rating agencies during the year

3. Penalties, if any, levied by any regulator:

No penalties were imposed by RBI or SEBI (being the regulator for the Company) during the year ended 31st March, 2018.

4. information namely, area, country of operation and joint venture partners with regard to joint ventures and overseas subsidiaries:

Sr. No.	Name of joint venture and country of incorporation	Area / Country of operation
1	Future Generali India Life Insurance Company Limited (FGILICL)	India

The Company do not have overseas subsidiaries

5. Additional Disclosures:

(a) Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account:

Particulars	(Amount in ₹)	
	31st March 2018	31st March 2017
Provisions for depreciation on Investment	3,643	4,980
Provision towards NPA	455,532,329	44,978,233
Provision made towards Income tax (net of deferred tax)	(28,949,814)	(7,848,437)
Other Provision and Contingencies (with details)	-	-
Provision for Standard Assets	(172,484)	(1,250,635)

(b) Draw Down from Reserves

The company has not made any drawdown from reserves during the year.

(c) Concentration of Deposits (for deposit taking NBFCs) **(Amount in ₹)**

Particulars	31st March 2018	31st March 2017
Total Deposits of twenty largest depositors	NA	NA
Percentage of Deposits of twenty largest depositors to Total Deposits of the deposit taking NBFC.	NA	NA

Concentration of Advances (Amount in ₹)

Particulars	31st March 2018	31st March 2017
Total Advances to twenty largest borrowers *	556,546,419	899,582,329
Percentage of Advances to twenty largest borrowers to Total Advances of the applicable NBFC	100	100

* Total Advances represent Gross loans and advances to related parties as stated in Note 2.10 outstanding as at Balance sheet date

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

(d) Concentration of Exposures (Amount in ₹)

Particulars	31st March 2018	31st March 2017
Total Exposure to twenty largest borrowers / customers #	1,387,634,257	1,815,886,652
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the applicable NBFC on borrowers / customers	25.73	34.04

Total Exposure represents Gross loans and advances to related parties as stated in Note 2.10 and investments in shares of the companies as stated in Note 2.8.

(e) Concentration of NPAs (Amount in ₹)

Particulars	31st March 2018	31st March 2017
Total Exposure to top four NPA accounts #	1,722,665,149	1,675,886,652

Total Exposure represents Gross loans and advances to related parties as stated in Note 2.11 & 2.13 and investments in shares of the companies as stated in Note 2.9. NPA represents Gross NPA.

(f) Sector-wise NPAs

Sr. No.	Sector	31st March 2018	31st March 2017
		Percentage of NPAs to Total Advances in that sector	Percentage of NPAs to Total Advances in that sector
1	Agriculture & allied activities	-	-
2	MSME	-	-
3	Corporate borrowers @	93.98	90.55
4	Services	-	-
5	Unsecured personal loans	-	-
6	Auto loans	-	-
7	Other loans	-	-

@ includes loan and advances given to partnership firms

(g) Movement of NPAs

Sr. No.	Particulars	(Amount in ₹)	
		31st March 2018	31st March 2017
(i)	Net NPAs to Net Advances (%)	66.84	89.61
(ii)	Movement of NPAs (Gross)		
	(a) Opening balance	814,582,329	364,800,000
	(b) Additions during the year	57,500,000	449,782,329
	(c) Reductions during the year	-	-
	(d) Closing balance	872,082,329	814,582,329
(iii)	Movement of Net NPAs		
	(a) Opening balance	733,124,096	328,320,000
	(b) Additions during the year	51,750,000	404,804,096
	(c) Reductions during the year	-	-
	(d) Closing balance	784,874,096	733,124,096
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
	(a) Opening balance	81,458,233	36,480,000
	(b) Provisions made during the year	410,554,096	44,978,233
	(c) Write-off / write-back of excess provisions	36,480,000	-
	(d) Closing balance	455,532,329	81,458,233

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

(h) Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

Sr. No.	Name of the Joint Venture/ Subsidiary	Other Partner in the JV	Country	Total Assets
	NA	NA	NA	NA

(i) Off-balance Sheet SPVs sponsored

Particulars	Domestic	Overseas
Name of the SPV sponsored	NA	NA

(j) Disclosure of Complaints

Customer Complaints

	Particulars	31st March 2018	31st March 2017
(a)	No. of complaints pending at the beginning of the year	Nil	Nil
(b)	No. of complaints received during the year	Nil	Nil
(c)	No. of complaints redressed during the year	Nil	Nil
(d)	No. of complaints pending at the end of the year	Nil	Nil

Notes :

1. Above disclosures exclude transactions/advances in the nature of reimbursements.

2. As certified by the Management and relied upon by Auditors.

Annexure II

Schedule to the Balance Sheet as at 31st March, 2018 of a non-deposit taking non-banking financial Company

₹ in Lakhs

	Particulars	31-03-2018	
	Liabilities Side:	**Amount outstanding**	**Amount overdue**
(1)	**Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:**		
	(a) Debentures : Secured	-	-
	: Unsecured (other than falling within the meaning of public deposits)	-	-
	(b) Deferred Credits	-	-
	(c) Term Loans (Vehicle loan)	-	-
	(d) Inter-corporate loans and borrowing	-	-
	(e) Commercial Paper	-	-
	(f) Public Deposits	-	-
	(g) Other Loans - Cash credit from bank	-	-
(2)	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :**		
	(a) In the form of Unsecured debentures	-	-
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
	(c) Other public deposits	-	-
	Assets side :	**Amount outstanding**	
(3)	**Break-up of Loans and Advances including bills receivables [other than those included in (4) below] : (net of provisions for doubtful loans)**		
	(a) Secured	-	
	(b) Unsecured	1010.14	
	Total	**1010.14**	
(4)	**Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities**		
	(i) Lease assets including lease rentals under sundry debtors :		
	(a) Financial lease	-	
	(b) Operating lease	-	
	(ii) Stock on hire including hire charges under sundry debtors :		
	(a) Assets on hire	-	
	(b) Repossessed Assets	-	
	(iii) Other loans counting towards AFC activities :		
	(a) Loans where assets have been repossessed	-	
	(b) Loans other than (a) above	-	
(5)	**Break-up of Investments :**		
	Current Investments (net of provisions for diminution) :		
	1. Quoted :		
	(i) Shares : (a) Equity	-	
	(b) Preference	-	
	(ii) Debentures and Bonds	-	
	(iii) Units of Mutual funds	-	
	(iv) Government Securities	-	
	(v) Others (please specify)	-	
	2. Unquoted :		
	(i) Shares : (a) Equity	-	
	(b) Preference	-	
	(ii) Debentures and Bonds	-	
	(iii) Units of Mutual funds	-	
	(iv) Government Securities	-	
	(v) Others (please specify)	-	

(5)	**Break-up of Investments : (contd.)**	
	Long Term Investments (net of provisions for diminution) :	
	1. Quoted :	
	(i) Shares : (a) Equity	1,361.23
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of Mutual funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	-
	2. Unquoted :	
	(i) Shares : (a) Equity	37,000.91
	(b) Preference	10,009.07
	(ii) Debentures and Bonds	-
	(iii) Units of Mutual funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	0.70
	Total	**48,371.91**

(6) Borrower group-wise classification of assets financed as in (3) and (4) above: (net of provisions for doubtful loans)

	Category	31-03-2018		
		Amount net of provisions		
		Secured	Unsecured	Total
	1. Related Parties			
	(a) Subsidiaries	-	517.50	517.50
	(b) Companies in the same group	-	235.00	235.00
	(c) Other related parties	-	257.64	257.64
	2. Other than related parties	-	-	-
	Total	**-**	**1010.14**	**1010.14**

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

	Category	31-03-2018	
		Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
	1. Related Parties #		
	(a) Subsidiaries	5,868.87	6,310.33
	(b) Companies in the same group	11,924.06	40,884.96
	(c) Other related parties	-	1,175.92
	2. Other than related parties @	0.70	0.70
	Total	**17,793.63**	**48,371.91**

In case of quoted investments market value is given whereas in case of unquoted investments break up value is given except for investments in preference shares where cost is given.

@ Investment in immovable properties is shown as cost less accumulated depreciation.

(8) Other information

	Particulars	31-03-2018 Amount
	(i) Gross Non-performing Assets	
	(a) Related parties	5,230.46
	(b) Other than related parties	-
	(ii) Net Non-performing Assets	
	(a) Related parties	675.14
	(b) Other than related parties	-
	(iii) Assets acquired in satisfaction of debt	-

INDUSTRIAL INVESTMENT TRUST LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF INDUSTRIAL INVESTMENT TRUST LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of INDUSTRIAL INVESTMENT TRUST LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entities, comprising of the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates and jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and its jointly controlled entities and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in subparagraphs (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries, associates and jointly controlled entities referred to in the Other Matters paragraph below, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at March 31, 2018, and their consolidated loss and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

a. We draw attention to Note 2.34 of the consolidated financial statement. As stated in the Note the net worth of Future Generali India Life Insurance Company Limited ("FGILICL"), a Joint Venture of the Holding Company, as at March 31, 2018 has substantially eroded. However, the Management of the Holding Company is of the view, for the reasons stated in the Note, that there is no impairment as at March 31, 2018 in the value of Goodwill on Consolidation arising on such acquisition.

b. We draw attention to Note 2.38 of the consolidated financial statement. In case of FGILICL, their auditors in their report under Emphasis of Matters paragraph stated regarding accounting of expenses in excess of limits specified by Insurance Regulatory and Development Authority of India ("IRDAI") Expenses of Management Rules 2016, aggregating Rs. 2,17,82,33,000 (the Company's proportionate share Rs.40,95,07,804. The FGILICL has applied to IRDAI for forbearance of same, but approval from the IRDAI is still awaited.

Our opinion is not modified in respect of this matter.

Other Matters

a. We did not audit the financial statements of four subsidiaries and five jointly controlled entities, whose financial statements reflect total assets of Rs. 11,57,24,98,839 as at March 31, 2018, total revenues of Rs. 3,24,09,08,661 and net cash (inflows) amounting to 6,87,30,343 for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs.33,94,972 for the year ended March 31, 2018, as considered in the consolidated financial statements, in respect of two associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates is based solely on the reports of the other auditors.

b. In the case of FGILICL, their auditors in their report under Other Matters paragraph stated that the actuarial valuation of liabilities for life policies in-force and policies where premium is discontinued but liability exists as at March 31, 2018, is the responsibility of the Company's Appointed Actuary (the "Appointed Actuary"). The actuarial valuation of these liabilities as at March 31, 2018 has been duly certified by the appointed actuary. The Appointed Actuary has also certified that in his opinion, the assumptions for such valuation are in accordance with the generally accepted actuarial principles and practices, requirements of the Insurance Act, regulations notified by the Insurance Regulatory Development Authority of India ("IRDAI") and Actuarial Practice Standards issued by the Actuarial Society of India in concurrence with the IRDAI. Accordingly, FGILICL auditors have relied upon the Appointed Actuary's certificate for forming their opinion on the financial statements of the company.

c. The Statutory Audit for the preceding financial year was not carried out by us. The comparative financial information of the Group for the year ended March 31 , 2017, included in these consolidated financial statements, have been audited by Deloitte Haskins & Sells, Chartered Accountants, which had given unmodified opinion vide their report dated May 30, 2017.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the reports of other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements and the other financial information of subsidiaries, associates and jointly controlled entities, referred in the Other Matters paragraph above, we report, to the extent applicable, that:

a. 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 of the aforesaid consolidated financial statements.

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act and in case of a jointly controlled entity which is in insurance business, also with the accounting principles as prescribed in the IRDA Regulations and order/directions issued by the IRDAI in this regard.

e. The matters described in the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Group.

f. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the other directors of the Group's companies, its associate companies and jointly controlled companies incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

g. With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our Report in "Annexure A", which is based on the auditors' reports of the Holding company, subsidiary companies, associate companies and jointly controlled companies incorporated in India.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us and the other auditors:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities. Refer Note 2.26 (i) (a) to the consolidated financial statements.

ii. In case of jointly controlled companies provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The jointly controlled companies did not have any outstanding long term derivative contracts. The Group and associate companies did not have any material foreseeable losses 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 Holding Company. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary companies, associate companies and jointly controlled companies incorporated in India.

For Chaturvedi & Shah
Chartered Accountants
Firm Registration No:101720W

Vitesh D. Gandhi
Partner
Membership No. :110248

MUMBAI: May 29, 2018

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph(g)under 'Report on Other Legal and Regulatory Requirements'section of our report of even date to the members of Industrial Investment Trust Limited on the consolidated financial statements for the year ended 31st March, 2018

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of Industrial Investment Trust Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies 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 (ICAI). 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company, its subsidiary companies, its associate companies and its jointly controlled companies, which are companies incorporated in India, 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 and the audit evidence obtained by the other auditors of the subsidiary companies, associate companies and joint controlled companies, which are companies incorporated in India, in terms of their reports referred to in the sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company, its subsidiary companies, its associate companies and its jointly controlled companies, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the sub-paragraph (a) of the Other Matters paragraph below, the Holding Company and its subsidiary companies, associate companies and jointly controlled companies which are companies incorporated in India have, in all material respects, maintained adequate internal financial controls over financial reporting as of March 31, 2018, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matters

a. Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to four subsidiary companies, two associate companies and two jointly controlled companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

b. In the case of FGILICL, their auditors in their report under Other Matters paragraph stated that the actuarial valuation of liabilities for life policies in force and policies where premium is discontinued is required to be certified by the Appointed Actuary as per the regulations, and has been relied upon by them, as mentioned in their audit report on the standalone financial statements for the year ended March 31, 2018. Accordingly, they did not perform any procedures relating to the internal financial controls over financial reporting on the operating effectiveness of the management's internal controls over the valuation and accuracy of the aforesaid actuarial valuation and have relied upon representations by the management on the operating effectiveness of internal controls over financial reporting over the valuation and accuracy of the aforesaid actuarial valuation.

Our opinion is not modified in respect of these matters.

For Chaturvedi & Shah
Chartered Accountants
Firm Registration No:101720W

Vitesh D. Gandhi
Partner
Membership No. :110248

MUMBAI: May 29, 2018

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018

Particulars	Note No.	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.1	225,475,500	225,475,500
Reserves and surplus	2.2	4,237,247,392	4,678,961,407
		4,462,722,892	**4,904,436,907**
Minority Interest		**1,700,802**	**1,700,476**
Non-current liabilities			
Long-Term borrowings	2.3	305,695,040	187,433,227
Other long-term liabilities			
- Policy Liabilities (Policyholder's Fund)		5,832,473,917	5,927,839,715
- Other	2.4	857,449,153	979,531,434
Long-term provisions	2.5	9,786,452	12,840,059
		7,005,404,562	**7,107,644,435**
Current liabilities			
Short term borrowings	2.6	408,487,500	454,145,000
Trade payables			
a) Total outstanding dues of micro enterprises and small enterprises; and	2.35	-	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,277,328,992	1,155,112,428
Other current liabilities			
- Policy Liabilities (Policyholder's Fund)		211,503,824	127,111,356
- Other	2.7	1,010,307,092	1,198,792,819
Short-term provisions	2.8	11,540,093	9,697,265
		2,919,167,501	**2,944,858,868**
TOTAL		**14,388,995,757**	**14,958,640,686**
ASSETS			
Non-current assets			
Property, Plant and Equipment	2.9		
(i) Tangible assets		156,512,419	116,697,667
(ii) Intangible assets		20,174,303	19,176,512
(iii) Capital work-in-progress		6,406,492	7,292,335
Goodwill on consolidation (See Note 2.34)		2,417,297,520	2,752,790,349
Non-current investments	2.10	6,116,484,501	6,082,037,602
Deferred tax assets (net)	2.11	61,111,012	24,942,007
Long-term loans and advances	2.12	143,943,014	371,970,980
Other non-current assets	2.13	29,719,369	29,721,469
		8,951,648,630	**9,404,628,921**
Current assets			
Current investments	2.14	802,978,311	811,940,187
Inventories	2.15	3,091,267,386	3,481,703,447
Trade receivables	2.16	430,456,686	239,790,235
Cash and cash equivalents	2.17	315,137,871	250,143,799
Short-term loans and advances	2.18	384,243,241	320,225,445
Other current assets	2.19	413,263,632	450,208,652
		5,437,347,127	**5,554,011,765**
TOTAL		**14,388,995,757**	**14,958,640,686**
Significant Accounting Policies	1		
Notes forming part of the consolidated financial statements	2.1 to 2.47		

In terms of our report attached.

For CHATURVEDI & SHAH
Chartered Accountants
Firm Registration No. 101720W

VITESH D. GANDHI
Partner
Membership No. 110248

Mumbai: May 29, 2018

For and on behalf of the Board of Directors

Dr. B. SAMAL
Chairman
DIN: 00007256

BIPIN AGARWAL
Director
DIN: 00001276

CUMI BANERJEE
CEO & Company Secretary

HEMANG LADANI
Chief Financial Officer

Mumbai: May 29, 2018

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	Note No.	For the Year ended 31st March, 2018 ₹	For the Year ended 31st March, 2017 ₹
Revenue from operations	2.20	1,283,428,004	1,001,662,812
Premium from Insurance Business		1,800,075,689	1,534,127,397
Other Operating income from Insurance Business		598,636,004	678,327,466
Other Income from Insurance Business		12,339,091	16,044,230
Gain on deemed disposal of partial interest in FGILICL (See Note 2.34)		-	5,805,556
Other income	2.21	22,580,255	13,355,398
Total Revenue		**3,717,059,043**	**3,249,322,859**
Cost of sales	2.22	971,336,649	870,931,705
Employee benefits expense	2.23	39,238,540	40,127,456
Finance costs	2.24	115,895,482	62,123,708
Benefits paid pertaining to Insurance Business (Net)		762,868,540	878,343,773
Commission and Operating expenses pertaining to Insurance Business		562,469,973	451,233,344
Other expenses pertaining to Insurance Business		1,341,714,192	1,086,578,085
Surplus transferred to Funds for Future Appropriations		12,999,040	-
Depreciation and amortisation expense			
- on investment properties		3,643	4,980
- on property, plant and equipment	2.9	5,887,176	6,005,903
Other expenses	2.25	199,170,144	107,550,490
Provisions for sub-standard assets		219,546,764	24,394,085
Net loss on sale of long-term investments (after adjusting provision for diminution in value ₹ NIL (Previous year ₹ 15,008,855)		-	1,050,637
Total expenses		**4,231,130,143**	**3,528,344,166**
(Loss) before exceptional items and tax		**(514,071,100)**	**(279,021,307)**
Exceptional items (Refer Note no 2.43)		43,364,296	-
(Loss) before tax		**(470,706,804)**	**(279,021,307)**
Tax expense/(benefit):			
- Current tax		-	2,250,000
- Short provision for tax relating to prior years		6,202,702	602,937
- Net current tax expense		**6,202,702**	**2,852,937**
- Deferred tax		(36,170,361)	(7,210,671)
Net tax expense / (benefit)		**(29,967,659)**	**(4,357,734)**
(Loss) after tax before share of profit of associates and minority interest		**(440,739,145)**	**(274,663,573)**
Share in profit of associates (net)		3,394,972	4,022,631
(Loss) after tax before share of profit/(loss) attributable to minority interest		**(437,344,173)**	**(270,640,942)**
Share of profit/(loss) attributable to Minority interest		(328)	(12,292,036)
(Loss) for the year attributable to shareholders of the Company		**(437,344,501)**	**(258,348,906)**
Earnings per equity share:	2.29		
Basic and Diluted (₹)		(19.40)	(11.46)
Nominal Value per equity share (₹)		10.00	10.00
Significant Accounting Policies	1		
Notes forming part of the consolidated financial statements	2.1 to 2.47		

In terms of our report attached.

For CHATURVEDI & SHAH
Chartered Accountants
Firm Registration No. 101720W

VITESH D. GANDHI
Partner
Membership No. 110248

Mumbai: May 29, 2018

For and on behalf of the Board of Directors

Dr. B. SAMAL
Chairman
DIN: 00007256

BIPIN AGARWAL
Director
DIN: 00001276

CUMI BANERJEE
CEO & Company Secretary

HEMANG LADANI
Chief Financial Officer

Mumbai: May 29, 2018

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	For the Year ended 31st March, 2018 ₹	For the Year ended 31st March, 2017 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net (loss) / profit before tax	**(470,706,804)**	**(279,021,307)**
Adjustments for:		
Depreciation on Property, Plant and Equipment *	5,887,176	27,683,641
Depreciation on investment properties	3,643	4,980
Interest income **	(24,644,579)	(16,932,331)
Interest on income tax refund	(1,914,972)	-
Bad debt written off	724,344	-
Finance costs	104,551,702	62,123,708
Dividend income **	-	(12,299,925)
Amounts no longer payable written back	(10,949,989)	(1,690,456)
Provisions for sub-standard assets	219,546,764	24,394,085
Reversal of contingent provision against standard assets	-	(1,250,635)
Gain on deemed disposal of partial interest in FGILICL	(45,152,123)	(5,805,556)
(Profit) / loss on sale of Property, Plant and Equipment	-	(30,859)
Net loss / (profit) on sale of investments	(30,428,569)	1,050,637
Operating (loss) / profit before working capital changes	**(253,083,407)**	**(201,774,018)**
Changes in working capital		
Adjustments for (increase) / decrease in operating assets:		
Inventories (See Note 2 below)	465,930,336	107,425,614
Trade receivables	(191,390,795)	21,436,033
Short-term loans and advances	(64,016,442)	(63,668,632)
Long-term loans and advances	10,257,349	62,557
Other non-current assets	(5,137,107)	-
Other current assets	36,945,020	(54,612,895)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	133,166,553	135,885,822
Other current liabilities	(188,485,727)	(225,305,542)
Short-term provisions	1,842,828	4,462,763
Other long-term liabilities	(122,082,281)	(72,632,930)
Policy Liabilities	(10,973,330)	353,813,084
Long-term provisions	(3,053,607)	(2,819,110)
Other adjustments :		
Bank balances not considered as cash and cash equivalents	34,126,192	33,500,000
Sale of long-term investments		
-Others	-	1,789,057
Proceeds from sale of investment properties	30,329,203	-
Loans Given		
-Associate	-	(10,000,000)
-Joint Venture	(13,276,147)	(25,375,000)
Repayment of loans		
-Associate	11,500,000	10,000,000
-Joint Venture	-	12,500,000
Interest received		
-Associate	3,750,000	3,326,713
-Others	15,116,118	20,727,716
Cash generated from / (used in) operations	**(108,535,244)**	**48,741,232**
Net income tax paid	(4,287,730)	(2,339,603)
Net cash generated from / (used in) operating activities (A)	**(112,822,974)**	**46,401,629**

* Includes depreciation included under Commission and Operating expenses pertaining to Insurance Business.

** Includes Interest income/ Dividend income included under Other Income from Insurance Business.

Particulars	For the Year ended 31st March, 2018 ₹	For the Year ended 31st March, 2017 ₹
B. CASH FLOW FROM INVESTING ACTIVITIES		
Bank balances not considered as cash and cash equivalents	-	(43,203,376)
Purchase of non current investments	-	(265,628,471)
Purchase of current investments	8,961,876	(256,955,666)
Proceeds from Sale of non current investments	(30,952,561)	131,380,214
Proceeds from Sale of current investments	-	152,107,573
Interest received (See Note 2 below)	5,778,461	325,166
Dividend income	-	12,299,925
Advance received against sale of a unit of investment property	-	2,000,000
Purchase of Property, Plant and Equipment	(45,817,519)	(33,230,709)
Proceeds from sale of Property, Plant and Equipment	-	123,295
Net cash generated from / (used in) investing activities (B)	**(62,029,743)**	**(300,782,049)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	118,261,813	270,573,465
Repayment of long term borrowings	-	(50,829,466)
Proceeds from short term borrowings (net)	(45,657,500)	20,646,402
Finance cost (See Note 2 below)	(180,045,977)	(95,656,766)
Dividend paid on equity and preference shares	-	(329,686)
Net cash generated from / (used in) from financing activities (C)	**(107,441,664)**	**144,403,949**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**(282,294,381)**	**(109,976,471)**
Adjustment on account deemed disposal of partial interest in FGILICL:		
Gain on deemed disposal of partial interest in FGILICL	45,152,123	-
	(237,142,258)	**(109,976,471)**
Cash and cash equivalents at the beginning of the year	173,456,307	180,979,070
Adjustments on account deemed disposal of partial interest in FGILICL:		
Goodwill on consolidation (See Note 2.34)	335,492,829	96,648,152
Gain on deemed disposal of partial interest in FGILICL (See Note 2.34)	(4,369,514)	5,805,556
Cash and cash equivalents at the end of the year (See Note 2.17)	**267,437,364**	**173,456,307**

Notes:

1 Cash flows relating to investment activities of the Holding company are included under operating activities.

2 Changes in inventories is after adjusting borrowing costs capitalised. Interest received is inclusive of amount netted off from inventories and finance cost is inclusive of amount capitalised under inventories.

3 The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statements.

4 Previous year figures have been regrouped wherever necessary.

In terms of our report attached.

For CHATURVEDI & SHAH
Chartered Accountants
Firm Registration No. 101720W

VITESH D. GANDHI
Partner
Membership No. 110248

Mumbai: May 29, 2018

For and on behalf of the Board of Directors

Dr. B. SAMAL
Chairman
DIN: 00007256

BIPIN AGARWAL
Director
DIN: 00001276

CUMI BANERJEE
CEO & Company Secretary

HEMANG LADANI
Chief Financial Officer

Mumbai: May 29, 2018

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1.1 Basis of consolidation :

The consolidated financial statements relate to Industrial Investment Trust Limited ("the Company"), its Subsidiaries, Jointly Controlled Entities and associates (together referred to as "the Group"). The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 "Consolidated Financial Statements" (AS 21), Accounting Standard 23 "Accounting for Investments in Associates in Consolidated Financial Statements" (AS 23), and Accounting Standard 27 "Financial Reporting of Interests in Joint Ventures" (AS 27) specified under Section 133 of the Companies Act, 2013, ("the 2013 Act") and the relevant provisions of the 2013 Act as applicable.

1.2 (i) The financial statements of the following subsidiaries have been consolidated as per Accounting standard 21 on "Consolidated Financial Statements" as specified under Section 133 of the 2013 Act.

Name of Subsidiary	For the year ended 31st March, 2018	For the year ended 31st March, 2017
	Extent of holding (%)	Extent of holding (%)
(i) IIT Investrust Limited (IITIL)	99	99
(ii) IIT Insurance Broking and Risk Management Private Limited (IITIBRMPL)	100	100
(iii) IITL Projects Limited (IITLPL)	71.74	71.74
(iv) IITL Corporate Insurance Services Private Limited (IITLCISPL)	100	100
(v) IITL Marketing Management Private Limited (IITLMMPL) (upto October 25, 2016)	NIL	100

All the subsidiaries mentioned above are incorporated in India.

(ii) The financial statements of the following jointly controlled entities, have been consolidated as per Accounting standard 27 on "Financial Reporting of Interest in Joint Ventures" as specified under Section 133 of the 2013 Act.

Name of Jointly Controlled Entity	For the year ended 31st March, 2018	For the year ended 31st March, 2017
	Extent of holding (%)	Extent of holding (%)
(i) Capital Infraprojects Private Limited (CIPL)	50	50
(ii) IITL Nimbus The Hyde Park Noida (INHP) - Partnership Firm	50	45
(iii) IITL Nimbus The Express Park View (INEPV) - Partnership Firm	47.50	47.50
(iv) IITL Nimbus The Palm Village (INPV) - Partnership Firm	47.50	47.50
(v) Future Generali India Life Insurance Company Limited (FGILICL) (See note 2.34)	18.80	21.67

All the jointly controlled entities mentioned above are incorporated in India.

(iii) The following associates, investment in which is accounted using equity method as per Accounting standard 23 on "Accounting for Investments in Associates in Consolidated Financial Statements" as specified under Section 133 of the 2013 Act.

Name of Associate Company	For the year ended 31st March, 2018	For the year ended 31st March, 2017
	Extent of holding (%)	Extent of holding (%)
Golden Palms Facility Management Private Limited (GPFMPL) (w.e.f. 27.07.2015)	50	50
World Resorts Limited (WRL)	25	25

1.3 Principles of consolidation:

The Consolidated Financial Statements have been prepared on the following basis:

(i) The Financial statements of the Company and its subsidiaries have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses as per Accounting Standard 21 on 'Consolidated Financial Statements' as specified under Section 133 of the 2013 Act.

(ii) The financial statements of the jointly controlled entities have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses as per Accounting Standard 27 on 'Financial Reporting of Interests in Joint Ventures' as specified under Section 133 of the 2013 Act, using the "proportionate consolidation" method.

(iii) The financial statements of the subsidiaries and jointly controlled entities used in the consolidation are drawn up to the same reporting date as that of the Company, i.e. 31st March, 2018.

(iv) The excess of cost to the Company of its investment in the subsidiaries and jointly controlled entities over the Company's portion of equity, at the dates on which the investments are made/acquired, is recognised in the financial statements as Goodwill being an asset in the Consolidated Financial Statements. Alternatively, where the share of equity in the subsidiaries and jointly control entities as on the dates of investment /acquisition is in excess of cost of the investment of the company, it is recognised as Capital Reserve and shown under the head Reserves & Surplus in the Consolidated Financial Statements.

(v) Minority interest in the net assets of the subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments in the subsidiary companies were made and further movement in their share in the equity, subsequent to the dates of investments.

(vi) The difference between the cost of investment in the associate and the share of net assets at the time of acquisition of shares in the associate is identified in the consolidated financial statements as Goodwill or Capital reserve as the case may be.

1.4 Significant Accounting Policies:

(i) Basis of accounting:

The financial statements of the Group have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the Consolidated financial statements are consistent with those followed in the previous year. The Consolidated financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 and the relevant provisions of the 2013 Act. The Company follows the Systemically Important Non-Banking Financial (Non-Deposit taking or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016.

The financial statements of FGILICL are prepared and presented under the historical cost convention, unless otherwise stated, and on the accrual basis of accounting, in accordance with accounting principles generally accepted in India (Indian GAAP). The Company has prepared the financial statements in compliance with the accounting standards notified under section 133 of the Companies Act, 2013 further amended by Companies (Accounting Standards) Amendment Rules, 2016 read with paragraph 7 of the Companies (Accounts) Rules, 2014 and in accordance with the provisions of the Insurance Act, 1938 as amended from time to time, including amendment brought by Insurance Laws (Amendment) Act, 2015, the Insurance Regulatory and Development Authority Act, 1999 as amended from time to time, and the regulations framed thereunder, various circulars issued by the Insurance Regulatory and Development Authority of India (IRDAI) from time to time and the practices prevailing within the insurance industry in India.

The accounting policies have been consistently applied by the company. The management evaluates all newly issued or revised accounting pronouncements on an ongoing basis to ensure due compliance.

(ii) Use of estimates:

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

1.4 Significant Accounting Policies: (contd.)

(iii) Revenue recognition:

Other than Insurance Business :

(a) Interest on all lendings such as inter corporate deposits, finance against securities and interest on fixed deposits are accounted on time proportionate basis except in case of non-performing assets, where it is recognised upon realisation, as per RBI guidelines.

(b) Rental income is accrued on the basis of the agreement.

(c) Dividend is accounted when the right to receive payment is established.

(d) Profit/Losses from share trading/investment activities is determined on the basis of weighted average carrying amount of investments and is recognised on the basis of contract notes.

(e) Revenue from real estate projects is recognised on the Percentage of Completion Method. Revenue is recognised in relation to the areas sold, on the basis of percentage of actual costs incurred as against the total estimated cost of the project under execution, subject to such actual costs being 25 percent or more of the total estimated cost. Land costs are not included for the purpose of computing the percentage of completion. When it is probable that total estimated costs will exceed total project revenues, the expected loss is recognised as an expense immediately.

The estimates of saleable area and costs are revised periodically by the Management. The effect of such changes in estimates is recognised in the period in which such changes are determined.

Sale of units in completed project is recognised at the sale consideration when all significant risks and rewards of ownership in the property is transferred to the buyer and are net of adjustments on account of cancellation.

In case of Jointly Controlled Entities in real estate activities, revenue from real estate projects is recognized as per the Guidance Note on Accounting for Real Estates transactions (revised 2012) issued by ICAI. It is based on Percentage of completion method.

The estimates of saleable area and costs are revised periodically by the Management. The effect of such changes in estimates is recognised in the period such changes are determined.

(f) Commission and brokerage from insurance broking business is credited to income on the date of issue of the prime documents by the Insurance Company, except where there are material installments, in which case the brokerage is booked on the due date of the installment. Adjustments to brokerage arising from premium additions, reductions and renewal directly deposited by the client are taken into account as and when they are known.

(g) Brokerage income from stock broking activities is recognised on the basis of contract notes issued.

(h) Revenue in case of corporate finance income is recognised on the proportionate completion method based on management estimates of the stages of completion of the contracts.

(i) Net income from trading of securities is accounted for on the basis of Stock Brokers Contract Notes.

(j) Brokerage income from primary market has been recognised on the basis of advice from the Registrar regarding allotment.

(k) Revenues from consultancy services are accounted on accrual basis in accordance with the terms of agreements.

Insurance Business

Life Insurance Premium :

(a) Premium (net of service tax) is recognised as income when due from policyholders. Premium on lapsed policies is recognised as income on receipt basis on reinstatement or revival of these policies. In respect of linked business, premium income (net of service tax) is recognised when the associated units are allotted.

(b) Top up premiums paid by unit linked policyholders' are considered as single premium and recognised as income when the associated units are created.

1.4 Significant Accounting Policies: (contd.)

Others :

(c) Interest on investments and loans are recognised on accrual basis. Accretion of discount and amortization of premium in respect of debt securities is recognised over the remaining term of such instruments on constant yield basis. In case of Treasury Bills /Commercial Papers/ Certificate of Deposits/CBLO, accretion of discount is effected over the remaining period of instruments on Straight Line Basis.

(d) In case of unit linked business, fund management charges, administration charges and mortality charges are recognised in accordance with the terms and conditions of the policy.

(e) Realised gains and losses in respect of equity shares and units of mutual funds are calculated as the difference between the net sales proceeds and their weighted average cost.

(f) In respect of debt securities held on account of Shareholders and Non-Linked Policyholders Funds, the realised gains and losses are calculated as difference between net sales proceeds or redemption proceeds and amortised cost. Cost in respect of these securities is computed using weighted average method. In case of unit linked Funds, realised profit/ loss on debt securities are calculated as the difference between the net sales proceeds and their weighted average cost.

In case of Treasury Bills/Commercial Papers/Certificate of Deposits/ CBLO, the same is calculated as difference between net sales proceeds and amortised cost.

(g) Bonus shares are recognised when the right to receive bonus shares is established and are accounted on Ex-Bonus Date.

(h) Income from linked policies, which include fund management charges, policy administration charges, mortality charges and other charges, wherever applicable, is recovered from the linked funds in accordance with the terms and conditions of the insurance contracts and is accounted for as income when due.

(i) Interest income on loans is accounted for on an accrual basis.

(j) Dividend income is recognised when the right to receive dividend is established and is accounted on Ex-Dividend Date.

Reinsurance premium :

(k) Premium ceded on reinsurance is accounted in accordance with the terms of the treaty.

(iv) Inventories :

(a) Stock of units in completed projects and construction work-in-progress are valued at lower of cost and net realisable value. Cost is aggregate of land cost, premium for development rights, materials, contract works, direct expenses, provisions and apportioned borrowing costs and is net of material scrap receipts, and in case of construction work-in-progress is after ascertaining the cost of sales which is determined based on the total area sold as at the Balance Sheet date.

(b) Stock of shares held as inventory has been valued at Cost or Market price whichever is lower. Cost is determined on weighted average basis.

(v) Property, Plant and Equipment :

Tangible Asstes :

Property, plant and equipment are carried at cost less accumulated depreciation. Cost comprises of the purchase price and any other attributable expenditure of bringing the asset to its working condition for its intended use. Improvements to leasehold premises are capitalised as Leasehold Improvements.

Intangible Asstes :

Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. Expenditure on an intangible item is expensed when incurred unless it forms part of the cost of intangible asset that meets the recognition criteria. Intangible assets are stated at cost of acquisition and are carried at cost less accumulated amortization and impairment loss, if any.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

1.4 Significant Accounting Policies: (contd.)

Depreciation and amortisation:

(a) Depreciation on Property, plant and equipment is provided on the written down value basis as per the useful life prescribed in Schedule II to the 2013 Act, except in respect of: (a) CIPL where depreciation is provided on straight line method, as per the useful life prescribed in Schedule II to the 2013 Act; (b) INHP, INEPV and INPV, joint venture partnership firms where depreciation is provided on written down value method, at rates and in the manner as provided under Section 32 of the Income Tax Act, 1961. and (c) In respect of FGILICL where depreciation on Property, plant and equipment is provided using the straight line method on a pro-rata basis over the remaining useful life of assets as prescribed in Schedule II to the 2013 Act.

(b) Depreciation on improvement in lease hold premises is provided over the period of lease except in respect of FGILICL where leasehold improvements are amortised over the initial period of respective leases or 60 months, whichever is lower.

(c) Depreciation on additions to Property, plant and equipment is provided for the full year irrespective of the date of addition and no depreciation is provided on deletions to Property, plant and equipment in the year of sale except in respect of INHP, INEPV and INPV, joint venture partnership firms where depreciation is provided as per Income Tax Act, 1961 and in respect of FGILICL and CIPL where depreciation is charged on pro rata basis for the assets purchased/sold during the year.

(d) Computer software is amortised over the period of its estimated useful life ranging from 2 to 5 years. The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

(vi) Investments:

Other Than Insurance Business :

Long Term Investments (excluding Investment properties) are valued at cost unless there is a diminution in value, other than temporary for which provision is made. Current investments are stated at lower of cost and fair value. Investment properties are carried individually at cost less accumulated depreciation. Investment properties are capitalised and depreciated in accordance with the policy stated for Property, plant and equipment.

Insurance Business :

Investments are made in accordance with the Insurance Act, 1938, as amended by the Insurance Law (Amendment Act), 2016,the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended and circulars/notifications issued by the IRDAI from time to time. Investments are recorded on the trade date at cost, which includes brokerage, statutory levies, if any and excludes interest paid, if any, on purchase.

Classification:

Investments intended to be held for a period of less than twelve months or those maturing within twelve months from the Balance Sheet Date are classified as "Current Investments". Investments other than short term are classified as "Non-current Investments".

Valuation - Shareholders' investments and Non-Linked Policyholders' investments:

Debt securities including government securities are considered as "held to maturity" and are stated at amortised cost. The premium or discount, which is paid or availed respectively, at the time of purchase of a fixed income security, is amortised over the life of the instrument on Constant yield basis. Fixed deposits are valued at cost till the date of maturity. Investments in mutual funds are stated at previous day's Net Asset Value (NAV) per unit. Listed equity securities and ETFs are measured at fair value on the balance sheet date. For the purpose of determining fair value, these are valued at last quoted closing price on the NSE and in case the equity shares are not listed or traded on NSE then they are valued on the last quoted closing price on the BSE. Unlisted equity securities are measured at historic cost. Reverse Repo

1.4 Significant Accounting Policies: (contd.)

is valued at cost. In respect of investment in equity shares, ETFs and mutual funds, the corresponding unrealized investment gain or losses are reported in the Balance Sheet under "Fair Value Change Account". In case of diminution, other than temporary, in the market value of investments as on the Balance Sheet date, the amount of diminution is recognised as an expense in the Revenue/Profit and Loss Account as the case may be. All assets where the interest and/ or installment of principal repayment remain overdue for more than 90 days at the Balance Sheet date are classified as Non-Performing Assets (NPA).

Valuation - Linked Business:

Government Securities and other Debt Securities with remaining maturity more than 182 days are valued based on market value obtained from Fixed Income Money Market & Derivatives Association of India ('FIMMDA') and CRISIL Bond Value respectively. Government and other debt securities with remaining maturity of up to 182 days are valued at amortised cost spread uniformly over the remaining life of the securities. Listed equity securities are measured at fair value on the Balance Sheet date. For the purpose of determining fair value, these are valued at last quoted closing price on the NSE and in case the equity shares are not listed or traded on NSE then they are valued on the last quoted closing price on the BSE. Unrealized gain or losses are recognised in the scheme's Revenue account. Reverse Repo is valued at cost. Fixed Deposits are valued at cost till the date of maturity. Mutual fund units are valued at previous day's Net Asset Value per unit. All assets where the interest and/ or installment of principal repayment remain overdue for more than 90 days at the Balance Sheet date are classified as Non-Performing Assets (NPA).

Transfer of Investments :

Transfer of debt securities from shareholders' to policyholders' is done at the lower of net amortised cost and market value on the date of transfer. In the case of equity securities, such transfers are affected at lower of cost and market value on the date of transfer. In case of unit linked fund, a) For Equity, Preference Shares, ETFs and Government Securities, market price of the latest trade. In such case, deal is entered into the system within one hour of taking such quote or price b) In case of securities mentioned in (a) if the trade has not taken place on the day of transfer and for all other securities not part of (a) previous day valuation price. No transfer of investments is made between non linked Policyholder's funds.

(vii) Taxation:

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

1.4 Significant Accounting Policies: (contd.)

(viii) Provisions and contingencies:

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

(ix) Impairment of assets:

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Consolidated Statement of Profit and Loss, except in case of revalued assets.

(x) Employee Benefits:

(a) Short term employee benefits:

Short term employee benefits are recognised as an expense at the undiscounted amount in Consolidated Statement of Profit and Loss of the year in which the related service is rendered.

(b) Long term employee benefits:

(i) Defined Contribution Plan:

The eligible employees of the Group are entitled to receive post employment benefits in respect of provident and family pension fund, in which both employees and the Group makes monthly contributions at a specified percentage of the employees' eligible salary (currently 12% of employees' eligible salary). The contributions are made to Employees Provident Fund Organisation. Provident Fund and Family Pension Fund are classified as Defined Contribution Plans as the Group has no further obligation beyond making the contribution. The contributions to Defined Contribution Plan are charged to the Consolidated Statement of Profit and Loss as incurred.

(ii) Defined Benefit Plan:

1. Gratuity

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date except for IITIL and IITIBRMPL in case of which in provision for gratuity, which is not material, is based on management valuation. Actuarial gains and losses are recognised in the Consolidated Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

1.4 Significant Accounting Policies: (contd.)

2. Compensated absences

The Group provides for the encashment of leave or leave with pay subject to certain rules. The Employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The Group makes provision for compensated absences based on an actuarial valuation carried out at the end of the year except for Jointly Controlled Entities other than FGILICL, IITIL and IITIBRMPL in case of which the provision for compensated absences, which is not material, is based on management valuation. Actuarial gains and losses are recognised in the Consolidated Statement of Profit and Loss.

(xi) Borrowing costs:

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised for the period until the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use. Other Borrowing costs are recognised as an expense in the period in which they are incurred. Capitalisation of borrowing costs is suspended and charged to the Consolidated Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

(xii) Operating Lease:

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets, are classified as operating leases. Operating lease payments are recognised as an expense in Consolidated Statement of Profit and Loss on a straight-line basis over the lease term.

(xiii) Foreign Currency Transactions:

Transactions in foreign currencies are translated to reporting currency based on the exchange rate on the date of the transaction. Exchange differences arising on settlement thereof during the year are recognized as income or expense in the Consolidated Statement of Profit and Loss.

Cash and bank balances, receivables and liabilities (monetary items) in foreign currencies as at the year end are translated at closing date rates, and unrealized translation differences are included in the Consolidated Statement of Profit and Loss.

(xiv) Share issue expenses:

Share issue expenses are adjusted against Securities Premium Account in terms of Section 52 of the 2013 Act, to the extent any balance is available for utilisation in the Securities Premium Account. Share issue expenses in excess of the balance in Securities Premium Account is expensed in the Consolidated Statement of Profit and Loss.

(xv) Earnings per share :

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

1.4 Significant Accounting Policies: (contd.)

had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

(xvi)Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), CBLO, Reverse Repo, highly liquid mutual funds and highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(xvii)Cash flow statement :

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(xviii)Other Policies with respect to Insurance Business:

(a) Benefits Paid (including Claims) :

Claims by death are accounted when intimated. Claims by maturity are accounted on the maturity date. Annuity benefits are accounted when due. Surrenders are accounted as and when notified. Claims cost consist of the policy benefit amounts and claims settlement costs, where applicable. Claims recovered or recoverable from reinsurer are accounted in the same period as that of the related claims. Withdrawals and surrender under unit linked policies are accounted in respective schemes when the associated units are cancelled.

(b) Funds for Future Appropriation For Insurance Company :

The balance in the funds for future appropriations account represents funds, the allocation of which, either to participating Policyholders or to Shareholders, has not been determined at the Balance Sheet date. Transfers to and from the fund reflect the excess or deficit of income over expenses and appropriations in each accounting period arising in the Company's Policyholders' fund. In respect of Participating policies any allocation to the policyholder would also give rise to a shareholder transfer in the required proportion.

(c) Loans against policies :

Loans against policies are valued at the aggregate of book values (net of repayments) plus capitalised interest (accrued and due) and are subject to impairment, if any.

(d) Policy Liabilities pertaining to Insurance Company :

Liabilities on life policies are determined by the Appointed Actuary using generally accepted actuarial practice in accordance with the Standards and Guidance Notes established by the Institute of Actuaries of India, the requirement of the Insurance Act, 1938 as amended by the Insurance law (Amendment Act,) 2016, Solvency Margin of Insurers Regulations, 2000 and other relevant regulations and circulars issued by the IRDAI from time to time. The Liabilities are calculated in the manner that together with estimated future premium income and investment income, the company can meet estimated future claims (including bonus entitlement to the policyholders) and expenses. The actuarial assumptions are given below.

Actuarial Method and Assumptions for Insurance Company :

The actuarial method and the assumptions used in the valuation as at March 31, 2017 are stated below:

(a) In case of non-linked individual business (other than Guarantee Advantage plan), Gross Premium Valuation Reserve Method is used to calculate the liabilities with respect to expenses, mortality and other claims including bonus if any; negative reserves are eliminated at policy level. The reserves are floored to the higher of guaranteed

1.4 Significant Accounting Policies: (contd.)

surrender value (GSV) and the special surrender value (SSV) at a policy level. For term products, the reserves are also floored to the unearned premium reserve (UPR), For non-linked pension product (Future Generali Pension), liability is floored to the policyholder pension fund account (PPFA) which is calculated using the premiums accumulated with past declared bonuses;

(b) For the non-linked non-participating "Guarantee Advantage" plan, the accumulated balance in Policy Account, net of charges, accumulated at the rate of crediting interest declared in advance on a quarterly basis as on valuation date at a policy level akin to fund value. Additional reserve equivalent to, present value of expenses and benefits less present value of fees (Allocation fees, Insurance fees, Policy administration fees and investment fees) discounted at valuation rate of interest, akin to non-unit reserves. Reserve for loyalty addition is calculated as Present value of loyalty addition payable at maturity/death calculated for all in-force policies discounted at valuation rate of interest.;

(c) For Linked business, unit value as on the valuation date is kept as unit reserve and discounted cash flow approach is used to determine non-unit reserves as per IRDAI guidelines subject to minimum of half a month's mortality and policy administration charges;

(d) For Riders reserves, liabilities have been calculated as higher of Gross Premium Valuation method and Unearned Premium Reserve method. For group business, the rider reserve is computed by the Unearned Premium Reserve method;

(e) For Group Term insurance, reserves are calculated using the Unexpired Premium Reserve (UPR) methodology. Credit for reinsurance is taken in the calculation of this reserve;

(f) For Group Credit Suraksha, Gross Premium Valuation Reserve method has been used;

(g) For Non Linked Group Traditional Fund Products (Non VIP), the contributions net of withdrawals are being accumulated using the crediting rate which is calculated as yield less expenses, if any. The Crediting rate is declared annually in arrears;

(h) For the Non Linked Group Traditional Fund Products (VIP) - Gratuity and Leave Encashment, the fund along with the net contributions are credited with the minimum guaranteed floor rate of 1% and then accumulated at the interest rate which is declared quarterly in advance;

(i) For Non Linked Group Traditional Fund Products (VIP) - Group Superannuation, the contributions net of withdrawals are being accumulated at a minimum floor rate (guaranteed rate of return) of 1% pa. Additional earnings over and above the minimum floor rate, if any, is shared through annual bonus at the end of the financial year. The annual declared bonus amount is credited to the fund reserve;

(j) For Linked Saving Suraksha products, reserves consists of Unit reserves which is higher of Fund value as on Valuation date or number of units multiplied by the published unit prices or NAV as on Valuation date. Additional reserves are provided at member level by taking mortality charge and policy admin charge based on unexpired period;

In addition to the above mentioned reserves, other additional global provisions are made which include the following:

a. Maintenance expense overrun reserve

b. Closure to new business reserve

c. Cost of guarantee reserve

d. Freelook cancellation reserve

e. Reserves for paid up policies eligible for revivals

f. Reserves for lapsed policies eligible for revivals

g. Reserve for incurred but not reported claims

h. Discontinued Penalty

i. Group Resilience Reserve

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Valuation assumptions are based on mix of pricing assumptions which are derived from industry experience and based on own projection and assessment duly adjusted for Margin for Adverse Deviation as per relevant Standards and Guidance Notes issued by the Institute of Actuaries of India.

Following are basis for Gross Premium Reserve method for Individual Non-linked business.

Interest rate: 6.55% (previous year 6.70%) per annum for 1st five years and 5.85% (previous year 5.90%) thereafter for participating business, annuity business and group credit suraksha.

5.55% (previous year 5.70%) per annum for 1st five years and 4.85% (previous year 4.90%) thereafter for non-participating business and non-unit reserves under unit linked business.

Mortality: Based on published mortality table - Indian Lives Mortality 2006-08 suitably adjusted to reflect actual experience along with margins for adverse deviation in compliance with Actuarial practice standards issued by the Institute of Actuaries of India.

Morbidity: For critical illness and health products it is based on CIBT-93 table with adjustment to reflect expected experience along with margins for adverse deviation in compliance with Actuarial practice standards issued by the Institute of Actuaries of India. For accidental riders, it is a flat rate independent of age.

Lapse/Surrender/Withdrawal: A prudent lapse/surrender/withdrawal assumption is used in the calculation of reserves incorporating margins for adverse deviation in compliance with Actuarial practice standards issued by the Institute of Actuaries of India.

Expense inflation: 4% (previous year 4% p.a.) per annum applied monthly on fixed renewal expenses.

Commission: As per the provision under the relevant plan approved by IRDAI.

Renewal Expenses: Appropriate assumptions are made based on the long term expenses projected in the business plan with allowance for adverse deviation.

Expenses: Appropriate assumptions are made based on the long term expenses projected in the business plan with allowance for adverse deviation.

Future Bonus rates: For participating business, future bonus rate assumptions are consistent with the Bonus earning capacity and Policyholders' Reasonable Expectations

Unit Growth Rate: 7% per annum (previous year7% per annum)

Tax Rate: The tax rate applicable for valuation at March 31, 2018 is 14.42% p.a. (March 31, 2017 was 14.42%).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

2.1 Share Capital

Particulars	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Authorised		
30,000,000 (previous year 30,000,000) Equity shares of ₹ 10 each	300,000,000	300,000,000
5,000,000 (previous year 5,000,000) Preference shares of ₹ 10 each	50,000,000	50,000,000
Issued, subscribed and fully paid-up:		
22,547,550 (previous year 22,547,550) Equity shares of ₹ 10 each [Included above are 9,777,550 (previous year: 9,777,550) equity shares represented by 4,888,755 (Previous year: 4,888,755) Global Depository Shares "GDS"]	225,475,500	225,475,500
Total	**225,475,500**	**225,475,500**

(a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Equity Shares	As at 31st March, 2018		As at 31st March, 2017	
	No. of shares	₹	No. of shares	₹
Opening Balance	22,547,550	225,475,500	22,547,550	225,475,500
Fresh issue	-	-	-	-
Buy Back	-	-	-	-
Closing balance	**22,547,550**	**225,475,500**	**22,547,550**	**225,475,500**

The Company had issued 4,888,775 Global Depository Shares ('GDSs') representing 9,777,550 equity shares of the Company of nominal value ₹ 10 each, aggregating to US $ 59.89 millions equivalent to ₹ 3,377,606,725 (including share premium of ₹ 3,279,831,225). The GDSs are listed on Luxembourg Stock Exchange.

(b) Rights, preferences and restrictions attached to equity shares

Equity shares of the Company are issued at a par value of ₹ 10 per share.

(i) **Equity Shares represented by GDS -** Holders of the GDSs will have no voting rights with respect to the underlying equity shares. The Depository will not exercise any voting rights with respect to the deposited shares. Other rights, preferences and restrictions are same as other equity shares.

(ii) Other Equity Shares - Each holder of other equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after payment of all claims/liabilities and preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Equity shares held by each shareholder holding more than 5% equity shares in the Company are as follows:

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
N. N. Financial Services Private Limited	7,087,960	31.44	7,087,960	31.44
Nimbus India Limited	2,294,107	10.17	2,294,107	10.17
Life Insurance Corporation of India	1,192,248	5.29	1,192,248	5.29
The Bank of New York Mellon (Depository for GDS holders)*	9,777,550	43.36	9,777,550	43.36

* The Company does not have the details of the individual holders.

(d) The Company has not allotted any equity shares for consideration other than cash, bonus shares, nor have any shares been bought back during the period of five years immediately preceding the Balance Sheet date.

2.2 Reserves and Surplus

Particulars	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Capital Reserve		
Balance as per last Consolidated Balance Sheet	**750**	**750**
Capital reserve on consolidation		
Balance as per last Consolidated Balance Sheet	702,000	702,000
Add: Transfer from Surplus in the Consolidated Statement of Profit and Loss	-	-
Closing balance	**702,000**	**702,000**
Capital Redemption Reserve		
Opening balance	15,000,000	15,000,000
Add: Transfer from Surplus in the Consolidated Statement of Profit and Loss	-	-
Balance as per last Consolidated Balance Sheet	**15,000,000**	**15,000,000**
Fair Value Change	**8,906,275**	**13,275,789**
General Reserve		
Opening balance	195,597,506	195,597,506
Add: Transfer from Surplus in the Consolidated Statement of Profit and Loss	-	-
Less: Written Back in Current Year		
Balance as per last Consolidated Balance Sheet	**195,597,506**	**195,597,506**
Special Reserve (as per the RBI regulations)		
Opening balance	322,407,000	322,407,000
Add: Transfer from Surplus in the Consolidated Statement of Profit and Loss	-	-
Closing balance	**322,407,000**	**322,407,000**
Securities Premium Account		
Balance as per last Consolidated Balance Sheet	4,186,487,469	4,186,487,469
Less : Provision for premium on redemption	-	-
Balance as per last Consolidated Balance Sheet	**4,186,487,469**	**4,186,487,469**
Surplus in Consolidated Statement of Profit and Loss		
Opening balance	(54,509,107)	200,669,574
Add: Loss for the year	(437,344,501)	(258,348,906)
Less : Reversal of tax on proposed dividend for an earlier year by a jointly controlled entity	-	(3,170,225)
Closing balance	**(491,853,608)**	**(54,509,107)**
Total	**4,237,247,392**	**4,678,961,407**

* In the absence of net profit for the year, no transfer has been made by the Holding Company during the year to special reserve in terms of section 45 -IC of the Reserve Bank of India Act, 1934..

2.3 Long Term Borrowings

Particulars	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Term Loans:		
From banks (Secured)	561,896,982	418,420,273
Vehicle Loan	4,600,000	-
Less: Current maturities of long-term debt (See Note 2.7)	(370,727,473)	(230,987,046)
	195,769,509	187,433,227
From related parties (Unsecured)	109,925,531	-
From other parties:		
Vehicle Loan from Kotak Mahindra Prime Limited (secured)	-	297,929
Less: Current maturities of long-term debt (See Note 2.7)	-	(297,929)
	-	-
Total	**305,695,040**	**187,433,227**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Notes :

Details of terms of repayment and security provided:

Terms of Repayment	Security details
Loans from banks: **Axis Bank Ltd.: ₹ 9,183,000 (Previous year ₹ 19,179,000)** 59 Equated Monthly Installments (EMI) each of ₹ 833,333 and last installment of ₹ 833,000; Number of Installments outstanding as at 31st March, 2018: 11 (As at 31st March 2017: 23)	Secured by equitable mortgage on Immovable Property.
Bank of India: ₹ 116,036,856 (Previous year ₹ 117,259,180) **(Amount not yet fully drawn)** a. Repayable Sanctioned loan amount ₹ 2000.00 lacs (Group Share) from Bank of India .The loan amount shall be repayable in 6 equal quarterly instalment of ₹ 200.00 lacs (group share) starting from December 2016 and the final instalment of ₹ 800.00 lacs (group share) will be repayable in the month of June, 2018. b. Furthur ₹ 10 Crore (group share) loan amount has been sanctioned from Bank of India. The loan amount shall be repayable in 5 equal quarterly instalment of ₹ 160.00 lacs (group share) starting from December 2018 and the final instalment of ₹ 200.00 lacs (group share) will be repayable in the month of March, 2020	Primary security - Equitable mortgage (2nd charge) of the leasehold project land and building civil work and immovable machinery attached to it of one of the Jointly Controlled Entities. Collateral security - Equitable mortgage of a land and building owned by a partnership firm belonging to the promoter. Further, joint and several guarantee of promoter and a partnership firm belonging to the promoter is also provided.
Consortium of Banks: ₹ 436,677,126 (Previous year ₹ 281,982,093) Repayable in 8 quarterly instalments commencing from 31st March, 2018 and ending on 31st December, 2019, along with interest at base rate plus 3%	Term Loan from three banks under consortium arrangement is secured by (a) Second pari passu charge (1st pari passu charge with Noida Authority) on the project land (b) First pari passu charge by way of hypothecation of raw material and work in progress, receivables, book debts, bank accounts and all other incomes, present and future of one of the Jointly Controlled Entities.
Loan from other parties: **Vehicle Loan from NBFC: ₹ 4,600,000 (Previous year ₹ Nil)** Repayable in 36 monthly instalments commencing from 10th April, 2018 and ending on 10th March, 2021, along with interest @ 8.09%	Vehicle is secured by way of hypothetication of specific vehicle financed.
Loan from other parties : Kotak Mahindra Prime Limited ₹ NIL (Previous year ₹ 297,929) Repayable in 35 Equated Monthly Installments (EMI) each of ₹ 76,133; Number of Installments outstanding as at 31st March, 2018: Nil (As at 31st March 2017: 4) Interest is charged at 10.25% p.a.	Vehicle is secured by way of hypothetication of specific vehicle financed.
Interest rates: Interest rates for the above loans ranges from 10.25% to 13.75%.	

2.4 Other long-term liabilities

Particulars	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Trade payables		
- Premium for development rights	579,045,605	782,023,580
Others		
- Retention money	43,400,619	45,968,003
- Interest free maintenance security	66,673,394	36,127,510
- Sinking Fund	9,604,819	7,234,875
- Interest accured and not due on borrowings	6,194,677	-
- Advance for sale of Land	108,147,304	108,177,467
Income received in advance (Unearned revenue)	36,106,588	-
Sundry Liabilities (Interest capitilisation)	8,276,147	-
Total	**857,449,153**	**979,531,434**

2.5 Long-term provisions

Particulars	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Provision for employee benefits:		
- Compensated absences	3,607,549	4,137,332
- Gratuity (See Note 2.31)	1,178,903	3,702,727
Provision - Others:		
- Provision for contigency (See Note 2.36)	5,000,000	5,000,000
Total	**9,786,452**	**12,840,059**

2.6 Short-term borrowings

Particulars	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Loans repayable on demand		
From other parties (Unsecured)	85,225,000	139,575,000
Loan and advances		
From related parties (Unsecured) (See Note 2.30)	323,262,500	314,570,000
Total	**408,487,500**	**454,145,000**

2.7 Other current liabilities

Particulars	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Current maturities of long-term borrowings (See Note 2.3)	370,727,473	231,284,975
Unpaid dividends *	2,939,237	3,557,563
Interest accured and due on borrowings	12,182,102	13,897,750
Interest accured but not due on borrowings	2,133,874	50,366,578
Other payables		
- Security deposits received	102,009,515	147,579,629
- Statutory remittances	30,835,520	15,061,605
- Interest free maintenance security received from customers	15,090,565	-
- Booking advance refundable to customer	40,670,972	254,094
- Advances received from customers (including the progress billings for which amounts are not received)	336,042,208	461,774,862
- Payable to Residential Welfare Association	108,997	8,786,559
- Payable to facility manager	-	3,380,543
- Provision for Expenses	36,213,750	143,909,560
- Payable to Employees	4,706,381	-
- Payable to Joint ventures	28,986,563	-
- Others	27,659,935	118,939,101
Total	**1,010,307,092**	**1,198,792,819**

* Investor Protection and Education Fund is being credited as and when due.

2.8 Short term provisions

Particulars	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Provision for employee benefits:		
Compensated absences	5,970,641	5,347,751
Gratuity (See Note 2.31)	483,294	1,333,445
	6,453,935	**6,681,196**
Provision - Others:		
Provision for Income tax (net of advance tax)	4,587,499	651,525
Provision for VAT	363,417	2,056,818
Contingent Provision against Standard Assets	135,242	307,726
Total	**11,540,093**	**9,697,265**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

2.9 Property, Plant and Equipment

(₹)

ASSETS	GROSS CARRYING AMOUNT					DEPRECIATION AND AMORTISATION						Net carrying amount
	As at 1st April, 2017	Adjustment on account of Change in share in a joint venture entity	Additions	Disposals	As at 31st March, 2018	As at 1st April, 2017	Adjustment on account of Change in share in a joint venture entity	Adjustment of Finance Lease	For the year *	On disposals	As at 31st March, 2018	As at 31st March, 2018
TANGIBLE												
Buildings	109,463,520	-	-	-	109,463,520	24,429,650	-	-	4,769,428	-	29,199,078	80,264,442
	(109,463,520)	(-)	(-)	(-)	(109,463,520)	(20,126,519)	(-)	(-)	(4,303,131)	(-)	(24,429,650)	(85,033,870)
Leasehold Improvement	11,021,471	(1,461,037)	8,071,909	384,169	17,248,174	4,695,372	(622,432)	-	3,185,612	242,003	7,016,549	10,231,625
	(10,445,386)	384,225	(960,310)	(-)	(11,021,471)	(2,501,590)	92,019	(-)	(2,285,801)	(-)	(4,695,372)	(6,326,099)
Furniture and fixtures	14,918,380	(1,341,514)	1,787,048	1,531,406	13,832,508	7,039,012	(602,264)	-	2,531,382	1,064,190	7,903,940	5,928,568
	(14,621,322)	374,708	(760,866)	(89,100)	(14,918,380)	(4,928,466)	101,691	(-)	(2,251,337)	(39,100)	(7,039,012)	(7,879,368)
Vehicles	7,164,317	(230,001)	6,198,734	-	13,133,050	4,499,256	(119,588)	-	646,478	-	5,026,146	8,106,904
	(7,046,975)	66,259	(183,601)	(-)	(7,164,317)	(3,676,272)	28,018	(-)	(851,002)	(-)	(4,499,256)	(2,665,061)
Plant and machinery	2,327,576	-	259,120	45,812	2,540,884	917,467	-	-	168,214	828	1,084,853	1,456,031
	(1,891,441)	(-)	(436,135)	(-)	(2,327,576)	(741,401)	(-)	(-)	(176,066)	(-)	(917,467)	(1,410,109)
Office equipment	13,031,986	(1,086,748)	8,427,687	1,142,958	19,229,967	10,517,296	(869,836)	-	2,898,167	1,101,382	11,444,245	7,785,722
	(12,901,702)	300,249	(488,148)	(57,615)	(13,031,986)	(7,820,858)	151,764	(-)	(2,901,887)	(53,685)	(10,517,296)	(2,514,690)
Computers	29,937,150	(2,523,215)	42,553,305	1,255,464	68,711,776	19,068,680	(1,172,727)	-	10,251,722	1,197,422	26,950,253	41,761,523
	(20,998,133)	352,122	(9,938,587)	(647,448)	(29,937,150)	(14,738,450)	160,556	(-)	(5,099,728)	(608,942)	(19,068,680)	(10,868,470)
LEASED ASSETS												
Furniture	-	-	90,053,304	-	90,053,304	-	-	86,756,452	2,439,408	-	89,195,860	857,444
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Computer	-	-	36,396,031	-	36,396,031	-	-	36,396,031	-	-	36,396,031	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Office Equipment	-	-	33,786,485	-	33,786,485	-	-	33,177,573	488,752	-	33,666,325	120,160
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Sub-total	**187,864,400**	**(6,642,515)**	**227,533,623**	**4,359,809**	**404,395,699**	**71,166,733**	**(3,386,847)**	**156,330,056**	**27,379,163**	**3,605,825**	**247,883,280**	**156,512,419**
	(177,368,479)	1,477,563	(12,767,647)	(794,163)	(187,864,400)	(54,533,556)	534,048	-	(17,868,952)	(701,727)	(71,166,733)	(116,697,667)
INTANGIBLE												
Computer software	93,078,825	(11,571,982)	9,644,135	2,079,644	89,071,334	73,902,313	(9,080,034)	-	6,050,413	1,975,661	68,897,031	20,174,303
	(79,011,636)	2,694,234	(16,761,423)	(-)	(93,078,825)	(65,858,450)	2,229,837	(-)	(10,273,700)	(-)	(73,902,313)	(19,176,512)
Sub-total	**93,078,825**	**(11,571,982)**	**9,644,135**	**2,079,644**	**89,071,334**	**73,902,313**	**(9,080,034)**	-	**6,050,413**	**1,975,661**	**68,897,031**	**20,174,303**
	(79,011,636)	2,694,234	(16,761,423)	(-)	(93,078,825)	(65,858,450)	2,229,837	(-)	(10,273,700)	(-)	(73,902,313)	(19,176,512)
Total	**280,943,225**	**(18,214,497)**	**237,177,758**	**6,439,453**	**493,467,033**	**145,069,046**	**(12,466,881)**	**156,330,056**	**33,429,576**	**5,581,486**	**316,780,311**	**176,686,722**
Previous year	(256,380,115)	4,171,797	(29,529,070)	(794,163)	(280,943,225)	(120,392,006)	2,763,885	(-)	(28,142,652)	(701,727)	(145,069,046)	(135,874,179)

* Includes ₹ 447,410 (Previous year ₹ 459,011) depreciation on site assets which has been charged as cost of construction and depreciation amounting to ₹ 27,094,990 (previous year ₹ 21,677,738) included under Commission and Operating expenses pertaining to Insurance Business.

Figures in brackets are the corresponding figures of the previous year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

2.10 Non-current investments

Particulars	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
(I) Trade Investments-(valued at cost)		
(A) Investment in Equity Instruments (fully paid-up):		
- of associates, unquoted [See Note 2.33 (ii)]	120,976,662	117,581,690
Total (A)	**120,976,662**	**117,581,690**
(B) Investment in Preference Shares (fully paid-up)		
5,000,000 (previous year: 5,000,000) 0% Redeemable Preference shares of ₹ 10 each fully paid-up of World Resorts Ltd *	250,000,000	250,000,000
5,000,000 (previous year: NIL) 0% Non Convertible Redeemable Preference shares of ₹ 10 each fully paid-up of World Resorts Ltd # (Refer note 2.43)	250,000,000	250,000,000
Less: Current portion of long-term investments	(-)	(250,000,000)
	500,000,000	250,000,000
1,875,000 (previous year: 1,875,000) 0% Optionally Convertible Cumulative Redeemable Preference shares of ₹ 10 each fully paid-up of World Resorts Ltd #	75,000,000	75,000,000
Total (B)	**575,000,000**	**325,000,000**
Total - Trade (A)+(B)	**695,976,662**	**442,581,690**
(II) Other investments		
Investment property (valued at cost less accumulated depreciation)		
Immovable property (cost)	48,162,532	48,313,724
Less: Accumulated depreciation	(436,712)	(562,728)
	47,725,820	**47,750,996**
- of other entities, unquoted	28,148,218	28,148,218
Less: Provision for diminution in the value of investments	(28,148,218)	(28,148,218)
	-	-
Of Insurance Company		
Government Securities	2,348,028,087	2,866,980,750
Equity Shares	515,309,677	690,201,088
Other approved investments		
Discount on other approved securities - other than Infrastructure & Social Sector	73,912,266	78,936,634
Debentures	716,176,265	838,027,660
Infrastructure/Social Sector Bonds	1,134,389,210	1,117,558,784
Other approved Investments	584,966,514	-
	5,372,782,019	**5,591,704,916**

Particulars	As at March 31, 2018	As at March 31, 2017
Investment related to Policy Holders	4,026,461,220	4,043,498,441
Investment to cover linked liabilities	935,243,476	1,152,054,493
Investment related to shareholders	411,077,322	396,151,982
Total	**5,372,782,019**	**5,591,704,916**

Total Other Investments	**5,420,507,839**	**5,639,455,912**
Total	**6,116,484,501**	**6,082,037,602**

Notes:

* During the year, the Company vide its Board resolution dated 9th February, 2017 consented to the variation of rights relating to 10% Cumulative Redeemable Preference shares proposed by World Resorts Limited (WRL) by extending the period of redemption, increasing the premium on redemption, waiver of dividend till 31st March 2016 and reducing the coupon rate from 10% to 0 % w.e.f 1st April 2016. The nomenclature of the shares has also been changed from 10% Cumulative Redeemable Preference shares to 0 % Redeemable Preference shares.

\# During the year, in respect of Company's subsidiaries IITL Projects Ltd. and IIT Investrust Limited, both the subsidiaries have, vide its Board resolution dated 8th February 2017, consented to the variation of rights relating to 14% Non-Convertible Cumulative Redeemable Preference shares and 10% Optionally Convertible Cumulative Redeemable Preference shares respectively proposed by World Resorts Limited for extending the period of redemption, increasing the premium on redemption, waiver of dividend till 31st March 2016 and reducing the coupon rate from 14% and 10% respectively to 0 % w.e.f 1st April 2016. The nomenclature of the shares has also been changed from 14% Non-Convertible Cumulative Redeemable Preference shares and 10% Optionally Convertible Cumulative Redeemable Preference shares to 0 % Non-Convertible Redeemable Preference shares and 0 % Optionally Convertible Redeemable Preference Shares respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

2.11 Deferred taxes

Particulars	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Deferred tax liabilities:		
On difference between book balance and tax balance of property, plant and equipment	1,278,399	(188,084)
Deferred tax assets:		
On difference between book balance and tax balance of property, plant and equipment	110,305	1,071,933
Items covered under section 43B of the Income Tax Act, 1961	1,309,837	1,319,295
Provisions for bad and doubtful debts	1,684,129	1,684,129
Contingent Provision against Standard Assets	61,879	79,239
Contingent Provision against sub-standard Assets	56,666,463	20,975,495
Total	**61,111,012**	**24,942,007**

2.12 Long-term loans and advances (unsecured, considered good, unless otherwise stated)

Particulars	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Loans and advances to related parties (See Note 2.30)		
Standard assets:-		
Loans to an entity under significant influence	23,500,000	35,000,000
Sub-standard assets:-		
Loans to jointly controlled entities	227,216,996	218,940,849
Loan to an associate	25,000,000	25,000,000
Less:- Provision for sub-standard asset	(243,940,849)	(24,394,085)
	8,276,147	219,546,764
Other loans to jointly controlled entities	-	2,625,000
Security deposits	34,162,381	43,047,570
Advance income tax (net of provisions)	36,006,485	46,556,430

2.12 Long-term loans and advances (Contd...) (unsecured, considered good, unless otherwise stated)

Other loans and advances		
- Recoverable from Greater Noida Industrial Development Authority (GNIDA)*	4,493,892	4,493,892
- Debit balance in gratuity fund (See Note 2.31)	190,913	6,490
- Advances for supply of goods and services	2,653,672	-
- MAT credit untitiled	4,562,000	-
- Loan to PolicyHolder	13,713,886	9,477,942
- Deposit placed against disputed property tax (See Note 2.36)	16,363,512	11,216,892
- Capital Advances	20,126	-
Total	**143,943,014**	**371,970,980**

*This represents tax deducted at source on interest paid on land premium installments payable to GNIDA. As per GNIDA tax is not deductible on interest paid to them, however, IITLPL had deducted and paid the tax amount to the income tax authorities. At the time of obtaining occupancy certificate, IITLPL had to pay to GNIDA, the amount of equivalent to the TDS deducted, as it was construed as short payment. IITLPL is in discussion with GNIDA, pending resolution the amount has been shown as recoverable from GNIDA.

2.13 Other Non-current assets (unsecured, considered good)

Particulars	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Bank deposits with more than 12 months maturities *	19,344,683	24,810,566
Interest accrued on bank deposits	1,062,867	736,191
Security Deposit - Eletricity & Water	4,945,817	-
Gratuity Plan Assets	96,620	-
Balance with government authorities		
- Service tax credit receivable	4,269,382	4,174,712
Total	**29,719,369**	**29,721,469**
* Deposits pledged against counter guarantee given by bank, margin money and with authorities	**15,375,000**	**16,985,625**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

2.14 Current investments (valued at lower of cost and fair value)

Particulars	As at 31st March, 2018	As at 31st March, 2017
	₹	₹
Current portion of long-term investments (At cost)		
Investment in Preference shares of associate (fully paid-up) (See Note 2.10)		
Nil (previous year 5,000,000) 0% Non Convertible Redeemable Preference shares) of ₹ 10 each fully paid-up of World Resorts Ltd	-	250,000,000
Of Insurance company		
- Corporate Securities - Mutual Funds	351,146,637	171,124,929
- Government Securities	159,689,835	85,500,604
- Infrastructure/Social Sector Bonds	34,559,193	102,439,272
- Other approved securities	218,284,713	202,875,382
- Debentures	39,297,933	-
Total	**802,978,311**	**561,940,187**

Particulars	As at 31st March, 2018	As at 31st March, 2017
Investment related to Policy Holders	445,058,946	250,420,641
Investment to cover linked liabilities (Refer Note below)	288,311,618	248,405,550
Investment related to shareholders	69,607,747	63,113,996
Total	**802,978,311**	**561,940,187**

Note: Investments to cover Linked Liabilities includes Investments pertaining to Unclaimed Amount of Policyholders which is an earmarked Investment as per IRDA Circular IRDA/F&A/CIR/CPM/134/07/2015

2.15 Inventories (at lower of cost and net realisable value)

Particulars	As at 31st March, 2018	As at 31st March, 2017
	₹	₹
Construction work-in-progress	2,647,964,819	2,602,792,412
Stock of Units in completed projects	443,302,567	878,509,828
Shares held as stock-in-trade	-	401,207.00
Total	**3,091,267,386**	**3,481,703,447**

2.16 Trade receivables

Particulars	As at 31st March, 2018	As at 31st March, 2017
	₹	₹
Outstanding for a period exceeding six months from the date they were due for payment		
- Unsecured, considered good	115,225,431	151,065,267
- Unsecured, considered doubtful	8,380,724	7,515,789
	123,606,155	158,581,056
- Less: Provision for doubtful trade receivables	8,380,724	7,515,789
	115,225,431	151,065,267
Premium receivable	85,147,118	-
Other Trade receivables		
- Unsecured, considered good	230,084,137	88,724,968
Total	**430,456,686**	**239,790,235**

2.17 Cash and cash equivalents

Particulars	As at 31st March, 2018	As at 31st March, 2017
	₹	₹
Cash and cash equivalents (as per AS 3 Cash Flow Statements)		
Cash on hand	6,108,755	8,432,269
Cheques, drafts on hand	54,959,106	44,023,152
Balances with banks		
- In current accounts	202,450,758	117,777,302
- In deposit accounts with original maturity upto 3 months	3,913,662	3,218,037
- Others (Balance in foreign currency travellers cards)	5,083	5,547
	267,437,364	**173,456,307**
Other bank balances:		
- In deposit accounts with original maturity of more than 3 months but upto 12 months*	44,761,270	73,129,929
- In earmarked accounts - unpaid dividend accounts	2,939,237	3,557,563
	47,700,507	**76,687,492**
Total	**315,137,871**	**250,143,799**
* Deposits pledged against guarantee given by bank/ as securities to sales tax authorities.	28,986,985	42,616,808

2.18 Short-term loans and advances (unsecured, considered good)

Particulars	As at 31st March, 2018	As at 31st March, 2017
	₹	₹
Unsecured:		
Standard assets -		
Loans to entities under significant influence	5,000,000	-
Other loans and advances		
Security deposits	4,762,962	190,088
Advances for supply of goods and services	137,638,723	152,599,239
Recoverable from Greater Noida Industrial Development Authority (GNIDA)*	29,650,597	29,165,726
Prepaid expenses	7,943,643	7,589,901
Advance income tax (net of provisions)	13,263,721	4,721,961
MAT credit entitlement	3,735,569	3,487,536
Balances with government authorities		
- Service tax credit receivable	30,548,306	55,148,757
- VAT recoverable	169,942	552,324
- GST Receivable	55,559,928	-
LIC Gratuity Plan	310,237	-
Advances to vendors	12,000	252,652
Advance to Related Parties	3,625,000	-
Advances to others	92,022,613	66,517,261
	379,243,241	**320,225,445**
Total	**384,243,241**	**320,225,445**

*This represents tax deducted at source on interest paid on land premium installments payable to GNIDA. As per GNIDA tax is not deductible on interest

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

paid to them, however, one of the jointly controlled entity - CIPL had deducted and paid the tax amount to the income tax authorities. At the time of obtaining occupancy certificate, CIPL had to pay to GNIDA, the amount equivalent to the TDS deducted, as it was construed as short payment. CIPL is in discussion with GNIDA, pending resolution the amount has been shown as recoverable from GNIDA.

2.19 Other current assets
(unsecured, considered good unless otherwise stated)

Particulars	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Unbilled revenue	240,236,768	247,060,018
Interest accrued on:		
- bank deposits	1,348,025	3,749,683
- Investments	151,213,767	162,109,927
- loans to related parties (See note 2.30)	332,328	28,301
- Other	-	490,148
Security Deposit - Rent	47,500	-
Others	20,010,800	36,770,575
Other Assets ULIP	74,444	-
Total	**413,263,632**	**450,208,652**

2.20 Revenue from operations

Particulars	For the year ended 31st March, 2018 ₹	For the year ended 31st March, 2017 ₹
Interest [See Note 2.20 (a)]	20,269,641	4,412,308
Revenue from real estate projects [See Note 2.20 (b)]	1,222,016,857	978,686,365
Sale of services [See Note 2.20 (c)]	3,323,457	5,178,188
Other operating revenue [See Note 2.20 (d)]	37,818,049	13,385,951
Total	**1,283,428,004**	**1,001,662,812**

2.20 (a) Interest

On deposits with banks	1,403,523	3,093,701
On loans	18,866,118	1,318,607
Total	**20,269,641**	**4,412,308**

2.20 (b) Revenue from real estate projects

Sale of flats	1,222,016,857	978,686,365
Total	**1,222,016,857**	**978,686,365**

2.20 (c) Sale of services

Brokerage:		
- from insurance services	3,318,429	5,161,778
- on shares and mutual funds	5,028	16,410
Total	**3,323,457**	**5,178,188**

2.20 (d) Other operating income

Profit on sale of investment properties (Net)	30,428,569	-
Charges on transfer / booking of flats	1,957,219	11,611,455
Others	5,432,261	1,774,496
Total	**37,818,049**	**13,385,951**

2.21 Other income

Particulars	For the year ended 31st March, 2018 ₹	For the year ended 31st March, 2017 ₹
Interest income:		
- On deposits with banks	4,374,938	3,539,506
- On deposits with others	25,518	842,241
- On income tax refund	1,914,972	1,958,681
- Interest received from customers for late payment	3,245,823	3,745,439
Dividend income from current & non current investments	-	68,980
Farmer Compensation Recoverable	1,099,693	-
Reversal of contingent provision against standard assets	172,484	1,250,635
Profit on sale of property, plant and equipment	47,299	30,859
Amounts no longer payable written back	10,949,989	1,399,652
Miscellaneous income	749,539	519,405
Total	**22,580,255**	**13,355,399**

2.22 Cost of sales

Particulars		For the year ended 31st March, 2018 ₹	For the year ended 31st March, 2017 ₹
(i) Cost of construction / development			
Opening balance of work in progress		2,602,792,412	2,827,965,818
	(A)	**2,602,792,412**	**2,827,965,818**
Add: Expenses incurred during the year			
Land and development rights		95,130,985	243,462,000
Material, structural, labour and contract cost		378,218,826	458,631,801
Other project cost		911,976	9,737,622
Employee benefits expense		5,299,492	5,893,346
Depreciation		369,947	459,011
Other expenses		6,811,110	22,678,514
Interest and finance charges		94,559,459	41,562,511
	(B)	**581,301,795**	**782,424,805**
Less:			
Closing balance of work in progress		2,647,964,819	2,602,792,412
Stock of units on the date of completion of project		-	421,223,300
	(C)	**2,647,964,819**	**3,024,015,712**
	(A+B-C)	**536,129,388**	**586,374,911**
(ii) Changes in stock of units in completed project			
Opening stock of units in completed project		878,509,828	719,141,721
Add : Stock of units on the date of completion of project		-	421,223,300
Less: Closing stock of units in completed project		443,302,567	878,509,828
	Total (i+ii)	435,207,261	261,855,193
(iii) Expenses on completed projects		-	22,701,601
	Total (i+ii+iii)	**971,336,649**	**870,931,705**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

2.23 Employee benefits expense

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
	₹	₹
Salaries and wages	39,194,494	41,399,722
Contribution to provident and other funds (See Note 2.31)	3,118,989	3,124,304
Staff welfare expenses	1,076,423	1,496,776
	43,389,906	46,020,802
Less: Transferred to Inventories	(4,151,366)	(5,893,346)
Total	**39,238,540**	**40,127,456**

2.24 Finance cost

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
	₹	₹
Interest expense on loans	180,045,977	102,200,000
Interest on delayed / deferred payment of income tax	238,587	760,230
Interest on Refund to Customers	9,662,368	725,989
Other borrowing cost	1,442,825	-
	191,389,757	103,686,219
Less: Transferred to Inventories	(75,494,275)	(41,562,511)
Total	**115,895,482**	**62,123,708**

2.25 Other Expenses

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
	₹	₹
Power and fuel	3,451,271	4,565,539
Rent including lease rentals (See Note 2.27)	6,529,038	6,466,200
Insurance	1,269,626	1,552,779
Repairs and maintenance:		
- Buildings	3,449,574	4,118,411
- Computers	477,381	254,824
- Plant & Machinery	-	319,516
- Office equipment	48,799	4,300
- Others	3,733,086	1,991,904
	7,708,840	6,688,955
Rates and taxes	19,338,457	24,033,263
Travelling and conveyance	2,981,811	3,597,790
Printing and stationery	1,020,765	975,939
Communication expenses	903,667	1,347,115
Legal and professional fees	17,315,857	13,052,121
Directors' fees	4,182,775	4,276,894
Honorarium for management committee meetings	257,133	95,000
Membership fees	1,876,889	2,200,697
Payments to auditors (See Note 2.28)	3,571,404	5,199,785
Brokerage and commission	106,147,533	15,504,819
Advertisement, marketing and business promotion	1,725,245	22,684,691
Office expenses	3,870	925,548
Bad and Doubtful Debts	724,344	-
CAM Charges	6,384,353	-
Expenses related to Completed towers	15,781,095	-
Expenditure on Corporate Social Responsibility	760,000	2,797,892
Site Expenses	2,679,385	865,363
Networking and Website charges	25,350	152,577
Compensation to buyers	14,351	8,349,923
Charges under subvention scheme	-	2,181,465
Miscellaneous expenditure	4,091,796	2,714,649
	208,744,855	130,229,004
Less: Transferred to inventories	(9,574,711)	(22,678,514)
Total	**199,170,144**	**107,550,490**

2.26 Contingent liabilities and commitments not provided for

Particulars	As at 31st March, 2018	As at 31st March, 2017
	₹	₹
(i) Contingent liabilities:		
(a) Claims against the Group not acknowledged as debt		
- Disputed income-tax matters #	17,275,620	23,240,078
- Disputed wealth-tax matter in appeal	3,250,246	3,250,246
- Disputed property tax levied by Mumbai Muncipal Corporation (MMC) based on enhanced ratable value for the period 1st April 2007 to 31st March 2010 in respect of the Company's Investment Property in Atlanta Building, Nariman Point * net of provision referred to in Note 2.36	19,869,855 *	19,869,855 *
- Claims filed with District Consumer Dispute Redressal Forum**	594,510	594,510

In respect of above items, outflow of resources would depend upon the outcome of the appeal/petition.

In case of holding company, the income tax assessment upto financial year 2015-16 has been completed. For FY 2016-17 the income-tax assessment is in process, for which in the opinion of the management there is no tax liabilities to be created in the books of accounts.

** Claims made by Insurance policy holders against the Insurer wherein IITIBRMPL was made a party to the dispute being brokers for the policies sold.

Also see note 2.33 (i)(b)(a)(i)

(b) Guarantee		
- Guarantees given by the Company to banks on behalf of associate company i.e WRL*	253,400,000	253,400,000

* The Company has received counter-guarantees from other parties amounti ng to ₹ 190,050,000 (previous year ₹ 190,050,000) against the aforesaid guarantees given by the Company to the banks. The outstanding amount of loan availed by WRL as at 31st March 2018 is ₹ 36,777,958 (as at 31st March 2017 ₹ 73,635,169).

Also see note 2.33 (i)(b)(a)(ii)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(c) Insurance claims disputed by FGILICL

Also see note 2.33 (i)(b)(a)(iii)

(ii) Commitments :

Capital Commitments :

See 2.33 (i)(b)(b)

Other Commitments :
Non-cancellable contractual commitments - see note 2.27
Also see note 2.33 (i)(b)(c)(i) & (ii)

(iii) Encumbrance on Assets:

Also refer note 2.33 (i)(b)(d)

2.27 The Group has taken office premises and residential premises on operating lease. There are no restrictions imposed by the lease arrangements. There are no sub leases. The lease rental expense recognised in the Consolidated Statement of Profit and Loss for the year is ` 40,249,039 * (previous year: ` 51,443,907).

The future minimum lease payments under non-cancellable operating leases for each of the following periods:

Particulars	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Not later than one year	28,902,023	20,466,024
Later than one year but not later than five years	84,303,693	47,523,561
Later than five years	2,930,076	355,643
Total	**116,135,792**	**68,345,228**

* This amount includes Rent of ₹ 34,621,859 (previous year ₹ 44,977,707) pertaining to FGILICL which is included in 'Other expense pertaining to Insurance Business' in the Consolidated Statement of Profit and Loss.

2.28 Payments to auditors

Particulars	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
For statutory audit	2,240,216	2,742,038
For other services	1,825,523	2,581,987
Taxation Fees	-	25,775
Reimbursement of expenses	92,188	88,811
Service tax	60,361	361,831
Total	**4,218,287#**	**5,800,441**

This amount includes payments to auditors of ₹ 6,46,884 (previous year ₹ 600,656) pertaining to FGILICL which is included in 'Other expense pertaining to Insurance Business' in the Consolidated Statement of Profit and Loss.

2.29 Earnings per share:

Particulars	Year ended 31st March, 2018 ₹	Year ended 31st March, 2017 ₹
(a) loss for the year	(437,344,501)	(258,348,906)
(c) Net amount available for equity shareholders	(437,344,501)	(258,348,906)
(b) Weighted average number of equity shares used in computing Basic and Diluted Earnings per share (Nos.)	22,547,550	22,547,550
(c) Basic and Dilured Earnings per share (Face value ₹ 10/-)	(19.40)	(11.46)

2.30 Related party disclosures:

(i) Names of related parties and nature of relationship:

Joint Ventures :	IITL Nimbus The Hyde Park Noida
	IITL Nimbus The Express Park View
	IITL Nimbus The Palm Village
	Capital Infraprojects Limited
	Future Generali India Life Insurance Company Limited
Associate company:	World Resort Limited
Entities over which the Company can exercise significant influence:	MRG Hotels Private Limited
Companies in which directors can exercise significant influence:	Nimbus Projects Limited Nimbus India Limited
Key management personnel (KMP):	Dr. B. Samal, Executive Chairman

(Of the Holding Company)

(ii) Transactions /balances outstanding with related parties :

(a) Key management personnel:

Nature of transactions	₹
Remuneration paid to Dr. B. Samal@	**5,532,000** (5,532,000)

@ Excludes provision for gratuity and compensated absences, which is determined on the basis of actuarial valuation done on overall basis for the Company

Figures in brackets are the corresponding figures of the previous year.

(b) Other related parties:

Sr. No.		Nature of transactions	Joint Ventures ₹	Entities under significant influence ₹	Associate Company ₹
(I)	**Transactions during the year :**				
	(i)	Loans taken - Nimbus India Limited		67,500,000 (90,000,000)	
	(ii)	Repayment of loan taken - Nimbus India Limited		47,750,988 (25,000,000)	
	(iii)	Loans given - IITL Nimbus The Express Park View (Other Venturer)	8,276,147 (-)		
		- IITL Nimbus The Palm Village (Other Venturer)	- (7,875,000)		
		- IITL Nimbus The Hyde Park Noida (Other Venturer)	- (17,500,000)		
		- World Resort Limited			- (15,000,000)
		- Capital Infraprojects Limited	5,000,000 (-)		
	(iv)	Refund of loans given -IITL Nimbus The Express Park View (Other Venturer)	- (12,500,000)		
		- MRG Hotels Private Limited		11,500,000 (10,000,000)	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

2.30 (b) Other related parties: (contd..)

Sr. No.		Nature of transactions	Joint Ventures ₹	Entities under significant influence ₹	Associate Company ₹
	(v)	Interest income (net of reversal)			
		- IITL Nimbus The Express Park View (Other Venturer)	- (8,418,477)		
		- IITL Nimbus The Palm Village (Other Venturer)	- (132,326)		
		- IITL Nimbus The Hyde Park Noida (Other Venturer)	9,926,767 (8,824,957)		
		- World Resort Limited			3,750,000 (3,326,713)
		- MRG Hotels Private Limited		3,918,045 (5,514,075)	
		- Capital Infraprojects pvt ltd	561,137 (-)		
	(vi)	Sale of property, plant and equipment - Vehicle			
		- World Resorts Limited			- (440,000)
	(vii)	Brokerage income			
		- Future Generali India Life Insurance Company Limited (Other Venturer)	2,122,420 (3,336,913)		
	(viii)	Finance cost			
		- Nimbus India Limited		43,054,940 (23,519,372)	
	(ix)	Rent paid			
		- Nimbus Projects Limited		4,107,378 (2,467,116)	
		- Nimbus India Limited		- (266,667)	
	(x)	Security deposit placed			
		- Nimbus Projects Limited		347,500 (-)	
	(xi)	Supervision charges			
		- Nimbus Projects Limited		2,328,257 (590,625)	
	(xii)	Purchase of equity shares of Golden Palms Facility Management Private Limited			
		- Nimbus Projects Limited		40,974,688 (-)	
(II)		**Balances at year-end**			
	(i)	Borrowings at year-end			
		- Nimbus India Limited		155,650,000 (314,570,000)	
	(ii)	Interest accrued / other payables at year-end			
		- Nimbus Projects Limited		- (286,762)	
		- Nimbus India Limited		9,708,937 (12,867,470)	
	(iii)	Loans outstanding as at year-end:			
		- IITL Nimbus The Express Park View (Other Venturer)	130,069,514 (121,793,367)		
		- IITL Nimbus The Palm Village (Other Venturer)	15,750,000 (18,375,000)		
		- IITL Nimbus The Hyde Park Noida (Other Venturer)	81,397,482 (81,397,482)		

2.30 (b) Other related parties: (contd..)

Sr. No.		Nature of transactions	Joint Ventures ₹	Entities under significant influence ₹	Associate Company ₹
		- Capital Infraprojects Pvt Limited	5,000,000 (-)		
		- World Resorts Limited			25,000,000 (25,000,000)
		- MRG Hotels Private Limited		23,500,000 (35,000,000)	
	(iv)	Interest accrued and due as at year-end:			
		- IITL Nimbus The Palm Village (Other Venturer)	28,301 (28,301)		
		- Capital Infraprojects ltd	152,014 (-)		
	(v)	Amount Receivable at year-end (other venturer):			
		- IITL Nimbus The Express Park View	- (1,000,000)		
		- IITL Nimbus The Palm Village	- (10,988,125)		
		- Future Generali India Life Insurance Company Limited (Other Venturers)	- (395,740)		
	(vi)	Security deposit placed			
		- Nimbus Projects Limited		47,500 (47,500)	
	(vii)	Amount Payable at year-end (other venturer):			
		- Nimbus India Limited		111,014,782 (-)	
		- Nimbus Project Limited		467,100 (-)	

Note: Above disclosures exclude related party transactions in the nature of reimbursement.

Figures in brackets are the corresponding figures of the previous year.

2.31 Employee Benefits

a) Defined Contribution Plan

Contribution to defined contribution plan, recognised in the Consolidated Statement of Profit and Loss under 'Contribution to provident and other funds' in note 2.23 for the year are as under ₹ 19,937,041 (previous year ₹ 14,473,607) included in 'Commission and Operating expenses pertaining to Insurance Business' in the Consolidated Statement of Profit and Loss):

Particulars	31st March, 2018 ₹	31st March, 2017 ₹
Employer's contribution to Regional Provident Fund Commissioner	16,233,759	13,376,870
Employer's contribution to Family Pension Fund	948,233	1,071,861
Employer's contribution to Employees' State Insurance Corporation	3,182,914	663,127
Employer's contribution to Superannuation Scheme	1,851,178	1,929,707

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

2.31 Employee Benefits (contd..)

(b)	Defined Benefit Plan	Gratuity (funded) 31st March, 2018 ₹	Gratuity (funded) 31st March, 2017 ₹
(i)	Reconciliation of opening and closing balances of Defined Benefit Obligation		
	Present value of Defined Benefit Obligation as at the beginning of the year	12,614,178	11,634,479
	Interest Cost	678,100	629,028
	Current Service Cost	2,213,906	1,995,307
	Adjustment on account of Change in share in a joint venture entity	(295,420)	(242,138)
	Benefits paid	(2,354,595)	(1,898,272)
	Recognised past service cost	26,382	-
	Net Actuarial (Gain)/Loss	308,010	495,774
	Present value of Defined Benefit Obligation as at the end of the year	**13,190,563**	**12,614,178**
(ii)	Reconciliation of fair value of Plan Assets		
	Fair value of Plan Assets as at the beginning of the year	7,584,496	8,574,850
	Expected return on Plan Assets	489,435	457,286
	Adjustment on account of Change in share in a joint venture entity	(136,595)	(162,183)
	Net Actuarial Gain / (Loss)	-129,911	322,733
	Employer's Contribution	6,673,306	290,082
	Benefits paid	(2,354,595)	(1,898,272)
	Fair value of Plan Assets as at the end of the year	**12,126,137**	**7,584,496**
	The Group expects to contribute Rs. 6,68,674 to its Defined Benefit Gratuity plan during the annual period beginning after the Balance Sheet date.		
	The major categories of Plan Assets as a percentage of the fair value of total Plan Assets are as follows:		
	Bank Balance	1.64%	2.52%
	Funds maintained with Life Insurance Corporation of India	98.36%	97.48%
	Note: The Group is unable to obtain the details of major category of plan assets from the insurance company (Life Insurance Corporation of India) and hence the disclosure thereof is not made.		

2.31 Employee Benefits (contd..)

(iii)	Net assets / (liabilities) recognised in the Balance Sheet		
	Present value of Defined Benefit Obligation	(13,190,563)	(12,614,178)
	Fair value of Plan Assets	12,126,137	7,584,496
	Net assets / (liabilities) recognised in the Balance Sheet	**(1,064,427)**	**(5,029,682)**
(iv)	Components of Employer's Expenses		
	Current Service Cost	2,213,906	1,995,307
	Interest Cost	678,099	629,028
	Expected return on Plan Assets	(489,435)	(457,286)
	Net Actuarial Loss/(Gain)	437,921	173,041
	Total expense recognised in the Consolidated Statement of Profit and Loss in Note 2.23 under: 'Contribution to provident and other funds' ₹ 2,122,829 (previous year ₹ 1,783,744) included in 'Commission and Operating expenses pertaining to Insurance Business' in the Consolidated Statement of Profit and Loss.	**2,840,491**	**2,340,090**
	Actual return on Plan Assets	**489,435**	**457,286**
(v)	Actuarial Assumptions		
	Mortality Table	Indian Assured Lives Mortality (2006-08) Ultimate	
	Discount rate	6.70 - 8.00 %	6.70 - 8.00 %
	Expected rate of return on Plan Assets	6.70 - 9.00 %	6.70 - 9.00 %
	Salary escalation	5.00 - 7.00 %	5.00 - 7.00 %

vi a. The estimates of rate of escalation in salary considered in actuarial valuation take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

b. The discounting rate is considered based on market yield on government bonds having currency and terms consistent with the currency and terms of the post-employment benefit obligations.

c. Expected rate of return on assets is determined based on the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

vii Net assets / (liabilities) recognised in the Balance Sheet as at respective year ends and experience adjustment:

		Gratuity				
		31st March, 2018 ₹	31st March, 2017 ₹	31st March, 2016 ₹	31st March, 2015 ₹	31st March, 2014 ₹
1.	Present Value of Defined Benefit Obligation	13,190,563	12,614,178	11,634,479	10,492,451	12,038,375
2.	Fair Value of Plan Assets	12,126,137	7,584,496	8,574,850	8,256,786	10,198,591
3.	Funded Status [Surplus / (Deficit)]	(1,064,427)	(5,029,682)	(3,059,629)	(2,235,665)	(1,839,784)
4.	Experience adjustment arising on:					
	a. Plan Liabilities (Gain) / Loss	(483,182)	(182,318)	1,487,463	(353,786)	2,036,694
	b. Plan Assets (Gain) / Loss	132,344	1,244,338	(53,002)	308,364	34,965

viii The above information is as certified by the actuary and relied upon by the auditors.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

2.32 Segment Information (contd..)

Primary Segment - Business Segment (contd..) ₹

		2017-2018						
		Investment activities	**Insurance Broking**	**Real Estate activities**	**Investment Brokerage Services**	**Insurance Activities**	**Eliminations**	**Total**
A.	**REVENUE**							
1	External Revenue	50,765,618	3,497,317	1,227,372,214	5,028	2,443,863,816	-	**3,725,503,993**
2	Inter-segment revenue	9,066,120	2,891,379	30,717,148	-		42,674,647	**-**
	Segment Revenue	**59,831,738**	**6,388,696**	**1,258,089,362**	**5,028**	**2,443,863,816**	**42,674,647**	**3,725,503,993**
3a.	Interest income (unallocated)							**10,483,451**
3b.	Unallocated income - others							**24,435,895**
3c.	Total 3a+3b							**34,919,346**
	Total revenue	**59,831,738**	**6,388,696**	**1,258,089,362**	**5,028**	**2,443,863,816**	**42,674,647**	**3,760,423,339**
B.	**RESULTS**							
1	Segment result	(356,801,465)	(6,468,137)	213,544,301	(3,057,454)	(234,347,816)	-	**(387,130,571)**
2	Interest expense							**117,735,579**
3	Unallocable Income net of Unallocable Expense							**34,159,346**
4	Profit/(loss) before tax							**(470,706,804)**
5	Provision for taxation							**29,967,659**
6	Profit/(loss) after tax (before adjusting minority interest)							**(440,739,145)**
7	Net profit/(loss) attributable to minority interest							**328**
8	Profit after tax (after adjusting minority interest)							**(440,739,473)**
9	Share of profit / (loss) of associates for the year							**3,394,972**
10	Profit after tax (after adjusting share of loss of associates)							**(437,344,501)**
C.	**OTHER INFORMATION**							
1	Segment assets	835,734,180	80,085,312	4,019,059,166	29,003,600	6,853,590,192	-	**11,817,472,450**
2	Unallocated Assets							**2,571,523,306**
3	Total assets							**14,388,995,756**
4	Segment liabilities	54,058,052	1,378,949	3,510,257,304	109,322	6,341,974,026	-	**9,907,777,653**
5	Unallocated liabilities							**16,794,409**
6	Total liabilities							**9,924,572,062**
7	Cost incurred during the period to acquire the Segment assets	33,031	-	6,718,797	-	70,190,110	-	**76,941,938**
8	Depreciation and amortisation expenses (to the extent allocable to segment)	661,975	4,738,724	490,119	-	27,094,990	-	**32,985,808**
9	Non cash Expenses other than depreciation/ amortisation	219,546,764	-	-	-	-	-	**219,546,764**

Note:

The Group caters to the need of domestic market and hence there are no reportable geographical segments.

Type of services in each business segment:

Investment activities : Activites related to Investments Business.

Insurance Broking : Activites related to Insurance Broking.

Real Estate activities : Real Estate development and related activities.

Investment Brokerage services : Activities related to investments broking.

Insurance activities : Life Insurance Business.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

		2016-17							
		Investment activities	Insurance Broking	Real Estate activities	Investment Brokerage Services	Insurance Activities	Others	Elimina-tions	Total
A.	**REVENUE**								
1	External Revenue	4,435,713	5,327,448	991,883,241	16,410	2,218,260,418	-	-	**3,219,923,230**
2	Inter-segment revenue	16,369,386	2,423,157	-	4,488	-	-	18,797,031	**-**
	Segment Revenue	**20,805,099**	**7,750,605**	**991,883,241**	**20,898**	**2,218,260,418**	**-**	**18,797,031**	**3,219,923,230**
									13,355,398
									16,044,230
									29,399,627
		20,805,099	**7,750,605**	**991,883,241**	**20,898**	**2,218,260,418**	**-**	**18,797,031**	**3,249,322,857**
B.	**RESULTS**								
1	Segment result	(78,450,238)	(11,125,996)	46,324,726	(1,298,426)	(197,884,547)	(3,980)	-	**(242,438,461)**
2	Interest expense								**62,123,708**
3	Unallocable Income net of Unallocable Expense								**25,540,862**
4	Profit/(loss) before tax								**(279,021,307)**
5	Provision for taxation								**4,357,734**
6	Profit/(loss) after tax (before adjusting minority interest)								**(274,663,573)**
7	Net profit/(loss) attributable to minority interest								**(12,292,036)**
8	Profit after tax (after adjusting minority interest)								**(262,371,537)**
9	Share of profit / (loss) of associates for the year								**4,022,631**
10	Profit after tax (after adjusting share of loss of associates)								**(258,348,906)**
C.	**OTHER INFORMATION**								
1	Segment assets	777,454,765	84,651,367	4,427,627,932	29,003,600	6,718,877,502	-	-	**12,037,615,166**
2	Unallocated Assets								**2,921,025,520**
3	Total assets								**14,958,640,686**
4	Segment liabilities	11,241,814	1,558,944	3,662,648,804	(565,355)	6,353,752,754	-	-	**10,028,636,961**
5	Unallocated liabilities								**23,866,342**
6	Total liabilities								**10,052,503,303**
7	Cost incurred during the period to acquire the Segment assets	68,180	53,000	1,232,331	-	28,175,559	-	-	**29,529,070**
8	Depreciation and amortisation expenses (to the extent allocable to segment)	958,853	4,329,200	722,830	-	21,677,738	-	-	**27,688,621**
9	Non cash Expenses other than depreciation/amortisation	24,394,085	-	-	-	-	-	-	**24,394,085**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

2.33 (i) (a) Group's share of interest in the assets, liabilities, income and expenses with respect to jointly controlled entities (each without elimination of the effects of transactions between the Group and the jointly controlled entities) on the basis of audited financial statements of the jointly controlled entities as at and for the year ended 31st March, 2018:

(₹)

Particulars	31st March, 2018	31st March, 2017
RESERVES AND SURPLUS	(620,246,460)	(329,016,919)
NON-CURRENT LIABILITIES		
Long-term borrowings	424,601,454	180,625,227
Other long term liabilities	819,065,768	979,531,434
Policy Liabilities (Policyholder's Fund)	5,832,473,917	5,927,839,715
Long-term provisions	15,549,280	17,936,157
CURRENT LIABILITIES		
Short-term borrowings	509,134,982	659,986,481
Trade payable	1,269,304,693	1,276,051,800
Other current liabilities		
- Policy Liabilities (Policyholder's Fund)	211,503,824	127,111,356
- Other	973,584,232	986,848,839
Short-term provisions	4,438,824	7,235,886
NON-CURRENT ASSETS		
Property, Plant and Equipment (Net Block)		
(i) Tangible assets	74,469,705	29,253,344
(ii) Intangible assets	20,067,932	18,944,958
(iii) Capital work in progress	6,406,492	7,292,335
Non-current investments	5,372,782,019	5,591,704,915
Deferred tax assets (net)	303,580	382,699
Long-term loan and advances	35,058,205	36,834,956
Other non-current assets	12,669,993	10,171,756
CURRENT ASSETS		
Current investments	802,978,311	561,940,187
Inventories	3,140,734,435	3,512,303,336
Trade receivables	418,802,149	279,870,504
Cash and bank balance	260,516,961	205,382,900
Short-term loans and advances	368,666,922	321,409,278
Other current assets	411,722,371	367,517,890
INCOME		
Sale of flats	1,206,425,765	968,914,636
Premium from Insurance Business	1,800,075,689	1,534,127,397
Other operating income	4,143,184	12,071,878
Other Operating Income from Insurance Business	598,636,004	678,327,466
Other Income from Insurance Business	12,339,091	16,044,230
Interest income	3,576,091	4,193,531
Dividend income on current investments	-	68,980
Other Income	158,121	236,294

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(₹)

Particulars	31st March, 2018	31st March, 2017
EXPENSES		
Cost of sales	868,326,047	868,326,047
Employee benefits expense	15,655,068	11,424,080
Finance costs	130,497,835	68,291,400
Benefits paid pertaining to Insurance Business (Net)	762,868,540	878,343,773
Commission and Operating expenses pertaining to Insurance Business	562,038,194	451,233,344
Other expenses pertaining to Insurance Business	1,341,714,192	1,086,578,085
Depreciation	463,075	647,190
Other expenses	170,337,187	70,091,470
Provision for taxation	(124,271)	4,082,035

(i) (b) **Other Information**

(₹)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Contingent liabilities and commitments not provided for		
(a) Contingent liabilities:		
(i) Claims against the company not acknowledged as debt		
- Disputed income-tax matters in appeal	18,302,075	1,427,173
- Disputed U P Commercial tax matters in appeal	-	488,526
- Compensation for delay in project / Interest on refund to customers	58,125,499	7,706,553
- Customer Compliants Pending in Judicial Forum	68,918,769	-
- Customer Compliants Pending in Real Estate Regulatory Authority	3,093,529	-
(ii) Guarantee		
- Guarantees issued by Bank	1,950,000	1,450,000
(iii) Insurance claims disputed by FGILICL, to the extent not provided/reserved	709,490	483,294
(b) Capital Commitment :		
Estimated amount of contracts remaining to be executed on capital account, to the extent not provided for (net of advances).	6,026,526	21,976,420
(c) Other Commitments :		
(i) In case of Joint venture entities viz. IITL-Nimbus The Express Park View and IITL-Nimbus The Palm Village, State Level Environment Impact Assessment Authority, Uttar Pradesh, Lucknow vide their letter have stipulated to make budgetary provision amounting to 2% of total project cost towards Environment Corporate Responsibility (ECR).		
(ii) Non-cancellable contractual commitments - Included in Note 2.27	116,135,792	65,301,628
(d) Encumbrance on Assets:		
There are no encumbrances on the assets of the Group within or outside India as at the Balance Sheet date, except in FGILICL where 7.95% Government of India, 2032 amounting to ₹ 7,434,836 (Previous Year ₹ 8,749,263) has been kept as collateral security with "Collateralized Borrowing and Lending Obligation (CBLO)".	NIL	NIL

(ii) Investment in associate:

The break-up of Investment in associates as at 31st March, 2018 is as under:

(₹)

Particulars	GPFMPL		WRL	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
(i) Number of equity shares (Nos.)	50,000	50,000	13,018,125	13,018,125
(ii) Percentage holding (%)	50	50	25	25
(iii) Cost of Investment (Equity shares)	500,000	500,000	155,181,250	155,181,250
Goodwill/(Capital Reserve) Included in cost of Investment above	(75,408)	(75,408)	45,086,997	45,086,997
(iv) Share in accumulated profit/(loss) net of dividend received as at the beginning of the year	304,195	150,816	(38,403,755)	(42,273,007)
Share of profit/(loss) for the year	163,999	153,379	3,230,973	3,869,252
(v) Share of accumulated profit/(loss) net of dividend received	468,194	304,195	(35,172,782)	(38,403,755)
(vi) Carrying cost	968,194	804,195	120,008,468	116,777,495

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

2.34 The Company had entered into Share Purchase Agreement with Pantaloon Retail India Limited (now known as Future Retail Limited) to acquire 22.5% of its equity stake in Future Generali India Life Insurance Company Ltd (FGILICL). Pursuant to approval received from CCI, RBI & IRDA the transaction was consummated on 17th December 2013 for a total consideration of ₹ 340 crores. FGILICL became a joint venture of the Company.

In August 2016 and December 2016 FGILICL came out with Rights Issues of 30,000,000 and 25,508,850 equity shares respectively of Rs. 10 each at par aggregating to ₹ 300,000,000 and ₹ 255,088,500, in the ratio of 10:484 and 21:1220 respectively. The Company did not subscribe to both the rights issues. The total subscription amount received from the other shareholders was ₹ 299,414,160 equivalent to 29,941,416 equity shares and ₹ 255,088,500 equivalent to 25,508,850 equity shares. The resultant effect is, the Company's stake in FGILICL reduced to 22.05% after the first rights issue and 21.67% after the second rights issue.

Subsequent to the year end, in April 2017, August 2017 and February 2018 FGILICL came out with three rights issue of 75,372,514, 99,997,829 and 55,000,000 equity shares respectively of ₹ 10 each at par aggregating to ₹ 753,725,140, 999,978,290 and 550,000,000. The Company did not subscribe to these rights issue and the resultant effect is, the Company's stake in FGILICL reduced from 21.67 to 18.80% after these three rights issue.

The management views the investment in positive light as insurance industry plays a crucial role in the growth and development of the overall economy. There is a huge potential to be tapped across India for life insurance. Life Insurance Industry has a long gestation period and the Company views this as a long term investment. Having regard to the projections and future business plan provided by FGILICL to the Company and based on management's assessment of the same, the management of the Company is of the view that, although the net-worth of FGILICL as at 31st March 2018 has substantially eroded, there is no diminution other than temporary in the value of investment of the Company in FGILICL as at 31st March 2018.

2.35 There are no amounts due to the suppliers covered under the Micro, Small and Medium Enterprises Development Act, 2006 ("the Act"). The identification of vendors as a "Supplier" under the Act has been done on the basis of the information to the extent provided by the vendors to the Group. This has been relied upon by the auditors.

2.36 The amount of ₹ 19,869,855 disclosed as Contingent Liability (See note 2.20(i)(a)) is towards the disputed property tax levied by MMC based on enhanced ratable value for the period 1st April 2007 to 31st March 2010 in respect of the Company's Investment Property in Atlanta Building, Nariman Point.

During the financial year 2015-16, the Company sold four units of the said property. Upon sale of said units the Company was required to deposit ₹ 10,028,864 with Atlanta Premises Co-operative Society Limited (the society) towards part of the disputed property tax related to units sold.

During the current year, the Company has sold one unit of the said property. Upon sale of said unit the Company was required to deposit ₹ 4,678,352 with Atlanta Premises Co-operative Society Limited (the society) towards part of the disputed property tax related to unit sold.

The total amount of ₹ 14,707,216 has been placed by the society in Fixed Deposits with Bank.

The disputed property tax issue is still subjudice and the order is awaited from the Mumbai High court. Pending the outcome of the matter, out of abundant caution, the Company has made a provision of ₹ 5,000,000 in respect of the units sold.

However, the total amount of ₹ 24,869,855 is fully recoverable from the ex-Licensee as per the Leave and License Agreements entered by the Company with them from time to time.

The movement in the above mentioned provision is detailed below as per Accounting Standard-29 Provisions, Contingent Liabilities and Contingent Assets:

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
As at 1st April	5,000,000	5,000,000
Additions	-	-
Utilisation/Reversal	-	-
As at 31st March	5,000,000	5,000,000

2.37 Due to Real Estate market condition, low demand and consequent delay, IITL Nimbus the Palm Village - jointly controlled entity (the Firm) has started refunding booking amount along with interest to the customers as per their request. The Firm is in the process of evaluating alternative options for executing this project within the overall framework of the lease agreement. In view of this, the financial statements of the Firm have been prepared on going concern basis.

2.38 (a) Expense of Management of FGILICL:-

Insurance Regulatory and Development Authority of India (Expense of management of insurer transacting life insurance business) Regulation 2016 has come in force with effect from 09th May, 2016.

With reference to the regulations, FGILICL has prepared a return of Expense of Management. As per the working, the FGILICL share of actual expenses for FY 2017-18 has exceeded the allowable limits by ₹ 2,178,233 ('000) including ₹ 592298 ('000) for participating segment.

As per the notification, the Authority may grant forbearance against any penal actions for companies which are within ten years of their operation based on the representation. FGILICL has accordingly represented vide its letter dated 05th May, 2017 and letter dated 16th march, 2018 to the authority.FY 2016-17 and FY 2017-18 is the 9th & 10th year of operation respectively. The response from the Regulator is awaited.

The Company got its license from the Authority on September 4, 2007 and sold its policy on November 27, 2007. Accordingly, in line with Clause 2 (1) (d) of the Insurance Regulatory and Developmenet Authority of India (Expense fo Management of Insurers transacting life Insurance Business) Regulation, 2016, FY 2017-18 would be the 10th year of operation of the Company. The response from Authority is awaited.

(₹ '000)

Particulars	Allowable Expenses (A)	Actual Expenses (B)	Excess (C=B-A)
Linked Policies	516,758	504,439	(12,319)
Non-Linked Non-participating expenses	1,845,035	3,329,001	1,483,965
Non-Linked participating expenses	1,142,878	1,849,464	706,587
Total	**3,504,671**	**5,682,904**	**2,178,233**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

2.39 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the 2013 Act:

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Particulars				
Name of the entity in the	**Net assets, i.e., total assets minus total liabilities**		**Share of profit or loss**	
	As % of consolidated net assets	**Amount (₹)**	**As % of consolidated profit or loss**	**Amount (₹)**
Parent	81%	5,016,054,666	49%	(322,580,465)
Subsidiaries				
Indian				
1. IITL Projects Limited	0%	(5,014,504)	0%	(452,446)
2. IIT Investrust Limited	3%	167,576,299	0%	32,440
3. IIT Insurance Broking and Risk Management Private Limited	0%	18,355,103	2%	(10,795,543)
4. IITL Corporate Insurance Services Private Limited	0%	745,759	0%	(159,688)
Foreign	NA	NA	NA	NA
Minority Interests in all subsidiaries				
1. IITL Projects Limited	0%	-	0%	-
2. IIT Investrust Limited	0%	1,700,803	0%	329
Associates (Investment as per the equity method)				
Indian				
1. World Resorts Limited	2%	120,008,468	0%	3,230,973
2. Golden Palms Facility Management Private Limited	0%	804,195	0%	153,379
Foreign	NA	NA	NA	NA
Joint Ventures (as per proportionate consolidation)				
Indian				
1. Future Generali India Life Insurance Company Limited	8%	515,640,093	41%	(269,492,341)
2. Capital Infraprojects Private Limited	2%	115,721,912	3%	(21,737,199)
3. IITL Nimbus The Hyde Park Noida	1%	71,097,089	4%	(28,552,899)
4. IITL Nimbus The Palm Village	3%	160,457,442	2%	(12,490,094)
5. IITL Nimbus The Express Park View	0%	2,267,506	0%	364,281
Foreign	NA	NA	NA	NA
	100%	6,185,414,831	100%	(662,479,273)
Less : Elimination		1,722,691,939		225,134,772
Total		**4,462,722,892**		**(437,344,501)**

2.40 The standalone financial statements of IITL Projects Ltd.(IITLPL) have been prepared on a going concern basis, although its networth is negative as on 31st March, 2018, since IITLPL has through its joint ventures adequate unsold inventories which on sale is expected to generate profits based on, interalia, IITLPL Management's estimate of sale price and cost escalations.

2.41 Yamuna Expressway Industrial Development Authority (YEIDA) came out with Project Settlement Policy (PSP) dated 15.12.2016, to allow partial surrender of project land, due to slow down and recession in Real Estate Industry. The Firm, IITL Nimbus The Palm Village, applied for partial surrender of project land as provided in PSP, vide their letter dated 30.05.2017 and as per letter dated 12.06.2017 from the Authority, Firm's application was accepted by Board of YEIDA, which would be processed as per terms and conditions of PSP. In the application dated 30.05.2017 (requesting for partial surrender of project land as provided in PSP dated 15.12.2016), the Firm has also requested for reschedulement of its entire liability, if request for partial surrender of land is not accepted.

2.42 Greater Noida Industrial Development Authority (GNIDA) came out with Project Settlement Policy (PSP) dated 15.12.2016, to allow partial surrender of project land, due to slow down and recession in Real Estate Industry. The Firm, IITL Nimbus The Express Park View, applied for partial surrender of project land as provided in PSP, vide their letter dated 07.06.2017 and as per letter dt. 26.06.2017 from the Authority, Firm's application was accepted by Board of GNIDA, which would be processed as per terms and conditions of PSP. In letter dt 07.06.2017 the Firm has made two proposals to surrender the remaining land under PSP. In the application dated 07.06.2017 (requesting for partial surrender of project land as provided in PSP dated 15.12.2016), the Firm has requested the Authority to accept either of the two proposals. Pending approval from GNIDA, no adjustments have been made in books of account for the year ended 31.03.2108, for Interest payable to Authority for delay in principal and interest, Annual Lease Rent and Interest cost in Estimated Project Cost.

2.43 "In its meeting held on 8th March, 2017, the Board of directors approved the proposal of One-Time Settlement ("OTS") with IITL Projects Limited (IPL), the subsidiary company, in relation to unsecured outstanding loan given along with the outstanding interest thereon, as under :-

(i) Loan of ₹ 364,800,000/- along with outstanding interest as on 31st March, 2016 amounting to ₹ 36,106,588/- (Net of TDS) aggregating ₹ 400,906,588/- would be adjusted against the transfer of assets of IPL namely 5,000,000 Zero % Non-Convertible Redeemable Preference Shares of World Resorts Limited and 10,849,120 Zero% Non-Convertible Redeemable Preference Shares of Capital Infraprojects Private Limited based on its value determined by independent valuers amounting to ₹ 283,314,407/- and ₹ 117,592,181/- respectively (in favour of the Company).

(ii) The Company to waive off Interest accrued for the period April, 2016 to March, 2017 amounting to ₹ 54,720,000/-.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(iii) IPL to agree to recompense the Company in one or more installments, as may be mutually agreed between the parties at the relevant time the interest amount of ₹ 54,720,000/- which has been waived off as part of One Time Settlement in case IPL turns profitable in future and has adequate cash flows.

The above proposal was approved by the members of IPL and those of the Company on 18th April, 2017 and 21st April, 2017 respectively. Subsequently the company entered into OTS agreement on 18th May, 2017 with IPL to transfer the said shares in name of the Company.

2.44 Pursuant to the approval received from the shareholders and resolution passed at the 84th Annual General Meeting of the Company, the unsecured loan of ₹ 23,19,87,365/- granted to IITL Nimbus the Express Park View (EPV-II) has been restructured according to the following terms and condition. a) Moratorium of four years for a period beginning October 01, 2017 and ending on September 30, 2021 on repayment of outstanding loan of ₹ 23,19,87,365/- b) Interest outstanding upto March 31, 2016 amounting to ₹ 1,57,64,094/- to be converted into Funded Interest Term Loan (FITL) and a Moratorium to be granted for its repayment and the interest thereon for a period of 4 years ending on September 30, 2021. The rate of interest to be charged on FITL will be 12%.

c) Interest outstanding from April 01, 2016 upto September 30, 2017 amounting to ₹ 5,22,44,826/- to be waived off and interest rate change from @15% to @12% with Recompense Clause.

d) Promoters' contribution amounting to ₹ 3,06,60,032/- has been brought jointly by the Promoters in EPV II i.e. to the extent of 20% of the total sacrifice amount on account of Diminution in Fair Value of Loan and waiver of interest; and has given Corporate Guarantee, to the extent of outstanding loan including FITL amounting to ₹ 24,77,51,459/- and accumulated interest thereon to be calculated (On Loan & FITL) upto the end of moratorium period or repayment whichever is earlier from the Promoters' of EPV II in compliance with the relevant provisions of the Prudential Norms of the Reserve Bank of India pertaining to Restructuring of Loans, as amended from time to time.

2.45 Due to Real Estate market condition, low demand and consequent delay, IITL Nimbus The Palm Village - jointly controlled entity (the Firm) has temporarily suspended the operations/activities in the project. No substantial administrative and technical work was carried out. The condition in the project, as mentioned above indicate existence of uncertainty about the firms ability to continue as going concern. However the management has been inducting fresh funds as well as finding alternate options within overall framework of the lease agreement. Accordingly the firm prepared its accounts on going concern basis. On 14.08.2017 the Firm got registered with Real Estate Regulatory Authority, U.P. As per registration, start date of the Project is 01.05.2018 and end date is 01.05.2023. However, the project is yet to be started.

2.46 Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016, wherever applicable.

(₹)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 8th November, 2016	164,000	76,315	240,315
(+) Permitted receipts	-	319,576	319,576
(-) Permitted payments	-	228,202	228,202
(-) Amount deposited in Banks	164,000	-	164,000
Closing cash in hand as on 30th December, 2016	-	167,689	167,689

2.47 Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year classification/disclosure.

As per our report of even date
For **CHATURVEDI & SHAH**
Chartered Accountants
Firm Registration No. 101720W

VITESH D. GANDHI
Partner
Membership No. 110248

Mumbai: May 29, 2018

For and on behalf of the Board of Directors

DR. B. SAMAL
Executive Chairman
DIN: 00007256

BIPIN AGARWAL
Director
DIN: 00001276

CUMI BANERJEE
CEO & Company Secretary

HEMANG LADANI
Chief Financial Officer

Mumbai: May 29, 2018

Statement containing salient features of financial Statement of Subsidiaries/Associates/Joint Ventures as per Companies Act, 2013

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

(₹)

Part "A" : Subsidiaries

Sr. No	Particulars	2017-18				2016-2017				
		IITL Projects Limited	**IIT Investrust Limited**	**IIT Insurance Broking and Risk Management Private Limited**	**IITL Corporate Insurance Services Private Limited**	IITL Projects Limited	IIT Investrust Limited	IIT Insurance Broking and Risk Management Private Limited	IITL Marketing Management Private Limited	IITL Corporate Insurance Services Private Limited
1.	Capital	**228,570,200**	**125,000,000**	**25,000,000**	**2,500,000**	120,079,000	125,000,000	25,000,000	1,500,000	2,500,000
2.	Reserves	**(126,397,645)**	**44,277,101**	**(6,644,897)**	**(1,754,241)**	(124,641,058)	44,244,334	4,150,647	(1,500,000)	(1,594,553)
3.	Total Assets	**4,134,407,593**	**169,657,972**	**98,236,617**	**795,265**	811,543,158	169,734,819	105,107,473	-	942,753
4.	Total Liabilities	**4,032,235,036**	**380,871**	**79,881,515**	**49,506**	816,105,216	490,485	75,956,827	-	37,306
5.	Investments									
	- Equity shares in associate	**500,000**				500,000				
	- Equity shares in Joint Venture	**5,000,000**	**-**	-		5,000,000	-	-		
	- Preference shares in		-	-			-	-		
	Joint Venture	**125,000,000**				125,000,000				
	Other entity	**-**	**75,000,000**			-	75,000,000			
	- Share in partnership Firm	**285,237,500**	**-**	**-**		285,237,500	-	-		
	- Investment in Immovable Property	**-**	**47,655,365**			-	47,655,365			
6.	Turnover	**1,229,160,041**	**782,606**	**3,988,696**	**-**	14,101,081	44,302	6,250,605	-	-
7.	Profit before tax	**(51,515,987)**	**32,767**	**(11,416,365)**	**(159,688)**	(27,529,437)	(741,134)	(15,430,620)	(3,980)	(401,034)
8.	Provision for taxation	**(28,949,814)**	**-**	**(620,820)**	**-**	155,016	273,843	(1,020,190)	-	-
9.	Profit after tax	**(22,025,641)**	**32,767**	**(10,795,545)**	**(159,688)**	(27,684,453)	(1,014,977)	(14,410,430)	(3,980)	(401,034)
10.	Proposed dividend	**-**	**-**	**-**		-	-	-	-	
11.	% of shareholding	**71.74%**	**99.00%**	**100.00%**	**100.00%**	71.74%	99.00%	100.00%	100.00%	100.00%

Part "B" : Associates and Joint Ventures

		2017-2018						
Sr. No	**Name of Associates /Joint Ventures**	**World Resort Private Limited**	**Future Generali India Life Insurance Company Limited**	**IITL Nimbus the Palm Village**	**IITL Nimbus the Express Park View**	**IITL Nimbus the Hyde Park, Noida**	**Capital Infraprojects Private Limited**	**Golden Palms Facility Management Private Limited**
1.	Latest Audited Balance Sheet Date	31-Mar-18	31-Mar-18	31-Mar-18	31-Mar-18	31-Mar-18	31-Mar-18	31-Mar-18
2.	Share of Associate/Joint Ventures held by the Company on the year end							
(a)	No.	13,018,125	326,700,000					50,000
(b)	Amount of Investment in Associates/ Joint Ventures	155,181,250	3,400,000,000	220,000,000	20,237,500	45,000,000	9,810,560	500,000
(c)	Extend of Holding %	25.00%	18.80%	47.50%	47.50%	50.00%	50.00%	50.00%
3.	Description of how there is Significant Influence.	Note - A	Note - A	Note - B	Note - B	Note - B	Note - B	Note - A
4.	Reason why the associate/joint Ventures is not consolidated.	NA	NA	NA	NA	NA	NA	NA
5.	Networth Attributable to Shareholding as per latest audited Balance Sheet	163,839,278	515,640,093	160,457,442	2,267,506	71,097,089	115,720,913	1,043,602
6.	Profit / (Loss) for the Year							
(a)	Considered in Consolidation	2,254,281	(269,492,341)	(12,490,094)	364,280	(28,552,900)	(21,737,198)	163,999
(b)	Not Considered in Consolidation							

Note

A There is significant influence due to percentage of Share Capital

B There is significant influence due to percentage of capital of these partnership firm held by subsidiary IITL Projects Limited.

IITL GROUP

ATTENDANCE SLIP

INDUSTRIAL INVESTMENT TRUST LIMITED

CIN: L65990MH1933PLC001998
Registered Office : 14E, Rajabahadur Mansion, 2nd Floor, 28, Bombay Samachar Marg, Mumbai 400 001
E-mail address: iitl@iitlgroup.com. Website: www.iitlgroup.com

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

DP ID*	
Client ID*	

Folio No.	
No. of shares	

Name of the shareholder :

Address of the Shareholder :

We/I hereby record our/my presence at the **85th Annual General Meeting** of the Company held on Friday, September 21, 2018 at 2.15 p.m. at M.C. Ghia Hall, 4th floor, Bhogilal Hargovindas Building, 18/20 K. Dubash Marg, Mumbai 400 001.

*Applicable for investors holding shares in electronic form.

Signature of Member's / Proxy's

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the AGM.

INDUSTRIAL INVESTMENT TRUST LIMITED

Proxy Form

Form No. MGT-11

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L65990MH1933PLC001998
Name of the company : INDUSTRIAL INVESTMENT TRUST LIMITED
Registered office : 14E, Rajabahadur Mansion, 2nd Floor, 28, Bombay Samachar Marg, Mumbai 400 001
E-mail address: iitl@iitlgroup.com. Website: www.iitlgroup.com
Name of the member (s) :
Registered address :
E-mail Id :
Folio No/ Client Id /DP Id :

I/We, being the member (s) of ……. shares of Industrial Investment Trust Ltd. hereby appoint:

1.Name :……..... Address:…….....
E-mail Id:……..... Signature:……..... or failing him

2.Name :……..... Address:…….....
E-mail Id:……..... Signature:……..... or failing him

3.Name :……..... Address:…….....
E-mail Id:……..... Signature:……..... or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 85th Annual General Meeting of the Company, to be held on the Friday, September 21, 2018 at 2.15 p.m. at M.C. Ghia Hall, 4th floor, Bhogilal Hargovindas Building, 18/20 K. Dubash Marg, Mumbai 400 001 and at any adjournment thereof in respect of such resolutions as are indicated below :

ORDINARY BUSINESS

1. Adoption of Audited Financial Statements (Standalone & Consolidated) for the year ended March 31, 2018 and reports of the Directors and Auditors thereon
2. To appoint a Director in place of Mr. Deb kumar Banerjee (DIN: 07326051), who retires by rotation

SPECIAL BUSINESS

3. Appointment of Ms. Sujata Chattopadhyay as an Independent Director
4. Re-appointment of Dr. B. Samal as Executive Chairman
5. Approval of Related Party Transaction with IITL-Nimbus The Express Park View (EPV II)
6. Approval of Related Party Transaction with IIT Investrust Limited
7. Approval of Related Party Transaction with IIT Insurance Broking and Risk Management Private Limited
8. Resolution for fixation of fee for delivery of document through a particular mode
9. Raising of funds through issuance of Equity Shares and / or other convertible securities including debentures by way of Preferential Allotment / QIP Issue upto a limit of INR 50 Crores

Signed this…… day of…… 2018.

Affix Re. 1/- Revenue Stamp

Signature of shareholder Signature of Proxy holder(s)

Note:

1. **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
2. **Notwithstanding the above the Proxies can vote on such other items which may be tabled at the meeting by the shareholders present.**



Notes:

1. **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.**
2. **A proxy need not be a member of the Company.**
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy or any other person or shareholder.
4. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
5. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.


Mumbai
Mahatma Gandhi Road
Sassoon Building
Walk Ln
Commerce House
TITAN
STATIONE
Cheval
Obataimu
Saffron Home
And Garden
Lakshmi Vilas Bank
Jatia Chamber
Power Products
VB Gandhi M
LIV
VB Gandhi Marg
Meals on the Way
Ayub's
Viral
Reflect Sculpt Pvt. Ltd
MC Ghia Hall
Knesset Eliyahoo
Synagogue
The Wayside Inn
Cervez
Aban House
Tower Capital
Camps of India
Taxi Stand
Silk Route
The Irish House
Bake
Shoes
K Dubash Marg
Bargain Book Hut
NIRAV MODI
Jewellery Boutique
Fort Foundation Buildin
Max Mueller Bhavan
Trade Wings
Rampart House