



**IIFL WEALTH MANAGEMENT LIMITED**

Our Company was incorporated as 'IIFL Wealth Management Limited' on January 17, 2008 under the Companies Act, 1956, at Mumbai, as a public limited company with a certificate of incorporation issued by the RoC. We received our certificate of commencement of business from the RoC on February 13, 2008. For further details, see "*History and Certain Corporate Matters*" on page 75.

**Corporate Identity Number:** U74140MH2008PLC177884

**Registered and Corporate Office:** IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, Maharashtra

**Contact Person:** Ashutosh Naik, Company Secretary and Compliance Officer; **Tel:** +91 (22) 4876 5600

**E-mail:** [secretarial@iiflw.com](mailto:secretarial@iiflw.com); **Website:** [www.iiflwealth.com](http://www.iiflwealth.com)

**NO EQUITY SHARES ARE PROPOSED TO BE SOLD OR OFFERED PURSUANT TO THIS INFORMATION  
MEMORANDUM**

**OUR PROMOTERS: NIRMAL JAIN, VENKATARAMAN RAJAMANI, KARAN BHAGAT AND YATIN SHAH**

Information Memorandum for listing of 85,126,248 equity shares of ₹ 2 each of our Company

**GENERAL RISKS**

Investments in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Equity Shares of our Company unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Equity Shares of our Company. For taking an investment decision, investors must rely on their own examination of our Company, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does the SEBI guarantee the accuracy or adequacy of the contents of this Information Memorandum. **Specific attention of the investors is invited to "Risk Factors" on page 14.**

**OUR COMPANY'S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Information Memorandum contains all information with regard to our Company, which is material, that the information contained in this Information Memorandum is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Information Memorandum as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

**LISTING**

The Equity Shares are proposed to be listed on the BSE Limited (the "BSE") and the National Stock Exchange of India Limited (the "NSE"), (hereinafter collectively, referred to as the "Stock Exchanges"). For the purposes of listing of our Equity Shares pursuant to the Scheme, NSE is the Designated Stock Exchange. Our Company has received in-principle approval for listing from the BSE and the NSE on August 21, 2019 and August 19, 2019, respectively.

Our Company has submitted this Information Memorandum to the BSE and the NSE and is available on our Company's website at [www.iiflwealth.com](http://www.iiflwealth.com). This Information Memorandum would also be made available on the respective website of the Stock Exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

**REGISTRAR TO THE COMPANY**



**Link Intime India Private Limited**

C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083, Maharashtra

Tel: +91 (22) 4918 6270

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Website: [www.linkintime.co.in](http://www.linkintime.co.in)

Contact Person: Jayprakash VP

SEBI Registration No: INR000004058

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## SECTION I - GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Information Memorandum uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meanings ascribed to such terms herein, and references to any legislation, act, regulation, rule, guideline, policy, circular, notification or clarification will include any amendments or re-enactments thereto, from time to time.*

*Notwithstanding the foregoing, terms in “Main Provisions of the Articles of Association”, “Statement of Tax Benefits”, “Industry Overview”, “Financial Statements”, “Outstanding Litigation and Other Material Developments”, and “Scheme of Arrangement”, shall have the meaning ascribed to such terms in those respective sections.*

#### Company and Scheme Related Terms

Term	Description
“the Company” and “our Company”	IIFL Wealth Management Limited, a company incorporated in India under the Companies Act, 1956, with its Registered and Corporate Office situated at IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, Maharashtra, India
“we”, “us” and “our”	Unless the context otherwise indicates or implies, refers to our Company together with our Subsidiaries on a consolidated basis
Articles of Association	The articles of association of our Company, as amended from time to time
Appointed Date	Opening of business hours on April 1, 2018
Audit Committee	The audit committee of our Company, constituted in accordance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013, as described in “Our Management” on page 93
Auditor/Statutory Auditor	The statutory auditor of our Company, being Deloitte Haskins & Sells LLP
Board/Board of Directors	The board of directors of our Company, or a duly constituted committee thereof
Corporate Social Responsibility Committee	The Corporate Social Responsibility Committee of our Company, constituted in accordance with Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as described in “Our Management” on page 93
Draft Information Memorandum	The draft information memorandum dated July 5, 2019 filed with the Stock Exchanges issued in accordance with applicable law, as prescribed by SEBI
Director(s)	The director(s) on our Board
Effective Date	May 13, 2019, except in relation to the amalgamation of India Infoline Finance Limited with IIFL Finance Limited, which shall be made effective upon receipt of requisite regulatory approvals by IIFL Finance Limited to carry on the lending business
Eligible Shareholder(s)	Shall mean eligible holder(s) of the equity shares of IIFL Finance Limited as on the Record Date
Equity Shares	The equity shares of our Company of face value of ₹ 2 each
Financial Statements	The restated consolidated financial information of our Company and its subsidiaries, comprising the restated consolidated statement of assets and liabilities as at March 31, 2019, 2018 and 2017, the restated consolidated statements of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity, the restated consolidated cash flow statement for the years ended March 31, 2019, 2018 and 2017, the summary statement of significant accounting policies, and other explanatory information
Group Companies	The companies (other than promoters and subsidiaries) with which our Company had related party transactions, during the period for which financial information is disclosed in this Information Memorandum, as covered under the applicable accounting standards. For further details, see “Group Companies” on page 112
IIFL / IIFL Finance Limited	IIFL Finance Limited (previously known as IIFL Holdings Limited), our Group Company.
IIFL / IIFL Commodities Limited	IIFL Commodities Limited, our Group Company.
Independent Director(s)	The independent directors of our Company, in terms of Section 2(47) and Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) and Regulation 17 of the SEBI Listing Regulations
Information Memorandum	This information memorandum dated September 16, 2019 filed with the Stock Exchanges issued in accordance with the applicable laws as prescribed by SEBI
Investor	General Atlantic Singapore Fund Pte. Limited



Term	Description
Key Managerial Personnel/ KMP	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations, together with the key managerial personnel of our Company in terms of Section 2(51) of the Companies Act, 2013 and as described in “ <i>Our Management</i> ” on page 93
Marks	The trade name ‘IIFL’ and the ‘IIFL’ logo
Materiality Policy	The policy adopted by our Board on June 25, 2019, for identification of material Group Companies, outstanding material litigation, and outstanding material dues to creditors, pursuant to the requirements under the SEBI ICDR Regulations for the purpose of the disclosure in this Information Memorandum
Memorandum of Association	The memorandum of association of our Company, as amended from time to time
NCLT	The National Company Law Tribunal, Mumbai Bench
Nomination and Remuneration Committee	The nomination and remuneration committee of our Company, constituted in accordance with Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013, as described in “ <i>Our Management</i> ” on page 93
Parent Promoters	Nirmal Jain and Venkataraman Rajamani
Promoter	The promoter(s) of our Company, being Nirmal Jain, Venkataraman Rajamani, Karan Bhagat, and Yatin Shah. For further details, see “ <i>Our Promoters and Promoter Group</i> ” on page 108
Promoter Group	Persons and entities constituting the promoter group of our Company in accordance with Regulation 2(1)(pp) of the SEBI ICDR Regulations.
Record Date	May 31, 2019
Registered and Corporate Office	The registered and corporate office of our Company situated at IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, Maharashtra, India
Registrar of Companies/RoC	The Registrar of Companies, Maharashtra at Mumbai
Registrar and Transfer Agent	Link Intime India Private Limited
Risk Management Committee	The risk management committee of our Company, constituted in accordance with Regulation 21 of the SEBI Listing Regulations and the applicable provisions of the Companies Act, 2013, as described in “ <i>Our Management</i> ” on page 93
Scheme/ Scheme of Arrangement	Composite Scheme of Arrangement under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 amongst IIFL Finance Limited, India Infoline Media and Research Services Limited, our Company, IIFL Securities Limited, India Infoline Finance Limited, IIFL Distribution Services Limited, and their respective shareholders sanctioned by the NCLT on March 7, 2019
SHA	Shareholders’ agreement dated October 24, 2015 entered into between our Company, Karan Bhagat, Yatin Shah, Amit Shah, IIFL Finance Limited, and General Atlantic Singapore Fund Pte. Limited, as amended from time to time
Shareholders	Shareholders holding Equity Shares of our Company, from time to time
SSPA	Share subscription and purchase agreement dated October 30, 2015 (effective from October 24, 2015) entered into between our Company, Karan Bhagat, Yatin Shah, Amit Shah, IIFL Finance Limited, and General Atlantic Singapore Fund Pte. Limited, as amended from time to time
Stakeholders’ Relationship Committee	The stakeholders’ relationship committee of our Company, constituted in accordance with Regulation 20 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013, as described in “ <i>Our Management</i> ” on page 93
Subsidiary / Subsidiaries	The subsidiaries of our Company, being, IIFL Wealth Finance Limited, IIFL Distribution Services Limited, IIFL Asset Management Limited, IIFL Investment Adviser and Trustee Services Limited, IIFL Alternate Asset Advisors Limited, IIFL Trustee Limited, IIFL Wealth Securities IFSC Limited, IIFL Altior Advisors Limited, IIFL Wealth Advisors (India) Limited, IIFL Asset Management (Mauritius) Limited, IIFL Private Wealth Management (Dubai) Limited, IIFL (Asia) Pte. Limited, IIFL Private Wealth Hong Kong Limited, IIFL Inc., IIFL Capital (Canada) Limited, IIFL Capital Pte. Limited, and IIFL Securities Pte. Limited

## Conventional and General Terms and Abbreviations

Term	Description
AIF(s)	Alternative Investment Funds
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CIO	Chief Investment Officer
Central Government/Government/Government of India	The Government of India

Term	Description
CEO	Chief Executive Officer
CFO	Chief Financial Officer
Companies Act	Together, the Companies Act, 1956 and the Companies Act, 2013
Companies Act, 1956	The Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) read with the rules, regulations, clarifications and modifications thereunder
Companies Act, 2013	The Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
CSR	Corporate Social Responsibility
Demat	Dematerialised
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended
Designated Stock Exchange	The National Stock Exchange of India Limited
EPS	Earnings per share
Fairfax Shareholders	FIH Mauritius Investments Limited and HWIC Asia Fund (Class A Shares)
FFHL	Fairfax Financial Holdings Limited
FEMA	The Foreign Exchange Management Act, 1999 read with rules, regulations, notifications, circulars and directions thereunder
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended
Financial Year/Fiscal/Fiscal Year/FY	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
GDP	Gross Domestic Product
GST	Goods and services tax
ICAI	Institute of Chartered Accountants of India
Income Tax Act	Income Tax Act, 1961, as amended
Ind AS	Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, as notified under Rule 3 of Companies (Indian Accounting Standard) Rules, 2015
INR/Rupee/₹/Rs.	Indian Rupee, the official currency of the Republic of India
LLP	Limited Liability Partnership
MCA	Ministry of Corporate Affairs, GoI
Notified Sections	Sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect
Non-resident	A person resident outside India, as defined under the FEMA and includes an NRI
NRI	Non-Resident Indian as defined under the FEMA Regulations
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
RBI	Reserve Bank of India
SARFAESI Act	The Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002, as amended
SCRA	Securities Contract (Regulation) Act, 1956, as amended
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	Securities and Exchange Board of India, constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
SEBI Circular	Circular No. CFD/DIL3/CIR/2017/21 issued by SEBI dated March 10, 2017 on schemes of arrangement, as amended
Stock Exchanges	BSE and NSE
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI IFSC Guidelines	Securities and Exchange Board of India (International Financial Services Centres) Guidelines, 2015
SEBI Investment Advisers Regulations	Securities and Exchange Board of India (Investment Advisers) Regulations, 2013, as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI MF Amendment Regulations	Securities and Exchange Board of India (Mutual Funds) (Amendment) Regulations, 2018 dated March 13, 2018

## Industry Related Terms

Term	Description
AMFI	Association of Mutual Funds in India
AUA	Assets under advice
AUM	Assets under management
DPMS	Discretionary portfolio management services
HNI	High net worth individual(s)
IFSC	International Financial Service Centre
IRDAI	Insurance Regulatory and Development Authority of India
MSME	Micro, small and medium enterprises
NDPMS	Non-discretionary portfolio management services
RM	Relationship manager

## **CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION CERTAIN CONVENTIONS**

All references in this Information Memorandum to “India” are to the Republic of India.

Unless stated otherwise, all references to page numbers in this Information Memorandum are to the page numbers of this Information Memorandum.

### **Financial Data**

Unless stated otherwise, the financial data in this Information Memorandum is derived from the restated consolidated financial information of our Company and its subsidiaries, i.e., our Financial Statements. Our Company publishes its Financial Statements in Indian Rupees in million. Our restated consolidated financial information for March 31, 2019, 2018, and 2017 have been prepared in accordance with Ind AS and the Companies Act, 2013. Our Company’s financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year, so all references to a particular Financial Year or Fiscal are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Unless the context requires otherwise, all references to a year in this Information Memorandum are to a calendar year and references to a Fiscal/ Fiscal Year are to the year ended on March 31, of that calendar year.

Certain figures contained in this Information Memorandum, including financial information, have been subject to rounding adjustments. All decimals have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

### **Industry and Market Data**

Unless stated otherwise, industry and market data used in this Information Memorandum has been obtained or derived from publicly available information as well as industry publications and sources.

Information has been included in this Information Memorandum based on publicly available documents and information, including, but not restricted to materials issued or commissioned by the Government of India and certain of its ministries, trade, and industry specific publications, and other relevant third-party sources.

Although we believe that the industry and market data used in this Information Memorandum is reliable, it has not been independently verified by us and our affiliates or advisors. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” on page 14. Accordingly, investment decisions should not be based solely on such information.

The extent to which the market and industry data used in this Information Memorandum is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

### **Currency and Units of Presentation**

All references to “*Rupees*” or “₹” or “*Rs.*” or “*INR*” are to Indian Rupees, the official currency of the Republic of India. In this Information Memorandum, our Company has presented certain numerical information. All figures have been expressed in ‘million’ units, except where mentioned otherwise. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than in ‘million’ units, such figures appear in this Information Memorandum expressed in such denominations as provided in their respective sources.

## FORWARD LOOKING STATEMENTS

This Information Memorandum contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “will”, “will continue”, “will pursue”, or other words or phrases of similar import. Similarly, statements that describe our Company’s strategies, objectives, plans or goals are also forward-looking statements.

All forward-looking statements are based on our current plans, estimates, presumptions and expectations, and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Further, actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties or assumptions associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in its industry and incidents of any natural calamities and/or acts of violence. Important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

- extensive statutory and regulatory requirements and supervision;
- significant competition in our businesses;
- heavy reliance on our existing brands and, specifically, the ‘IIFL’ brand name;
- our sustained ability to increase our AUM and AUA;
- if the research disseminated or advice provided by us contains errors;
- dependence on the services of our relationship managers and our inability to recruit and retain them;
- high dependence on information technology;
- insurance coverage proving inadequate to cover our losses;
- our requirement for certain material approvals in relation to our business and failure to obtain such material approvals in a timely manner; and
- strategic investments and alliances, acquisitions and mergers in the future, which may be difficult to integrate and manage.

For further discussion of factors that could cause the actual results to differ from the expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” on pages 14, 62, and 126, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance.

Although we believe that the assumptions on which such forward-looking statements are based are reasonable, we cannot assure that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect the current views of our Company as on the date of this Information Memorandum and are not a guarantee of future performance. These statements are based on the management’s belief and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Promoters, our Directors, nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

## SECTION II – INFORMATION MEMORANDUM SUMMARY

*This section is a summary of specific disclosures included in this Information Memorandum and is not exhaustive nor does it purport to contain a summary of all disclosures or details relevant to prospective investors. For additional information and further details with respect to any of the information summarised below, please refer to the relevant sections of this Information Memorandum. Unless otherwise stated, the financial information in this section is derived from the Financial Statements.*

### Summary of the Industry we operate in

The global wealth management industry, estimated at \$201 trillion in client assets, as of 2017 grew at ~8% per annum from 2011 through 2016, and is expected to grow at a slightly slower pace of 7% going forward through 2021. India is ranked 4<sup>th</sup> in the world for the number of new wealthy individuals joining the ranks of the rich, behind the US, China and Japan, but ahead of Germany.

Asset management in India too has witnessed strong growth over the last few years – In March 2019, Assets under Management in India were USD 340 billion (growth of 24% from March 2014 – March 2019). Alternative Investments in India (AIF - Real Estate & Private Equity, Debt, Equity) is estimated to be around USD 40 billion and is poised to grow sharply as investors are increasing looking to allocate to more sophisticated products.

### Summary of our Business

We are one of the fastest growing financial services and private wealth management firms in India, with a closing AUM of ₹ 1,677,455.60 million, as on March 31, 2019. The clientele of our wealth management business includes high net worth and ultra-high net worth individuals, affluent families and family offices, and institutional clients; and those of our asset management business include global and domestic institutions, channel partners including private banks, family offices, pension funds, and retail investors.

### Our Promoters

The Promoters of our Company are Nirmal Jain, Venkataraman Rajamani, Karan Bhagat, and Yatin Shah.

### Shareholding of Our Promoters and Members of our Promoter Group

The Shareholding of the Promoters and the members of our Promoter Group as on the date of this Information Memorandum, are detailed below:

Name of person	No. of Equity Shares held	Percentage of the paid-up Equity Share capital (in %)
<b>A. Nirmal Jain (Promoter)</b>	6,628,856	7.79
<b>Promoter Group</b>		
Ardent Impex Private Limited	385,714	0.45
Madhu Nirmal Jain	1,724,999	2.03
Nirmal Madhu Family Private Trust <sup>(1)</sup>	1,428,571	1.68
Orpheus Trading Private Limited	185,714	0.22
<b>Total (A)</b>	<b>10,353,854</b>	<b>12.17</b>
<b>B. Venkataraman Rajamani (Promoter) <sup>(2)</sup></b>	1,569,204	1.84
<b>Promoter Group</b>		
Aditi Avinash Athavankar <sup>(3)</sup>	1,285,714	1.51
Aditi Athavankar	28,571	0.03
<b>Total (B)</b>	<b>2,883,489</b>	<b>3.38</b>
<b>C. Karan Bhagat (Promoter) <sup>(4)</sup></b>	306,569	0.36
<b>Promoter Group</b>		
Shilpa Bhagat	1,125,821	1.32
Kush Family Private Trust <sup>(5)</sup>	1,500,000	1.76
Kyra Family Private Trust <sup>(6)</sup>	1,500,000	1.76
Kyrush Investments	14,285	0.02
<b>Total (C)</b>	<b>4,446,675</b>	<b>5.22</b>
<b>D. Yatin Shah (Promoter)</b>	3,314,097	3.89
<b>Promoter Group</b>		
Ami Yatin Shah <sup>(7)</sup>	571	0.00

Name of person	No. of Equity Shares held	Percentage of the paid-up Equity Share capital (in %)
Yatin Prakash Shah HUF	11,428	0.01
Prakash Chunilal Shah <sup>(8)</sup>	3,571	0.00
Yatin Investments	6,419	0.01
<b>Total (D)</b>	<b>3,336,086</b>	<b>3.92</b>
<b>Total (A+B+C+D)</b>	<b>21,020,104</b>	<b>24.69</b>

- (1) Equity Shares held through its trustees, Mansukhlal Jain and Harshita Jain.  
(2) Jointly held with Aditi Athavankar.  
(3) Equity Shares held as a trustee to Kalki Family Private Trust.  
(4) Jointly held with Shilpa Bhagat.  
(5) Equity Shares held through its trustee, IIFL Investment Adviser and Trustee Services Limited.  
(6) Equity Shares held through its trustee, IIFL Investment Adviser and Trustee Services Limited.  
(7) Jointly held with Yatin Shah.  
(8) Jointly held with Hansadevi Prakashchandra Shah.

## Financial Information

The following information has been derived from the Financial Statements:

(in ₹ million, except per share data)

Particulars	Fiscal 2019 / As on March 31, 2019	Fiscal 2018 / As on March 31, 2018	Fiscal 2017 / As on March 31, 2017
Share capital	168.97	159.50	155.93
Incremental Equity Shares pending issuance	1.20	1.14	0.83
Net worth <sup>(1)</sup>	28,993.15	18,531.68	15,113.73
Total revenue	15,771.88	17,148.10	11,559.94
Profit after tax (including other comprehensive income)	3,843.57	3,808.40	3,093.28
Earnings per Equity Share (basic)	44.63	48.06	42.20
Earnings per Equity Share (diluted)	43.37	46.51	41.88
Net asset value per Equity Share <sup>(2)</sup>	340.75	230.72	192.83
Total borrowings (as per our balance sheet) <sup>(3)</sup>	63,523.49	70,477.53	56,504.08

- (1) Computed as the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.  
(2) Computed by dividing net worth stated above with the number of Equity Shares outstanding as on the date of reporting. The number of Equity Shares includes Equity Shares pending to be issued.  
(3) Total borrowings includes debt securities, borrowings, subordinated liabilities and also includes derivative component of liabilities under derivative financial instruments.

For further details, see the restated consolidated statement of assets and liabilities as at March 31, 2019, March 31, 2018, and March 31, 2017 and the restated consolidated statement of profit and loss for the year ended March 31, 2019, March 31, 2018, and March 31, 2017 in the section “Financial Statements” starting on page 125.

## Auditor Qualifications or Adverse Remarks

There have been no qualifications or adverse remarks by our Statutory Auditor in the Financial Statements.

## Outstanding Litigation

A summary of pending criminal proceedings, taxation proceedings, actions taken by statutory or regulatory authorities and other material litigation proceedings involving us, our Directors, our Subsidiaries, our Promoters, our Group Companies, and the members of our Promoter Group, as applicable, on the date of this Information Memorandum is set out below:

Outstanding Litigation	Number of matters	Amount involved in the matters, to the extent quantifiable (₹ in million)
<b><i>Filed against our Company</i></b>		
Tax proceedings	3	80.84
<b><i>Filed against our Promoters</i></b>		
Criminal proceedings	9	-
Tax proceedings	1	2.28
Other material proceedings	2	281.95
<b><i>Filed against our Directors</i></b>		
Criminal proceedings	10	-
Tax proceedings	3	9.68
Other material proceedings	2	281.95
<b><i>Filed against our Subsidiaries</i></b>		
Tax proceedings	4	101.36
Other material proceedings	2	80.00
<b><i>Filed by our Subsidiaries</i></b>		
Other material proceedings	1	3,655.91
<b><i>Filed against our Group Companies</i></b>		
Criminal proceedings	22	104.80
Tax proceedings	25	1,720.74
Actions by statutory or regulatory authorities	8	45.98
Other material proceedings	44	2,877.41 (plus ₹ 26.53 million)
<b><i>Filed by our Group Companies</i></b>		
Criminal proceedings	23,064	9,430.59
Other material proceedings	44	1,942.34

In addition to the aforesaid, there are approximately two matters involving our Company where the amounts are not quantifiable, three matters pending involving an amount of ₹ 2.43 million (to the extent quantifiable) involving our Promoters, 10,361 matters pending involving an amount of ₹ 6,515.39 million (to the extent quantifiable) involving our Group Companies, respectively.

For further details, see “*Outstanding Litigation and Other Material Developments*” at page 151.

### **Risk factors**

For details of the risks associated with our Company, see “*Risk Factors*” beginning on page 14.

### **Contingent liabilities**

A summary of our contingent liabilities as on March 31, 2019, March 31, 2018, and March 31, 2017 are as set out below:

<i>(in ₹ million)</i>			
Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Bank Guarantees	1,419.40	1,100.00	750.00
Corporate Guarantees	2,100.00	2,000.00	-
Disputed income tax demand	182.21	4.07	-
<b>Total</b>	<b>3,701.61</b>	<b>3,104.07</b>	<b>750.00</b>

For further details, see Note 39 of the Financial Statements starting on page 125.

### **Related party transactions**

For details of related party transactions of our Company, see Note 42 of the Financial Statements starting on page 125.

**Average cost of acquisition of Equity Shares held by our Promoters and the weighted average price at which the Equity Shares were acquired by each of our Promoters in the one year preceding the date of this Information Memorandum**



All of the Equity Shares held by Nirmal Jain and Venkataraman Rajamani have been acquired by them pursuant to, and in accordance with, the Scheme.

Except to the extent of Equity Shares acquired by Karan Bhagat pursuant to, and in accordance with, the Scheme, the average cost of acquisition of Equity Shares held by him is ₹ 309.44 and the weighted average price at which Equity Shares were acquired by him in the one year preceding the date of this Information Memorandum is nil, since Karan Bhagat has not acquired any Equity Shares in the one year preceding the date of this Information Memorandum.

All of the Equity Shares held by Yatin Shah in the one year preceding the date of this Information Memorandum have been acquired by him pursuant to, and in accordance with, the Scheme. Except to the extent of Equity Shares acquired by him pursuant to, and in accordance with, the Scheme, the average cost of acquisition of Equity Shares held by him is ₹ 67.78.

### **Split or consolidation**

Our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Information Memorandum.

### **Other confirmations**

- There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six months immediately preceding the date of this Information Memorandum.
- Other than pursuant to the Scheme, our Company has not issued any Equity Shares in the one year preceding the date of this Information Memorandum for consideration other than cash.

### SECTION III – RISK FACTORS

*An investment in equity shares involves a high degree of risk. You should carefully consider all the information in this Information Memorandum, including the risks and uncertainties described below, before making an investment in the Equity Shares of our Company.*

*If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our Company's business, results of operations and financial condition could suffer, the price of the Equity Shares could decline, and all or part of your investment may be lost. Unless otherwise stated, our Company is not in a position to specify or quantify the financial or other risks mentioned herein.*

*This Information memorandum also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Information Memorandum. For further details, see "Forward Looking Statements" on page 9.*

*In this section, unless the context otherwise requires, a reference to "our Company", "we", "us" or "our" is a reference to IIFL Wealth Management Limited on a standalone basis unless otherwise specified.*

#### **Internal Risk Factors**

- 1. We are subject to extensive statutory and regulatory requirements and supervision, which have a material influence on, and consequences for, our business operations. Further, our revenue model is undergoing a change, which may affect our revenues and profitability.***

Our business activities are subject to extensive supervision and regulation by the Government and various regulatory authorities, including the SEBI, and the RBI, with whom we are registered as an intermediary. For details of our business activities, please see "Our Business" and "Key Regulations and Policies in India" on pages 62 and 72, respectively.

A substantial portion of our revenue comes in the form of commission and trail income from the distribution of asset management products, such as mutual funds, alternative investment funds, and portfolio management services to high net worth individuals. These commissions are in the nature of recurring periodic payments made to us by asset management companies, which are linked to the contribution made by us to their respective assets under management ("AUM") from our distribution of their financial products.

However, we have, in the past, been adversely affected and been required to make changes to our business model and policies due to regulatory changes. Pursuant to a circular issued by the SEBI in 2018, which came into effect on April 1, 2019, the ability of asset management companies to pay certain commissions was impacted, which, in turn, had an adverse impact on our revenues. Similarly, pursuant to a circular issued by it, the SEBI directed mutual funds to provide a separate plan for direct investments, i.e., investments not routed through a distributor, in existing as well as new schemes. As large corporate treasuries and HNIs shift to the direct plan of mutual fund applications, our ability to earn distribution income from the asset management companies is directly affected, since these asset management companies can no longer charge the client for distribution commission. Such changes in the regulatory framework have had, and may continue to have, an adverse impact on our distribution income, our ability to earn revenues, our business, and results of operations.

To mitigate the risk of reducing distribution commissions and trail income from mutual funds and asset management companies and keeping in mind the regulatory changes globally of moving to an advisory model, we have introduced an advisory fee model wherein the clients pay our Company fees directly and we do not earn commission from the asset management companies. However, we are still in a transitional phase and our ability to sustain revenues will depend on the willingness of clients to move to a fee-paying model. In the event that we are unable to successfully undertake this transition, it may result in an adverse effect on our business and results of operations.

Our business activities may also be subject to periodic inspection by these regulatory authorities. Any negative findings against us during such inspections may materially and adversely affect our business and results of operations.

Further, the laws applicable to our business continue to evolve and may be amended, revised, or replaced in future by the Government or regulatory authorities, or due to judicial decisions. Such changes may impose onerous conditions on our business activities, or require us to change the systems, policies or procedures established by us for the purposes of compliance with applicable law. Any onerous conditions imposed by, or material changes required to our systems, policies or procedures may increase our compliance cost thereby adversely affecting our business and results of operations.

**2. *We face significant competition in our businesses, which may limit our growth and prospects.***

We face competition from the wealth management arms of several market participants, including wealth management arms of broking houses, established Indian and foreign commercial banks, as well as private banks and dedicated wealth management companies. We also compete with a large number of independent financial advisors as a consequence of the fragmented wealth management market in India. Competition from existing and new market participants offering investment products could act as an impediment to attracting and retaining clients and their funds, thereby impacting market share or putting downward pressure on our fees. Further, with the rise in the use of technology, we may face competition from new entrants in the industry who may leverage technology to provide products and services similar to us or which our clients prefer over services provided by us.

We employ a process of review of macroeconomic indices and market conditions that could adversely impact the portfolio performance of our clients and constantly evaluate and make strategies for the diversification of client investments to address market risks. In addition to this, while we believe that we have the ability to retain our clients, given their profile and their reliance on our relationship managers for advice, the increased competition may affect our ability to grow or maintain our market share and affect our business, financial condition, cash flows, and results of operations.

**3. *We rely heavily on our existing brands and, specifically, the 'IIFL' brand name, the dilution of which could adversely affect our business.***

Our brand and reputation serve in attracting customers to our products in preference over those of our competitors. However, the brand 'IIFL' is not owned by us. We use the trade name 'IIFL' as well as the 'IIFL' logo (the "Marks"), which will be registered in the name of IIFL Securities Limited, pursuant to the Scheme. Our Company has been granted a right to use the Marks and the right to register trademarks, associated marks, images, and domain names, comprising of the Marks in perpetuity in respect of the business and services carried out by us and our Subsidiaries. Further, the said authorization requires that we and our Subsidiaries do not use the Marks in any manner that could impair, dilute or tend to impair or adversely affect their distinctive character or could deceive or cause confusion either in the trade or to the public or adversely affect the validity of such marks same in any other way. Accordingly, in terms of this arrangement, our right to the Marks is subject to the valid use of the Marks and the prevention from any impairment, dilution or adverse effect on their distinct character or from anything that could deceive or cause confusion, which would result in the cancellation or revocation of said authorization.

We believe that continuing to develop awareness of our brand 'IIFL' through focused and consistent branding and marketing initiatives is important for our ability to increase our sales volumes and our revenues, grow our existing market share and expand into new markets. We also believe the 'IIFL' brand commands strong brand recall in India due to its long presence in the Indian market and the diversified businesses in which the group operates. Consequently, any adverse publicity involving our brand, our Company or our products may impair our reputation, dilute the impact of our branding and marketing initiatives could materially and adversely affect our business and prospects.

We place emphasis on extensive research and analytics for providing investment advice, appraise clients of investment risks, and apprise their risk appetite prior to offering them financial products, and frequently liaise with them through our team of relationship managers. However, litigation, employee misconduct, allegations of mis-selling unsuitable products, operational failures by us or our service providers, regulatory investigations, press speculation and negative publicity, among others, relating to us and other IIFL group entities, whether founded or unfounded, could damage our brands or our reputation. Our brands and reputation could also be harmed if products or services recommended by us (or any of our intermediaries) do not perform as expected (whether or not the expectations are founded), or there is a change in customers' expectations from the product. Further, any decrease in service quality due to reasons beyond our control, even when false or unfounded, could tarnish the image of our brand and may cause consumers to prefer our competitors.

**4. *The growth of our revenues from sale of financial products is dependent on our sustained ability to increase our AUM and AUA as well as on the performance of the funds that we distribute.***

We have experienced significant growth over the past several years, with our total revenues increasing from ₹ 11,559.94 million in Fiscal 2017 to ₹ 15,771.88 million in Fiscal 2019. Additionally, in Fiscal 2018, we acquired the wealth management business of Wealth Advisors (India) Private Limited, adding AUMs of ₹ 106,771.10 million.

The investment performance of our client portfolios varies from time to time and such variance can be significant. As a risk mitigation strategy, we provide advice to clients to diversify their investment portfolios, so unsatisfactory performance in one asset class or investment does not have a severe adverse effect on their portfolio. However, investment returns from products sold by us depend on market and economic conditions, which are dynamic in nature and may change rapidly from time to time. This may result in an adverse impact on the investment performance for our clients, which may, in turn, impact our ability to retain clients or attract new clients. Since we earn commission based on the amount of assets invested through us, or managed by us, this would reduce our ability to sustain and increase revenues and profitability. Further, our distribution arrangement with asset management companies may be terminated due to failure on our part to comply/perform, and even without notice, resulting in an adverse effect on our business and results of operations.

Our results of operations also largely depend on the growth, value, and composition of our AUM which may decline, resulting in a decline in our fee income which would materially affect our financial performance and business prospects. Factors that could cause our AUM to decline include any declines in the Indian equity markets; adverse market fluctuations and economic conditions; changes in interest rates and defaults; and withdrawals or fund exits for various reasons relating to service quality or investment performance. Accordingly, any decline in our AUM may result in our inability to grow or maintain our market share and affect our business, financial condition, cash flows, and results of operations.

Further, the financial services industry is characterized by rapidly changing technology and with such significant advancements in technology and the corresponding ease of directly making investments in financial products, our existing and potential clients may not see significant value in choosing to make their investments through us, and may, instead, choose to invest in such financial products directly, thereby reducing, or entirely eliminating, our involvement in the process of investment. In the event that such existing or potential clients choose to invest directly in financial products, our assets under advice (“AUA”) and / or growth in AUA may reduce, resulting in an adverse effect on our business and results of operations.

**5. *If the research disseminated or advice provided by us contains errors, this could have a material adverse effect on our business, financial condition or results of operations.***

Our ability to grow and manage our clientele is also significantly dependent on the quality of research and advice disseminated by us. While we depend on both external and internal research and have an expansive team of analysts and investment consultants with requisite certification from the National Institute of Securities Markets, there may be errors or omissions in the research disseminated or advice provided by us. Such errors or omissions in the information or in the results obtained from the use of such information may cause our research findings to be incorrect. Further, certain industry and market data may be subject to assumptions, and methodologies for assumptions vary widely among different data sources. Additionally, such assumptions may change due to various factors which are beyond our control. Accordingly, there is no assurance that our assumptions, or those relied upon by us, will be accurate or not change, which may affect the accuracy of our research findings. If the research disseminated or advice provided by us contains errors, this could have a material adverse effect on our business, financial condition or results of operations. Our investment management agreements, wealth advisory and distribution agreements and other business commitments may generally be terminated by our clients on little or no notice, making our future client and revenue base unpredictable thereby resulting in an adverse effect on our business and results of operations.

**6. *We depend on the services of our relationship managers and our inability to recruit and retain them may adversely affect our business and results of operations.***

The industry in which we operate is people-centric. The success and growth of our business is dependent substantially on the continued service and performance of our relationship managers, since they are responsible for managing existing client relationships and for establishing new client relationships. Our AUM

and revenues depend substantially on the relationship managers' ability to position and market our offerings and services in the sales process. However, mis-selling and misrepresentation to the clients by our relationship managers may lead to litigation as well as loss of reputation with clients and potential clients.

As a result, we seek to recruit trained and efficient employees and retain high performing relationship managers, so we may provide sound advice to clients and maintain a high standard of client service. Our inability to do so may have an adverse impact on our business and future financial performance. If such personnel were to leave, they may seek to solicit our clients after termination of their employment, and, therefore, the loss of these personnel could also cause us to lose a certain part of our AUA.

**7. *The operation of our businesses is highly dependent on information technology and we are subject to risks arising from any failure of, or inadequacies in, our information technology systems.***

Our business operations and client services are highly dependent on information technology and we are subject to risks arising from any failure of, or inadequacies in, our information technology systems. We spend substantial resources on constantly upgrading our information technology systems in accordance with the growth in our business volumes and client needs. We have also set up information security protocols such as firewalls and these systems are also subject to regular audits for vulnerabilities. In addition, we have set up a disaster recovery site on cloud (where our data is backed up) for bringing data back up into the system in case internal systems go down. We also rely on external trading systems and will, if required, rely on alternative communication links of exchange terminals, which can be remotely accessed in a disaster situation. All the communication links, key branches, and internet are delivered from two different internet service providers as a risk mitigation strategy. Additionally, we are also currently implementing a resiliency platform to reduce the recovery time and minimize the data loss at recovery site. Further, our professional indemnity insurance policy covers losses from computer network security breach and unauthorized access.

However, these information technology systems still remain vulnerable to threats and malfunctions from varied sources, which could materially adversely impact our operations. These include equipment damage, power outages, computer viruses, and a range of other hardware, software, and network problems. We are also susceptible to cyber-attacks from external sources and leakage of information / sabotage from people with access to the information technology systems. This could lead to disruptions in our daily business operations and the disclosure of sensitive information pertaining to our Company and / or our clients. We may also be held liable for economic losses caused to our clients as a result of such malfunctions and disruptions. A failure of our information technology systems due to accidents or willful attacks could also cause damage to our reputation which, in turn, would harm our business. Any of these developments, alone or combined with each other, could have a material adverse effect on our business, financial condition and results of operations.

**8. *Our insurance coverage could prove inadequate to cover our losses. If we were to incur a serious uninsured loss or a loss that significantly exceed the limits of our insurance policies, it could have a material adverse effect on our business, results of operations and financial condition.***

We maintain what we believe to be appropriate insurance coverage, commensurate with industry standards including, coverage against loss of physical assets, professional negligence, and employee infidelity. We cannot assure you that our current insurance policies will insure us fully against all risks and losses that may arise in the future. In addition, even if such losses are insured, we may be required to pay a significant deductible on any claim for recovery of such a loss, or the amount of the loss may exceed our coverage for the loss. Further, we cannot assure you that we will be able to renew these policies on similar or otherwise acceptable terms, if at all. If we were to incur a serious uninsured loss or a loss that significantly exceeds the limits of our insurance policies, it could have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

**9. *We require certain material approvals in relation to our business and failure to obtain such material approvals in a timely manner, or at all, may adversely affect our business and may subject us to sanctions or penalties.***

We require certain regulatory approvals and registrations to operate our business. For example, we are required to obtain approvals from SEBI for offering stock and commodities broking and portfolio management services and for advisory services. For more information, please see "Government Approvals" on page 179. We may not have, or may not receive, all necessary approvals, or be able to obtain renewals of

all our approvals within the time frames anticipated by us. Failure to obtain, renew or maintain any required approvals or registrations or to meet any regulatory requirements may result in the interruption of all or some of our operations, constrain our ability to scale-up our business or to introduce new products and services and could materially and adversely affect our financial results. Moreover, we cannot assure you that we will not be involved in or subject to any regulatory action, litigation or other proceedings, or be held liable in any litigation or proceedings for non-compliance with applicable regulations. For further details, see “*Outstanding Litigation and Other Material Developments*” on page 151.

***10. We have undertaken and may continue to undertake strategic investments and alliances, acquisitions and mergers in the future, which may be difficult to integrate and manage. These may expose us to uncertainties and risks, any of which could adversely affect our business, financial conditions and result of operations.***

We have pursued in the past, and may continue to pursue in future, strategic investments and alliances as a mode of expanding our operations. For instance, in Fiscal 2018, we acquired the wealth management business of Wealth Advisors (India) Private Limited and in Fiscal 2019, we acquired Altire Advisors Private Limited. Similarly, in future, we may undertake acquisitions, mergers, investments and expansions to expand our operations and enhance our technological capabilities. Such expansion and acquisitions may require us to incur or assume new debt, expose us to future funding obligations, legal claims, past liabilities, regulatory probes or integration risks and we cannot assure you that such expansion or acquisitions will contribute to our profitability.

Furthermore, the return on capital deployed in such acquisitions will depend on the price of the acquisitions and efficiency of integration of acquired business employees and assets. We may also face numerous risks and uncertainties in combining, transferring, separating or integrating the relevant businesses and systems, including the need to align accounting and data-processing systems and management controls and to integrate relationships with clients, trading counterparties and business partners. We may not be able to realise the benefits we might have initially anticipated from any such acquisitions, which may adversely affect our growth, prospects, and results of operations.

***11. We are highly dependent on our management team and key managerial personnel. Any loss of such team members or the inability to attract or retain management personnel may have material adverse effect on our business performance.***

Our business and the implementation of our strategy are dependent upon our management team, who oversee our day-to-day operations, strategy and growth of our business. If one or more members of our management team are unable or unwilling to continue in their present positions, such persons would be difficult to replace, and this could adversely affect our business, prospects and results of operations. In addition, we may need to increase employee compensation levels in order to replace such personnel and / or retain our existing team.

Our success in expanding our business will also depend, in part, on our ability to attract, retain and motivate mid-to-senior management personnel.

***12. Our system of internal controls may not always keep pace with the growth of the business, and hence, may become inadequate given its size, complexity and scale.***

Effective internal controls are necessary for us to manage our operations, prepare reliable financial reports and effectively avoid fraud. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may deteriorate over time, due to evolving business conditions.

However, to mitigate this risk, we get our internal controls tested by an independent internal auditor, who conducts reviews for evolving checks and balances. We also have a risk management team that assesses internal controls and advises the business on timely corrective action to be taken to strengthen process controls.

***13. Nirmal Jain and Venkataraman Rajamani, our Promoters and Directors, are involved with ventures which have been in the same line of activity as those undertaken by our Company, which may result in conflict of interest.***

Nirmal Jain and Venkataraman Rajamani, our Promoters and Directors, are interested in the following additional entities:

- a) India Infoline Finance Limited, our Group Company, which is engaged in the business of providing mortgage loans, gold loans, commercial vehicle finance, MSME finance, construction and real estate finance, capital market finance, and micro finance and which caters to both retail and corporate clients;
- b) IIFL Securities Limited, our Group Company, which is engaged in the business of being a depository participant; currency broking; portfolio management; and the distribution of mutual funds, bonds, and other financial products;
- c) 5Paisa Capital Limited, our Group Company, which is engaged in the business of stock broking and being a depository participant and research analyst; and
- d) IIFL Home Finance Limited, our Group Company, which is engaged in the business of procuring life, health, and general insurance under a composite corporate agency license obtained from the IRDAI.

Such ventures have been engaged in the same line of activity as that undertaken by our Company and certain of our Subsidiaries, which include IIFL Asset Management Limited, IIFL Alternate Asset Advisors Limited, IIFL Wealth Advisors (India) Limited, and IIFL Wealth Finance Limited, and accordingly, it could give rise to instances of conflict of interest. The interests of our Promoters and Directors could conflict with the interests of our Shareholders or those of such Subsidiaries and our Promoters and Directors could, for business considerations or otherwise, cause our Company or any of such Subsidiaries to take actions, or refrain from taking actions, in order to benefit themselves instead of our Company, such Subsidiaries, or their respective shareholders. Any such present or future conflicts could have a material adverse effect on our business and results of operations or those of our Subsidiaries.

There can be no assurance that our Promoters/Directors or our Group Companies or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours.

**14. *There are outstanding legal proceedings against our Company, our Promoters, our Directors, our Subsidiaries, members of our Promoter Group, and Group Companies which, if adversely determined, could have a material adverse impact on our business, results of operations and financial conditions***

There are certain outstanding legal proceedings against our Company, our Promoters, our Directors, our Subsidiaries, members of our Promoter Group, and Group Companies pending at various levels of adjudication before courts, tribunals, authorities and appellate bodies. There can be no assurance that these legal proceedings will be decided in favour of our Company or our Promoters or our Directors or our Subsidiaries, or the members of our Promoter Group, or our Group Companies. Decisions in any such proceedings adverse to our interests may have a material adverse effect on our business, future financial performance and results of operations. If the courts or tribunals rule against us, or our Promoters, or our Directors, or our Subsidiaries, or the members of our Promoter Group, or our Group Companies, we may face monetary and/ or reputational losses. Furthermore, we may also not be able to quantify all the claims in which our Company, our Promoters, our Directors, our Subsidiaries, members of our Promoter Group, and Group Companies are involved.

A classification of these legal and other proceedings is given in the following table:

Outstanding Litigation	Number of matters	Amount involved in the matters, to the extent quantifiable (₹ in million)
<b><i>Filed against our Company</i></b>		
Tax proceedings	3	80.84
<b><i>Filed against our Promoters</i></b>		
Criminal proceedings	9	-
Tax proceedings	1	2.28
Other material proceedings	2	281.95
<b><i>Filed against our Directors</i></b>		
Criminal proceedings	10	-
Tax proceedings	3	9.68
Other material proceedings	2	281.95

Outstanding Litigation	Number of matters	Amount involved in the matters, to the extent quantifiable (₹ in million)
<b><i>Filed against our Subsidiaries</i></b>		
Tax proceedings	4	101.36
Other material proceedings	2	80.00
<b><i>Filed by our Subsidiaries</i></b>		
Other material proceedings	1	3,655.91
<b><i>Filed against our Group Companies</i></b>		
Criminal proceedings	22	104.80
Tax proceedings	25	1,720.74
Actions by statutory or regulatory authorities	8	45.98
Other material proceedings	44	2,877.41 (plus ₹ 26.53 million)
<b><i>Filed by our Group Companies</i></b>		
Criminal proceedings	23,064	9,430.59
Other material proceedings	44	1,942.34

In addition to the aforesaid, there are approximately two matters involving our Company where the amounts are not quantifiable, three matters pending involving an amount of ₹ 2.43 million (to the extent quantifiable) involving our Promoters, 10,361 matters pending involving an amount of ₹ 6,515.39 million (to the extent quantifiable) involving our Group Companies, respectively.

For details of litigation outstanding as on the date of this Information Memorandum, see “*Outstanding Litigation and Other Material Developments*” on page 151.

**15. *Our Promoters and Promoter Group will continue to have significant Shareholding in us after the listing of our Equity Shares, which will allow them to exercise significant influence over us.***

After the listing of the Equity Shares on the Stock Exchanges, our Promoters and the members of our Promoter Group will have significant Shareholding in our Company. Accordingly, our Promoters and Promoter Group will continue to exercise significant influence over our business and all matters requiring Shareholders' approval, including the composition of our Board of Directors, the adoption of amendments to our certificate of incorporation, the approval of mergers, strategic acquisitions or the sales of substantially all of our assets, and the policies for dividends, lending, investments and capital expenditures. This concentration of ownership may also delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of our Promoters and Promoter Group. Further, the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended may limit the ability of a third party to acquire control of our Company. The interests of our Promoters, as our Company's controlling Shareholder, could conflict with our Company's interests or the interests of our other Shareholders.

**16. *One of our Group Companies, IIFL Commodities Limited (“IICL”) has been declared as being not ‘fit and proper’ to hold, directly or indirectly, the certificate of registration as a commodities derivatives broker.***

The SEBI issued an order dated February 22, 2019 against IICL, one of our Group Companies, on account of being a member of the National Spot Exchange Limited and engaging in transactions in paired contracts on the NSE platform. Pursuant to this order, SEBI declared IICL as being not a ‘fit and proper person’ to hold directly or indirectly, a certificate as commodities derivatives broker and consequently rejected IICL's application dated November 26, 2015 filed with the SEBI for registration as a commodities derivatives broker. IICL has filed an appeal dated April 11, 2019 before the Securities Appellate Tribunal against the order dated February 22, 2019.

While this order issued by the SEBI is not against the other entities or businesses of the IIFL group or against our Company's Promoters or Directors, any further investigation into this matter or our defense against this order, whether successful or unsuccessful, could negatively affect our reputation and have a material adverse effect on our business, financial condition, and results of operations.

**17. *We have had negative net cash flows in the past and may continue to have negative cash flows in the future.***

The following table sets forth our cash flow for the periods indicated:



(₹ in million)

	Fiscal		
	2019	2018	2017
Net cash flow generated from / (used in) operating activities	18,485.22	(27,719.64)	(35,905.98)
Net cash flow generated from / (used in) investing activities	(21,297.25)	10,725.26	(10,514.55)
Net cash flow generated from / (used in) financing activities	(804.30)	12,627.77	54,761.73
Net cash flow generated from / (used in) discontinued operations	-	-	-
Net increase/(decrease) in Cash and Cash Equivalents	(3,616.33)	(4,366.61)	8,341.20

For further details, see the restated consolidated cash flow statements for the year ended March 31, 2019, 2018, and 2017 in the Financial Statements starting on page 125. Any negative cash flow in the future could adversely affect our operations and financial conditions and the trading price of our securities. We cannot assure you that our net cash flows will be positive in the future.

**18. *The interests of our clients may conflict with those of our Shareholders, resulting in us having to prioritise one over the other.***

In terms of prudent business practices and keeping in mind our internal conflict resolution policies, we are required to avoid conflict of interest situations in managing matters involving investment advice and transaction execution for clients vis-à-vis commissions / fees earned by us and are, accordingly, prioritise the interest of our clients in all matters.

Therefore, in the event of any situations of conflict of interest arising between the interests of our Shareholders and the interests of our clients, we will prioritise the interests of our clients. For instance, although our business is largely advisory in nature and non-discretionary, some advised investment schemes may have not worked in line with the investment thesis at all, due to several extraneous factors, leading to possible losses to client portfolios. In some such cases in the past, we have acquired certain non-performing / downgraded investments, held by our clients based on our investment advice, to provide them liquidity and to safeguard their interests by bearing the redemption risks and costs arising. We cannot assure you that, in future, in the event that we believe that we are required to act in the best interests of our clients, such actions would not conflict with the interests of our Shareholders and that they would not have an adverse effect on our financial condition, and results of operations.

**External Risk Factors**

**19. *A decline in economic growth or political instability nationally or internationally or changes in the Government in India could adversely affect our business.***

Our performance and the growth of our business are necessarily dependent on the health and performance of the overall Indian economy. In the past, the Indian economy has been affected by global economic uncertainties and liquidity crises, domestic policy, the domestic political environment, volatility in interest rates, currency exchange rates, commodity prices, oil and gas prices, electricity prices, adverse conditions affecting agriculture, climate change and environmental degradation, rising inflation rates, shortening technological cycles, and various other factors. Risk management initiatives by banks and lenders in such circumstances could affect the availability of funds to us in the future or the withdrawal of our existing credit facilities. The Indian economy is constantly undergoing change and it is difficult to predict the impact of such changes on our business. Conditions outside India, such as changes in the political climate, slowdown or recession in economic growth, or a change in the trading and investment climate of other major countries, especially the United States, have an impact on the growth of the Indian economy. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating, or a decline in its foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. Any downturn in the macroeconomic environment in India could adversely affect our business, financial condition, results of operations, and the trading price of our Equity Shares. Volatility, negativity in investor sentiments, or uncertain economic conditions could undermine business confidence and could have a significant impact on the results of our operations. Changing demand patterns from economic volatility and uncertainty could have a significant negative impact on our results of operations.

Further, our performance and the market price and liquidity of the Equity Shares may be affected by changes in exchange rates and controls, interest rates, government policies, taxation, social and ethnic instability, or any other political or economic developments affecting India.

**20. *We are subject to regulatory, economic, social and political uncertainties and other factors beyond our control.***

We are incorporated in India. As a result, we are highly dependent on prevailing regulatory, economic, social, and political conditions in India. These factors influence the Indian economy, which, in turn, significantly affects the results of our operations.

Factors that may adversely affect the Indian economy, and hence our results of operations, include:

- political instability, terrorism, or military conflict in India, or other countries globally;
- occurrence of natural or man-made disasters;
- any increase in Indian interest rates or inflation;
- any exchange rate fluctuations;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- international oil and energy prices;
- global financial flows which may be affected by international geo-political and economic developments;
- climatic factors like rainfall and temperature and the occurrence or non-occurrence of natural calamities;
- instability in financial markets; and
- other significant regulatory or economic developments in or affecting India.

In addition, any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy could adversely affect our business, results of operations and financial condition or the price of the Equity Shares.

**21. *If there is any change in tax laws or regulations, or their interpretation, such changes may significantly affect our financial statements for the current and future years, which may have a material adverse effect on our financial position, business and results of operations.***

We are subject to central and state tax regimes. The applicable categories of taxes and tax rates may vary significantly between jurisdictions and may also be amended from time to time. The final determination of our tax liabilities involves the interpretation of tax laws and related regulations as well as the significant use of estimates and assumptions on the scope of future operations, results achieved, the timing and nature of income earned, and expenditure incurred. Our business and financial performance may be adversely affected by unfavourable changes in, or interpretations of, existing laws, or the promulgation of new laws.

To the extent that we are entitled to certain tax benefits in India, our profitability will be affected if such benefits will no longer be available, be reduced, be withdrawn prematurely, if we are subject to any dispute with the tax authorities in relation to these benefits, or if we are unable to comply with the conditions precedent for being eligible for these benefits. See “*Statement of Tax Benefits*” on page 52 for details in relation to possible tax benefits available to our Company. In the event that our ability to benefit from these possible tax benefits is affected, our business, results of operations, financial condition and prospects may, in turn, be adversely affected.

The tax scheme in India is extensive and subject to change from time to time and any adverse changes in any of the taxes levied may adversely affect our competitive position and profitability. We cannot assure you that new regulations and policies will not be promulgated which may require us to obtain approvals or licenses from the government, or other regulatory bodies, or impose onerous requirements on our operations. Any such changes and related uncertainties with respect to the applicability or interpretation may materially and adversely affect our business, results of operations and financial condition.

**Risks relating to our Equity Shares**

**22. *Our Equity Shares have never been publicly traded and there has not been an active or liquid market for our Equity Shares. In addition, the price of our Equity Shares may be volatile.***

There has been no public market for our Equity Shares and active trading market on the Stock Exchanges may not develop or be sustained upon listing. Listing does not guarantee that a market for our Equity Shares will develop, or if developed, the liquidity in the market for our Equity Shares would sustain.

Further, the market price of our Equity Shares may be subject to significant fluctuations in response to, among other factors, risks stated in this section, market conditions specific to the financial services industry, perception in the market about investments in or estimates by financial analysts of us and our industry, developments relating to India, and volatility in the stock exchanges and securities markets elsewhere in the world.

**23. *Any future issuance of our Equity Shares may dilute your Shareholdings and sales of our Equity Shares by our Promoters may adversely affect the trading price of our Equity Shares.***

Any future issuance by us may lead to dilution of the Shareholders' holding in our company. In addition, any sales of substantial amounts of our Equity Shares in the public market after listing, including by our Promoters, or the perception that such sales could occur, could adversely affect the market price of our Equity Shares and could impair the future ability of our Company to raise capital through offerings of our Equity Shares. We cannot predict the effect, if any, that the sale of our Equity Shares held by our Promoters or the availability of these Equity Shares for future sale will have on the market price of our Equity Shares.

**24. *Investors may be subject to Indian taxes arising out of capital gains on the transfer of the Equity Shares.***

Earlier, any capital gains realized on the sale of listed equity shares on a stock exchange held for more than 12 months were not subject to capital gains tax in India if security transaction tax ("STT") had been paid on the transaction. STT is levied on and collected by a domestic stock exchange on which the equity shares are sold. However, the Finance Act, 2018 amended the Income-tax Act, 1961 to levy taxes on such long term capital gains exceeding ₹ 100,000 arising from sale of listed equity shares on a recognized stock exchange, on or after April 1, 2018. However, for listed equity shares held on or before to January 31, 2018, unrealized capital gains earned up to January 31, 2018 on such equity shares continue to be exempt. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold.

In addition, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

**25. *Foreign investors are subject to foreign investment restrictions under Indian law, which may adversely affect the market price of the Equity Shares.***

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain restrictions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then prior approval of the RBI will be required. Additionally, Shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/tax clearance certificate from the income tax authority. We cannot assure investors that any required approval from the RBI or any other Indian government agency can be obtained on any particular terms, or at all.

**26. *Being denominated in the Rupee, the value of our shares may decline based on the value of the Rupee vis-à-vis other currencies.***

Our Equity Shares are denominated, and once listed will be traded, in Rupees. Fluctuation in the exchange rate between the Rupee and foreign currencies or erosion in the value of the Rupee may have an adverse effect on the value of our Equity Shares, independent of our operating results and could result in a loss of

your investment. Further, any dividends on our Equity Shares will also be paid in Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors.

## SECTION IV- INTRODUCTION

### GENERAL INFORMATION

Our Company was incorporated as 'IIFL Wealth Management Limited' on January 17, 2008 under the Companies Act, 1956, at Mumbai, as a public limited company with a certificate of incorporation issued by the RoC. We received our certificate of commencement of business from the RoC on February 13, 2008.

#### Registered and Corporate Office of our Company:

The address and certain other details of our Registered and Corporate Office is as follows:

IIFL Centre, Kamala City  
Senapati Bapat Marg, Lower Parel  
Mumbai – 400 013, Maharashtra, India  
Tel: +91 (22) 4876 5600

#### Company Registration Number and Corporate Identity Number

The registration number and corporate identity number of our Company are as follows:

- a. Registration number: 177884
- b. Corporate identity number: U74140MH2008PLC177884

#### Registrar of Companies

Our Company is registered with the Registrar of Companies, Maharashtra at Mumbai, which is situated at the following address:

100, Everest, Marine Drive  
Mumbai - 400 002  
Maharashtra, India

#### Board of Directors

The Board of Directors of our Company as on the date of this Information Memorandum is as follows:

S. No.	Name of Director	DIN	Address
1.	<b>Nirmal Jain</b> Designation: Non-executive Director	00010535	101-A, Ashoka Guruprasad CHS Limited, TPS II, Hanuman Road, Vile Parle (East), Mumbai – 400 057, Maharashtra
2.	<b>Karan Bhagat</b> Designation: Managing Director	03247753	4501, Aqua Tower 2, Planet Godrej Complex, 30, K.K. Marg, Mahalaxmi East, Mumbai – 400 011, Maharashtra
3.	<b>Yatin Shah</b> Designation: Whole-time Director	03231090	51, Kedia Apartments, 29/F Dongarsi Road, Malabar Hill, Walkeshwar Road, Mumbai – 400 006, Maharashtra
4.	<b>Venkataraman Rajamani</b> Designation: Non-executive Director	00011919	604, Glen Heights, Hiranandani Gardens, Powai, Andheri, Mumbai – 400 076, Maharashtra
5.	<b>Nilesh Vikamsey</b> Designation: Chairman and Independent Director	00031213	Kalpataru Habitat, 184/A Wing Dr. S. S. Rao Road, Near Gandhi Hospital, Parel East, Mumbai – 400 012, Maharashtra
6.	<b>Geeta Mathur</b> Designation: Independent Director	02139552	B-1/8, Vasant Vihar-1, South West Delhi, Vasant Vihar, New Delhi – 110 057
7.	<b>Sandeep Naik</b> Designation: Nominee Director	02057989	1301, Floor 13, B Wing, Lodha Bellissimo, N.M. Joshi Marg, Apollo Mills Compound, Mahalaxmi, Jacob Circle, Mumbai – 400 011, Maharashtra
8.	<b>Shantanu Rastogi</b> Designation: Nominee Director	06732021	Flat No. 2101, 21 <sup>st</sup> floor, Beau Monde, B Wing, New Prabhadevi, Mumbai – 400 025, Maharashtra

S. No.	Name of Director	DIN	Address
9.	<b>Subbaraman Narayan</b> Designation: Independent Director	00094081	Flat No. 2B Nithyasree Apartments, No. 51, Chamiers Road, Raja Annamalaipuram, Chennai – 600028, Tamil Nadu

For further details on the Board of Directors of our Company, please refer “*Our Management*” on page 93.

#### **Company Secretary and Compliance Officer**

Ashutosh Naik is the Company Secretary and Compliance Officer our Company. His contact details are as follows:

##### **Ashutosh Naik**

8<sup>th</sup> Floor, IIFL Centre  
Kamala City, Senapati Bapat Marg  
Lower Parel, Mumbai – 400 013  
Maharashtra, India  
Tel: +91(22)4876 5600  
E-mail: [ashutosh.naik@iiflw.com](mailto:ashutosh.naik@iiflw.com)

#### **Legal Advisors to the Listing**

##### **Khaitan & Co**

Ashoka Estate, 12<sup>th</sup> Floor  
24, Barakhamba Road  
New Delhi - 110 001  
India

##### **Khaitan & Co**

One Indiabulls Centre  
13<sup>th</sup> Floor, Tower 1  
841 Senapati Bapat Marg  
Mumbai - 400 013  
India

#### **Bankers to our Company**

##### **ICICI Bank Limited**

1<sup>st</sup> floor, 122  
Mistry Bhavan, Dinshaw Vachha Road Churchgate  
Mumbai – 400 020  
Maharashtra  
Tel: +91 (22) 6681 8922  
Email: [alankar.tripathi@icicibank.com](mailto:alankar.tripathi@icicibank.com)

##### **HDFC Bank Limited**

2<sup>nd</sup> floor, Zenith House  
K.K Road, Arya Nagar  
Dr Babasaheb Ambedkar Colony, Mahalakshmi  
Mumbai – 400 034, Maharashtra  
Tel: +91 (22) 3976 0027  
Email: [Manish.Das@hdfcbank.com](mailto:Manish.Das@hdfcbank.com)

#### **Registrar and Transfer Agent to our Company**

##### **Link Intime India Private Limited**

C-101, 247 Park,  
L.B.S. Marg, Vikhroli (West)  
Mumbai – 400 083, Maharashtra  
Tel: +91 (22) 4918 6270  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)  
Contact Person: Jayprakash VP  
SEBI Registration No: INR000004058

#### **Auditors to our Company**

##### **Deloitte Haskins & Sells LLP**

Chartered Accountants  
Indiabulls Finance Center Tower 3, 31<sup>st</sup> Floor  
Senapati Bapat Marg, Elphinstone  
Mumbai – 400 013, Maharashtra  
Tel: +91 (22) 6185 4000  
Email: [pgorakshakar@deloitte.com](mailto:pgorakshakar@deloitte.com)

Firm registration number: 117366W/W-100018  
Peer review number: 009919

### **Changes in auditors**

There has been no change in the auditors of our Company in the last three years.

### **Filing**

A copy of this Information Memorandum has been filed with the BSE and the NSE.

### **Authority for listing**

The NCLT sanctioned the Scheme through its order dated March 7, 2019. In accordance with the Scheme, the Equity Shares of our Company issued pursuant to the Scheme shall be listed and admitted for trading on the Stock Exchanges. Such admission and listing are not automatic and will be subject to fulfilment of the respective listing criteria of the BSE and the NSE by our Company and also subject to such other terms and conditions as may be prescribed by the Stock Exchanges at the time of the application made by our Company to the Stock Exchanges for seeking approval for listing

### **Eligibility criteria**

There being no initial public offering or rights issue, the eligibility criteria prescribed under the SEBI ICDR Regulations are not applicable. However, SEBI *vide* its letter no. CFD/DILII/YJ/AR/23650/2019 dated September 11, 2019, granted relaxation under Rule 19(2)(b) of the SCRR to our Company pursuant to an application made by our Company to SEBI under Rule 19(7) of the SCRR, as per the SEBI Circular. Our Company has submitted this Information Memorandum, containing information about our Company, making disclosures in line with the disclosure requirement for public issues, as applicable, to the BSE and the NSE. It shall be made available to the public through the respective websites of the Stock Exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com). Our Company has also made this Information Memorandum available on its website at [www.iiflwealth.com](http://www.iiflwealth.com). Our Company has also published an advertisement in the newspapers containing the details in terms of Annexure A Part III (A) para 2 sub-clause 5 of the SEBI Circular on September 16, 2019.

### **General disclaimer from our Company**

Our Company accepts no responsibility for statements made otherwise than in this Information Memorandum or in the advertisements to be published in terms of Annexure A Part III (A) para 2 sub-clause 5 of the SEBI Circular or any other material issued by, or at the instance of, our Company. Anyone placing reliance on any other source of information would be doing so at his or her own risk. All information shall be made available by our Company to the public at large and no selective or additional information would be available for a section of investors in any manner.

## CAPITAL STRUCTURE

### Equity Share capital

#### A. Equity Share Capital of our Company prior to the Scheme of Arrangement

Particulars	Aggregate nominal value (₹)
Authorized share capital 100,000,000 Equity Shares of ₹ 2 each	200,000,000
Issued, subscribed and paid-up share capital 84,521,324 Equity Shares of ₹ 2 each	169,042,648

#### B. Equity Share Capital of our Company post Scheme of Arrangement

Particulars	Aggregate nominal value (₹)
Authorized Capital 100,000,000 Equity Shares of ₹ 2 each	200,000,000
Issued, subscribed and paid-up share capital 85,126,248 Equity Shares of ₹ 2 each	170,252,496

*Note: The post Scheme capital structure is as on date of this Information Memorandum.*

### Notes to the capital structure

#### 1. Equity Share capital history of our Company

The history of the Equity Share capital of our Company is provided in the following table:

Date of Allotment	No. of Shares allotted	Face Value (₹)	Issue Price (₹)	Cumulative No. of Shares	Nature of Allotment	Form of consideration
January 28, 2008	50,000	10.00	10.00	50,000	Subscription to the Memorandum of Association <sup>(1)</sup>	Cash
June 23, 2008	950,000	10.00	10.00	1,000,000	Further allotment <sup>(2)</sup>	Cash
<b>Pursuant to a Shareholders' resolution dated September 21, 2010, each equity share of our Company of face value of ₹ 10 each was sub-divided into an equity share of our Company of ₹ 2 each, and accordingly, 1,000,000 equity shares of our Company of ₹ 10 each were sub-divided into 5,000,000 equity shares of ₹ 2 each.</b>						
November 3, 2010	45,000,000	2.00	Nil	50,000,000	Bonus issue <sup>(3)</sup>	Other than cash
March 31, 2011	4,587,500	2.00	8.00	54,587,500	Allotment pursuant to ESPS – 2011 <sup>(4)</sup>	Cash
October 8, 2013	1,841,447	2.00	16.00	56,428,947	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2012 <sup>(5)</sup>	Cash
October 28, 2013	483,026	2.00	16.00	56,911,973	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2012 <sup>(6)</sup>	Cash
March 25, 2014	500,000	2.00	16.00	57,411,973	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2012 <sup>(7)</sup>	Cash
March 28,	10,527	2.00	16.00	57,422,500	Allotment	Cash



Date of Allotment	No. of Shares allotted	Face Value (₹)	Issue Price (₹)	Cumulative No. of Shares	Nature of Allotment	Form of consideration
2014					pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2012 <sup>(8)</sup>	
March 31, 2015	387,500	2.00	10.00	57,810,000	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2012 <sup>(9)</sup>	Cash
	201,120	2.00	16.00	58,011,120	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2012 <sup>(10)</sup>	Cash
	607,500	2.00	19.00	58,618,620	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2012 <sup>(11)</sup>	Cash
February 25, 2016	1,704,449	2.00	586.70	60,323,069	Preferential allotment <sup>(12)</sup>	Cash
March 30, 2016	13,635,589	2.00	589.46	73,958,658	Preferential allotment <sup>(13)</sup>	Cash
March 30, 2017	3,555,921	2.00	282.00	77,514,579	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2015 <sup>(14)</sup>	Cash
	388,525	2.00	16.00	77,903,104	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2012 <sup>(15)</sup>	Cash
	60,660	2.00	19.00	77,963,764	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2012 <sup>(16)</sup>	Cash
April 29, 2017	32,200	2.00	16.00	77,995,964	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2012 <sup>(17)</sup>	Cash
	150,866	2.00	282.00	78,146,830	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee	Cash

Date of Allotment	No. of Shares allotted	Face Value (₹)	Issue Price (₹)	Cumulative No. of Shares	Nature of Allotment	Form of consideration
					Stock Option Scheme – 2015 <sup>(18)</sup>	
	3,990	2.00	19.00	78,150,820	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2012 <sup>(19)</sup>	Cash
June 30, 2017	12,215	2.00	16.00	78,163,035	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2012 <sup>(20)</sup>	Cash
	23,270	2.00	19.00	78,186,305	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2012 <sup>(21)</sup>	Cash
	26,342	2.00	282.00	78,212,647	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2015 <sup>(22)</sup>	Cash
August 2, 2017	2,870	2.00	16.00	78,215,517	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2012 <sup>(23)</sup>	Cash
	9,730	2.00	19.00	78,225,247	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2012 <sup>(24)</sup>	Cash
	135,076	2.00	282.00	78,360,323	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2015 <sup>(25)</sup>	Cash
September 23, 2017	17,025	2.00	16.00	78,377,348	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2012 <sup>(26)</sup>	Cash
	9,400	2.00	19.00	78,386,748	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option	Cash

Date of Allotment	No. of Shares allotted	Face Value (₹)	Issue Price (₹)	Cumulative No. of Shares	Nature of Allotment	Form of consideration
					Scheme – 2012 <sup>(27)</sup>	
	284,381	2.00	282.00	78,671,129	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2015 <sup>(28)</sup>	Cash
December 30, 2017	1,540	2.00	16.00	78,672,669	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2012 <sup>(29)</sup>	Cash
	4,540	2.00	19.00	78,677,209	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2012 <sup>(30)</sup>	Cash
	116,236	2.00	282.00	78,793,445	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2015 <sup>(31)</sup>	Cash
	29,703	2.00	339.00	78,823,148	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2015 <sup>(32)</sup>	Cash
January 30, 2018	640	2.00	19.00	78,823,788	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2012 <sup>(33)</sup>	Cash
	912,346	2.00	282.00	79,736,134	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2015 <sup>(34)</sup>	Cash
	17,329	2.00	339.00	79,753,463	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2015 <sup>(35)</sup>	Cash
June 13, 2018	630	2.00	16.00	79,754,093	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2012 <sup>(36)</sup>	Cash

Date of Allotment	No. of Shares allotted	Face Value (₹)	Issue Price (₹)	Cumulative No. of Shares	Nature of Allotment	Form of consideration
	140	2.00	19.00	79,754,233	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2012 <sup>(37)</sup>	Cash
	46,584	2.00	339.00	79,800,817	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2015 <sup>(38)</sup>	Cash
	39,560	2.00	282.00	79,840,377	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2015 <sup>(39)</sup>	Cash
June 18, 2018	1,500	2.00	16.00	79,841,877	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2012 <sup>(40)</sup>	Cash
	700	2.00	282.00	79,842,577	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2015 <sup>(41)</sup>	Cash
	65,000	2.00	339.00	79,907,577	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2015 <sup>(42)</sup>	Cash
June 22, 2018	3,923,000	2.00	1,661.00	83,830,577	Preferential allotment <sup>(43)</sup>	Cash
July 30, 2018	2,120	2.00	19.00	83,832,697	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2012 <sup>(44)</sup>	Cash
	50,204	2.00	282.00	83,882,901	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2015 <sup>(45)</sup>	Cash
	7,525	2.00	417.00	83,890,426	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option	Cash

Date of Allotment	No. of Shares allotted	Face Value (₹)	Issue Price (₹)	Cumulative No. of Shares	Nature of Allotment	Form of consideration
					Scheme – 2015 <sup>(46)</sup>	
August 10, 2018	566,500	2.00	1,661.00	84,456,926	Preferential allotment <sup>(47)</sup>	Cash
September 27, 2018	16,591	2.00	282.00	84,473,517	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2015 <sup>(48)</sup>	Cash
	23,890	2.00	417.00	84,497,407	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2015 <sup>(49)</sup>	Cash
December 13, 2018	10,120	2.00	339.00	84,507,527	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2015 <sup>(50)</sup>	Cash
December 28, 2018	3,422	2.00	282.00	84,510,949	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2015 <sup>(51)</sup>	Cash
	10,164	2.00	339.00	84,521,113	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2015 <sup>(52)</sup>	Cash
	211	2.00	417.00	84,521,324	Allotment pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2015 <sup>(53)</sup>	Cash
June 6, 2019	(45,000,000) (Cancelled)	2.00	Not Applicable	39,521,324	Pursuant to Scheme of Arrangement <sup>(54)</sup>	Cash
June 6, 2019	45,604,924	2.00	Not Applicable	85,126,248	Pursuant to Scheme of Arrangement <sup>(55)</sup>	Cash

<sup>(1)</sup> Allotment of 49,994 Equity Shares to India Infoline Limited, 1 Equity Share to Mukesh Singh, 1 Equity Share to Kapil Krishan, 1 Equity Share to Harshad Apte, 1 Equity Share to Mohan Radhakrishnan, 1 Equity Share to Nimish Mehta, and 1 Equity share to Kalpesh Shah.

<sup>(2)</sup> Allotment of 850,000 Equity Shares to India Infoline Limited, 50,000 Equity Shares to Karan Bhagat, and 50,000 Equity Shares to Yatin Shah.

<sup>(3)</sup> Allotment of 40,500,000 Equity Shares to IIFL Finance Limited, 2,250,000 Equity Shares to Karan Bhagat, and 2,250,000 Equity Shares to Yatin Shah.

<sup>(4)</sup> Allotment of 2,000,000 Equity Shares to Amit Shah, 250,000 Equity Shares to Jiten Surtani, 125,000 Equity Shares to Sandeep Jethwani, 125,000 Equity Shares to Kuber Bhalla, 125,000 Equity Shares to Pravin Somani, 125,000 Equity Shares to Vaibhav Porwal, 125,000 Equity Shares to Pankaj Fitkariwala, 125,000 Equity Shares to Himadri Chatterjee, 125,000 Equity Shares to Anirban Banerjee, 125,000 Equity Shares to Dhaval Kothari, 125,000 Equity Shares to Umang Papneja, 125,000 Equity Shares to Sharmistha Chakraborty, 125,000 Equity Shares to Girish Venkataraman, 75,000 Equity Shares to Anu Jain, 75,000 Equity Shares to Prashasta Seth, 62,500 Equity Shares to Gaurav Arora, 60,000 Equity Shares to Vijay Bhatia, 60,000 Equity Shares to Ketan Malkan, 60,000 Equity Shares to Ashish Ahuja, 60,000 Equity Shares to Pavan Manghnani, 60,000 Equity Shares to Nikunj Kedia, 60,000 Equity Shares to Sahil Contractor, 60,000 Equity Shares to Vivek Banka, 40,000 Equity Shares to Saurabh Rungta, 40,000 Equity Shares to Pawan Mundra, 25,000 Equity Shares

- to Aditya Prabhu, 25,000 Equity Shares to Mustafa Rangwala, 25,000 Equity Shares to Akhil Jain, 25,000 Equity Shares to Janvi Nagrecha, 25,000 Equity Shares to Shoeb Master, 25,000 Equity Shares to Saurabh Paleja, 25,000 Equity Shares to Ronak Seth, 25,000 Equity Shares to Mona Sumanth, 25,000 Equity Shares to Abdeali Tambawala, and 25,000 Equity Shares to Swati Singh.
- (5) Allotment of 460,526 Equity Shares to Karan Bhagat, 368,421 Equity Shares to Amit Shah, 312,500 Equity Shares to Aniruddha Taparia, 500,000 Equity Shares to Kaushik Deva, and 200,000 Equity Shares to Jiten Surtani.
- (6) Allotment of 187,500 Equity Shares to Anirudha Taparia, and 295,526 Equity Shares to Yatin Shah.
- (7) Allotment of 500,000 Equity Shares to Vinay Ahuja.
- (8) Allotment of 10,527 Equity Shares to Umang Papneja.
- (9) Allotment of 500 Equity Shares to Abdeali Tambawala, 3,000 Equity Shares to Abhishek Shah, 7,900 Equity Shares to Adarsh Safir, 500 Equity Shares to Ajay Pathak, 1,100 Equity Shares to Akhil Jain, 9,700 Equity Shares to Anirban Banerjee, 200 Equity Shares to Aniruddha Sarkar, 15,900 Equity Shares to Anu Jain, 25,000 Equity Shares to Arvind Sarda, 200 Equity Shares to Arzan Tamboly, 12,500 Equity Shares to Ashish Ahuja, 400 Equity Shares to Bramhanand Pujari, 6,400 Equity Shares to Chirag Gandhi, 5,000 Equity Shares to Chitresh Karnawat, 8,300 Equity Shares to Dipesh Mamania, 3,800 Equity Shares to Girish Venkataraman, 10,200 Equity Shares to Himadri Chatterjee, 10,800 Equity Shares to Japhia Walker, 46,500 Equity Shares to Jiten Surtani, 38,900 Equity Shares to Kuber Bhalla, 100 Equity Shares to Manish Asrani, 600 Equity Shares to Mona Sumanth, 1,100 Equity Shares to Mustafa Rangwala, 13,600 Equity Shares to Pankaj Fitkariwala, 600 Equity Shares to Pavan Manghnani, 12,000 Equity Shares to Prashasta Seth, 28,700 Equity Shares to Pravin Somani, 8,200 Equity Shares to Priya Biswas, 7,700 Equity Shares to Rakesh Chandnani, 6,900 Equity Shares to Ritika Kumar, 300 Equity Shares to Ronak Sheth, 300 Equity Shares to Sahil Contractor, 40,200 Equity Shares to Sandeep Jethwani, 8,500 Equity Shares to Sarju Vakil, 1,100 Equity Shares to Sharmistha Chakraborty, 500 Equity Shares to Swati Singh, 7,000 Equity Shares to Umang Papneja, 26,500 Equity Shares to Vaibhav Porwal, and 16,800 Equity Shares to Vijay Bhatia.
- (10) Allotment of 390 Equity Shares to Abdeali Tambawala, 660 Equity Shares to Abhishek Puglia, 2,040 Equity Shares to Abhishek Shah, 1,500 Equity Shares to Adarsh Safir, 1,650 Equity Shares to Akhil Jain, 6,000 Equity Shares to Amarinder Brar, 4,365 Equity Shares to Anirban Banerjee, 1,170 Equity Shares to Anu Jain, 1,230 Equity Shares to Anuj Mehta, 2,370 Equity Shares to Arun Chopra, 2,250 Equity Shares to Arvind Sarda, 660 Equity Shares to Arzan Tamboly, 3,750 Equity Shares to Ashish Ahuja, 6,000 Equity Shares to Bhavesh Thakkar, 270 Equity Shares to Bramhanand Pujari, 3,990 Equity Shares to Chirag Gandhi, 1,620 Equity Shares to Chitresh Karnawat, 2,190 Equity Shares to Dipesh Mamania, 660 Equity Shares to Ganesh Radhakrishnan, 660 Equity Shares to Girish Venkataraman, 1,035 Equity Shares to Harsh Hemani, 15,000 Equity Shares to Hemant Lakhota, 4,575 Equity Shares to Himadri Chatterjee, 795 Equity Shares to Japhia Walker, 45 Equity Shares to Jhuma Banerjee, 3,150 Equity Shares to Jiten Surtani, 1,935 Equity Shares to Kamal Dugar, 3,000 Equity Shares to Karan Mistry, 6,000 Equity Shares to Karanjeet Singh, 3,975 Equity Shares to Kuber Bhalla, 1,080 Equity Shares to Kushal Mehta, 555 Equity Shares to Manish Asrani, 6,000 Equity Shares to Manu Awasthy, 7,500 Equity Shares to Meer Thakker, 2,325 Equity Shares to Mustafa Rangwala, 7,500 Equity Shares to Neeru Sharma, 4,155 Equity Shares to Nikunj Kedia, 870 Equity Shares to Nitin Petkar, 990 Equity Shares to Pankaj Fitkariwala, 3,435 Equity Shares to Pavan Manghnani, 7,500 Equity Shares to Prabhjyot Cheema, 555 Equity Shares to Prashasta Seth, 7,620 Equity Shares to Pravin Somani, 1,560 Equity Shares to Priya Biswas, 7,500 Equity Shares to Puja Kochar, 6,000 Equity Shares to Rishab Patni, 495 Equity Shares to Ritika Kumar, 3,225 Equity Shares to Ronak Seth, 6,000 Equity Shares to Runia Sen, 1,890 Equity Shares to Sahil Contractor, 7,980 Equity Shares to Sandeep Jethwani, 1,080 Equity Shares to Sarit Shah, 1,950 Equity Shares to Sarju Vakil, 6,000 Equity Shares to Shantanu Chaturvedi, 930 Equity Shares to Sharmistha Chakraborty, 7,500 Equity Shares to Sidhartha Shaw, 360 Equity Shares to Swati Singh, 1,650 Equity Shares to Umang Papneja, 2,145 Equity Shares to Vaibhav Porwal, 765 Equity Shares to Venkatesh Kommneni, 6,000 Equity Shares to Vijeeta Sharma, 510 Equity Shares to Viki Khakhar, and 4,560 Equity Shares to Vivek Banka.
- (11) Allotment of 5,000 Equity Shares to Abdeali Tamboly, 20,000 Equity Shares to Anirban Banerjee, 70,000 Equity Shares to Anirudha Taparia, 10,000 Equity Shares to Anu Jain, 7,500 Equity Shares to Ashish Ahuja, 7,500 Equity Shares to Hemant Lakhota, 20,000 Equity Shares to Himadri Chatterjee, 20,000 Equity Shares to Kuber Bhalla, 25,000 Equity Shares to Nikunj Kedia, 20,000 Equity Shares to Pankaj Fitkariwala, 10,000 Equity Shares to Pavan Manghnani, 7,500 Equity Shares to Pawan Mundhra, 70,000 Equity Shares to Prashasta Seth, 20,000 Equity Shares to Pravin Somani, 10,000 Equity Shares to Ronak Seth, 10,000 Equity Shares to Sahil Contractor, 20,000 Equity Shares to Sandeep Jethwani, 220,000 Equity Shares to Umang Papneja, 20,000 Equity Shares to Vaibhav Porwal, 10,000 Equity Shares to Vivek Banka, and 5,000 Equity Shares to Yogesh Ranganath.
- (12) Allotment of 1,704,449 Equity Shares to General Atlantic Singapore Fund Pte Limited.
- (13) Allotment of 13,635,589 Equity Shares to General Atlantic Singapore Fund Pte Limited by conversion of warrants.
- (14) Allotment of 570 Equity Shares to Abdeali Tambawala, 2,377 Equity Shares to Abhishek Shah, 142 Equity Shares to Abhishek Singh, 267 Equity Shares to Abhishek Puri, 1,041 Equity Shares to Adarsh Safir, 1,150 Equity Shares to Aditi Jetly, 1,633 Equity Shares to Aditya Shankar, 178 Equity Shares to Akhil Jain, 1,630 Equity Shares to Aman Chadha, 2,000 Equity Shares to Amit Chadha, 100 Equity Shares to Amitkumar Jain, 1,692 Equity Shares to Anirudha Sarkar, 60 Equity Shares to Ashish Goenka, 462 Equity Shares to Ankeet Shah, 2,030 Equity Shares to Ankit Jain, 322 Equity Shares to Anshuman Mund, 3,660 Equity Shares to Anu Jain, 198 Equity Shares to Arvind Sarda, 10,405 Equity Shares to Ashish Ahuja, 100 Equity Shares to Ashok Vaishya, 3,277 Equity Shares to Ashutosh Naik, 4,542 Equity Shares to Bhavin Shah, 10 Equity Shares to Bhojraj Bathija, 49 Equity Shares to Chandan Bhatnagar, 1,168 Equity Shares to Chetan Mhatre, 6,078 Equity Shares to Chirag Gandhi, 1,000 Equity Shares to Chirag Paul, 2,292 Equity Shares to Chitresh Karnawat, 254 Equity Shares to Deepak Dua, 248 Equity Shares to Deepak Nikharge, 100 Equity Shares to Dinesh Sonawane, 4,788 Equity Shares to Dipesh Mamania, 2,264 Equity Shares to Ganesh Radhakrishnan, 65 Equity Shares to Ganesh Kambli, 506 Equity Shares to Geeta Arora, 600 Equity Shares to Girish Venkataraman, 27 Equity Shares to Gurpartap Singh, 620 Equity Shares to Hardik Mehta, 1,171 Equity Shares to Harsh Hemani, 467 Equity Shares to Harshad Tambe, 737 Equity Shares to Harveer Sindhu, 5,127 Equity Shares to Hemant Lakhota, 292 Equity Shares to Ishkaran Chhabra, 1,200 Equity Shares to Jiten Surtani, 1,581 Equity Shares to Kamal Dugar, 2,400,000 Equity Shares to Karan Bhagat, 1,500 Equity Shares to Karan Mistry, 400 Equity Shares to Karanjeet Singh, 920 Equity Shares to Karl Wadia, 466 Equity Shares to Kashiprasad Pandey, 554 Equity Shares to Keshav Kabra, 896 Equity Shares to Krishna Patel, 84 Equity Shares to Krishna Loya, 10,699 Equity Shares to Kuber Bhalla, 3,286 Equity Shares to Kushal Mehta, 34 Equity Shares to Lalit Dhonde, 100 Equity Shares to Manik Mandlik, 1,704 Equity Shares to Manish Asrani, 4240 Equity Shares to Manu Awasthy, 186 Equity Shares to Mayank Shah, 6,000 Equity Shares to Mayank Padia, 2,042 Equity Shares to Meer Thakker, 1,000 Equity Shares to Meghna Suri, 250 Equity Shares to Mihir Parekh, 248 Equity Shares to Milind Mahadik, 6,542 Equity Shares to Mithun Badal, 1,063 Equity Shares to Mona Sumanth, 1,916 Equity Shares to Mustafa Rangwala, 100 Equity Shares to Neeraj Khemka, 1,560 Equity Shares to Neeru Sharma, 166 Equity Shares to Neha Sarda, 218 Equity Shares to Nitin Petkar, 80 Equity Shares to P Kumar Esakki, 12,020 Equity Shares to Pankaj Fitkariwala, 250 Equity Shares to Parag Shah, 10,600 Equity Shares to Pavan Manghnani, 3,120 Equity Shares to Pawan Mundhra, 100 Equity Shares to Pragnesh Chitalia, 21,020 Equity Shares to Prashasta Seth, 11,329 Equity Shares to Pravin Somani, 3,416 Equity Shares to Priya Biswas, 50 Equity Shares to Priyanka Ingale, 400 Equity Shares to Puja Kochar, 30 Equity Shares to R Muralidharan, 254 Equity Shares to Rachita Narang, 2,500 Equity Shares to Rahul Bijlani, 100 Equity Shares to Rahul Save, 620

- Equity Shares to Rahul Salvi, 2,000 Equity Shares to Rakesh Asrani, 3,216 Equity Shares to Rakesh Chandnani, 590 Equity Shares to Ramesh Negi, 1,117 Equity Shares to Rayes Eftbie, 506 Equity Shares to Razi Khan, 1,150 Equity Shares to Reena Pujari, 1,121 Equity Shares to Reena Kumar, 1,545 Equity Shares to Rishab Patni, 236 Equity Shares to Ruchi Bhardwaj, 100 Equity Shares to Sachin Prabhu, 5,667 Equity Shares to Sahil Contractor, 14,200 Equity Shares to Sandeep Jethwani, 100 Equity Shares to Sandeep Sawant, 1,747 Equity Shares to Sarit Shah, 5,000 Equity Shares to Sarju Vakil, 548 Equity Shares to Satya Narain, 1,110 Equity Shares to Shagun Khosla, 5,545 Equity Shares to Shailendra Sharma, 3,792 Equity Shares to Sharmistha Chakraborty, 248 Equity Shares to Shelina Kajareka, 243 Equity Shares to Sonali Garg, 41 Equity Shares to Subhash Develekar, 248 Equity Shares to Sumesh Chandran, 3,197 Equity Shares to Sumit Vohra, 200 Equity Shares to Sunil Kulkarni, 1,150 Equity Shares to Susan Noronha, 48 Equity Shares to Swati Chibber, 604 Equity Shares to Tushar Agrawal, 200 Equity Shares to Tushar Chavan, 1,320 Equity Shares to Umang Papneja, 11,070 Equity Shares to Vaibhav Porwal, 861 Equity Shares to Vedanta Kanoria, 5,000 Equity Shares to Venkatesh Kommineni, 120 Equity Shares to Vijay Bhatia, 608 Equity Shares to Vinodhraj Jeyachandran, 230 Equity Shares to Wilson Lobo, 900,000 Equity Shares to Yatin Shah, and 100 Equity Shares to Yogita Patil.
- (15) Allotment of 910 Equity Shares to Abdeali Tambawala, 1,540 Equity Shares to Abhishek Puglia, 4,760 Equity Shares to Abhishek Shah, 3,500 Equity Shares to Adarsh Safir, 3,850 Equity Shares to Akhil Jain, 14,000 Equity Shares to Amarinder Brar, 10,185 Equity Shares to Anirban Banerjee, 2,730 Equity Shares to Anu Jain, 5,530 Equity Shares to Arun Chopra, 5,250 Equity Shares to Arvind Sarda, 8,750 Equity Shares to Ashish Ahuja, 9,310 Equity Shares to Chirag Gandhi, 3,780 Equity Shares to Chitresh Karnawat, 5,110 Equity Shares to Dipesh Mamania, 1,540 Equity Shares to Ganesh Radhakrishnan, 1,540 Equity Shares to Girish Venkataraman, 2,415 Equity Shares to Harsh Hemani, 35,000 Equity Shares to Hemant Lakhotiya, 7,350 Equity Shares to Jiten Surtani, 4,515 Equity Shares to Kamal Dugar, 7,000 Equity Shares to Karan Mistry, 14,000 Equity Shares to Karanjeet Singh, 9,275 Equity Shares to Kuber Bhalla, 2,520 Equity Shares to Kushal Mehta, 1,295 Equity Shares to Manish Asrani, 14,000 Equity Shares to Manu Awasthy, 17,500 Equity Shares to Meer Thakker, 5,425 Equity Shares to Mustafa Rangwala, 17,500 Equity Shares to Neeru Sharma, 2,030 Equity Shares to Nitin Petkar, 2,310 Equity Shares to Pankaj Fitkariwala, 8,015 Equity Shares to Pavan Manghnani, 16,000 Equity Shares to Prabhjot Cheema, 1,295 Equity Shares to Prashasta Seth, 17,780 Equity Shares to Pravin Somani, 3,640 Equity Shares to Priya Biswas, 17,500 Equity Shares to Pooja Kochar, 14,000 Equity Shares to Rishab Patni, 1,155 Equity Shares to Ritika Kumar, 4,410 Equity Shares to Sahil Contractor, 18,620 Equity Shares to Sandeep Jethwani, 4,550 Equity Shares to Sarju Vakil, 14,000 Equity Shares to Shantanu Chaturvedi, 1,000 Equity Shares to Sharmistha Chakraborty, 17,500 Equity Shares to Sidharth Shaw, 3,850 Equity Shares to Umang Papneja, 5,005 Equity Shares to Vaibhav Porwal, 1,785 Equity Shares to Venkatesh Kommineni, and 14,000 Equity Shares to Vijeeta Sharma.
- (16) Allotment of 1,050 Equity Shares to Abdeali Tambawala, 810 Equity Shares to Abhishek Puglia, 1,020 Equity Shares to Abhishek Shah, 1,530 Equity Shares to Anirban Banerjee, 120 Equity Shares to Aniruddha Sarkar, 90 Equity Shares to Ankeet Shah, 690 Equity Shares to Anu Jain, 2,850 Equity Shares to Arun Chopra, 690 Equity Shares to Arvind Sarda, 90 Equity Shares to Ashish Ahuja, 60 Equity Shares to Ashutosh Naik, 1,890 Equity Shares to Chirag Gandhi, 1,650 Equity Shares to Chitresh Karnawat, 330 Equity Shares to Dipesh Mamania, 810 Equity Shares to Ganesh Radhakrishnan, 810 Equity Shares to Girish Venkataraman, 30 Equity Shares to Harsh Hemani, 8,160 Equity Shares to Jiten Surtani, 210 Equity Shares to Kamal Dugar, 1,140 Equity Shares to Kushal Mehta, 60 Equity Shares to Manish Asrani, 1,440 Equity Shares to Mustafa Rangwala, 150 Equity Shares to Neeru Sharma, 270 Equity Shares to Nitin Petkar, 2,700 Equity Shares to Pankaj Fitkariwala, 1,050 Equity Shares to Pavan Manghnani, 1,080 Equity Shares to Pawan Mundhra, 3,420 Equity Shares to Prashasta Seth, 7500 Equity Shares to Pravin Somani, 210 Equity Shares to Priya Biswas, 810 Equity Shares to Rakesh Asrani, 150 Equity Shares to Rakesh Chandnani, 270 Equity Shares to Ramesh Negi, 60 Equity Shares to Reena Pujari, 150 Equity Shares to Ritika Kumar, 5340 Equity Shares to Sandeep Jethwani, 90 Equity Shares to Sumit Vohra, 4,590 Equity Shares to Umang Papneja, 4,260 Equity Shares to Vaibhav Porwal, 2,310 Equity Shares to Venkatesh Kommineni, and 720 Equity Shares to Vijeeta Sharma.
- (17) Allotment of 10,675 Equity Shares to Himadri Chatterjee, 7,525 Equity Shares to Ronak Seth, and 14,000 Equity Shares to Rumia Sen.
- (18) Allotment of 132 Equity Shares to Amit Shete, 11,848 Equity Shares to Anirban Banerjee, 36,000 Equity Shares to Anirudha Taparia, 10,000 Equity Shares to Himadri Chatterjee, 79,465 Equity Shares to Himanshu Bhagat, 3,480 Equity Shares to Ronak Sheth, and 9,941 Equity Shares to Vijeeta Sharma.
- (19) Allotment of 3,180 Equity Shares to Himadri Chatterjee and 810 Equity Shares to Ronak Sheth.
- (20) Allotment of 9,695 Equity Shares to Nikunj Kedia, and 2,520 Equity Shares to Sarit Shah.
- (21) Allotment of 540 Equity Shares to Abhishek Puglia, 680 Equity Shares to Abhishek Shah, 60 Equity Shares to Ankeet Shah, 1,900 Equity Shares to Arun Chopra, 460 Equity Shares to Arvind Sarda, 40 Equity Shares to Ashutosh Naik, 1,100 Equity Shares to Chitresh Karnawat, 540 Equity Shares to Ganesh Radhakrishnan, 20 Equity Shares to Harsh Hemani, 5,440 Equity Shares to Jiten Surtani, 760 Equity Shares to Kushal Mehta, 40 Equity Shares to Manish Asrani, 960 Equity Shares to Mustafa Rangwala, 100 Equity Shares to Neeru Sharma, 750 Equity Shares to Nikunj Kedia, 550 Equity Shares to Nishit Doshi, 700 Equity Shares to Pavan Manghnani, 5,000 Equity Shares to Pravin Somani, 180 Equity Shares to Ramesh Negi, 500 Equity Shares to Sarit Shah, 60 Equity Shares to Sumit Vohra, 1,350 Equity Shares to Sushanth Bolusani, and 1,540 Equity Shares to Venkatesh Kommineni.
- (22) Allotment of 7,000 Equity Shares to Arun Chopra, 15,660 Equity Shares to Nikunj Kedia, 448 Equity Shares to Nishant Ahuja, and 3,234 Equity Shares to Nishit Doshi.
- (23) Allotment of 2,870 Equity Shares to Anuj Mehta.
- (24) Allotment of 1,020 Equity Shares to Anirban Banerjee, 460 Equity Shares to Anu Jain, 400 Equity Shares to Anuj Mehta, 180 Equity Shares to Nitin Petkar, 550 Equity Shares to Parinaz, 720 Equity Shares to Pawan Mundhra, 3,560 Equity Shares to Sandeep Jethwani, and 2,840 Equity Shares to Vaibhav Porwal.
- (25) Allotment of 2,377 Equity Shares to Abhishek Shah, 142 Equity Shares to Abhishek Singh, 267 Equity Shares to Abhishek Puri, 1,150 Equity Shares to Aditi Jetly, 1,633 Equity Shares to Aditya Shankar, 178 Equity Shares to Akhil Jain, 1,630 Equity Shares to Aman Chadha, 2,000 Equity Shares to Amit Chadha, 84 Equity Shares to Anahita Daruwalla, 60 Equity Shares to Anish Goenka, 462 Equity Shares to Ankeet Shah, 2,030 Equity Shares to Ankit Jain, 322 Equity Shares to Anshuman Mund, 7,000 Equity Shares to Arun Chopra, 4,542 Equity Shares to Bhavin Shah, 1,000 Equity Shares to Chirag Paul, 2,292 Equity Shares to Chitresh Karnawat, 944 Equity Shares to Deepak Gohil, 254 Equity Shares to Deepak Dua, 100 Equity Shares to Dinesh Sonawane, 2,264 Equity Shares to Ganesh Radhakrishnan, 1,771 Equity Shares to Harsh Hemani, 5,127 Equity Shares to Hemant Lakhotiya, 292 Equity Shares to Ishkaran Chhabra, 200 Jaee Kaushik, 1,200 Equity Shares to Jiten Surtani, 1,500 Equity Shares to Karan Mistry, 400 Equity Shares to Karanjeet Singh, 108 Equity Shares to Kaveri Anantharaman, 554 Equity Shares to Keshav Kabra, 84 Equity Shares to Krishna Loya, 10,699 Equity Shares to Kuber Bhalla, 100 Equity Shares to Manik Mandlik, 2,000 Equity Shares to Manu Awasthy, 2,042 Equity Shares to Meer Thakker, 250 Equity Shares to Mihir Parekh, 248 Equity Shares to Milind Mahadik, 6,542 Equity Shares to Mithun Badal, 1,063 Equity Shares to Mona Sumanth, 100 Equity Shares to Neeraj Khemka, 1,560 Equity Shares to Neeru Sharma, 166 Equity Shares to Neha Sarda, 218 Equity Shares to Nitin Petkar, 250 Equity Shares to Parag Shah, 3,120 Equity Shares to Pawan Mundhra, 11,329

- Equity Shares to Pravin Somani, 254 Equity Shares to Rachita Narang, 75 Equity Shares to Rahul Save, 620 Equity Shares to Rahul Salvi, 590 Equity Shares to Ramesh Negi, 506 Equity Shares to Razi Khan, 1,545 Equity Shares to Rishabh Patni, 5,667 Equity Shares to Sahil Contractor, 14,200 Equity Shares to Sandeep Jethwani, 290 Equity Shares to Sandra Noronha, 900 Equity Shares to Sarit Shah, 548 Equity Shares to Satya Narain, 482 Equity Shares to Savio Rodrigues, 243 Equity Shares to Sonalika Garg, 248 Equity Shares to Sumesh Chandran, 9,330 Equity Shares to Sunil Kini, 1,400 Equity Shares to Sushanth Bolusani, 48 Equity Shares to Swati Chibber, 604 Equity Shares to Tushar Agrawal, 11,070 Equity Shares to Vaibhav Porwal, 559 Equity Shares to Varun Bhagat, 861 Equity Shares to Vedanta Kanoria, 120 Equity Shares to Vijay Bhatia, 2,120 Vinita Vishwanathan, 608 Equity Shares to Vinothraj Jeyachandran, and 534 Equity Shares to Vishal Shah.
- (26) Allotment of 14,000 Equity Shares to Bhavesh Thakkar, 1,855 Equity Shares to Japhia Walker, and 1,170 Equity Shares to Sharmistha Chakraborty.
- (27) Allotment of 700 Equity Shares to Abdeali Tambawala, 100 Equity Shares to Abhishek Shah, 250 Equity Shares to Bhavesh Thakkar, 1,260 Equity Shares to Chirag Gandhi, 220 Equity Shares to Dipesh Mamania, 540 Equity Shares to Girish Venkataraman, 450 Equity Shares to Japhia Walker, 140 Equity Shares to Kamal Dugar, 1,800 Equity Shares to Pankaj Fitkariwala, 140 Equity Shares to Priya Biswas, 540 Equity Shares to Rakesh Asrani, 100 Equity Shares to Rakesh Chandnani, 100 Equity Shares to Ritika Kumar, and 3,060 Equity Shares to Umang Papneja.
- (28) Allotment of 570 Equity Shares to Abdeali Tambawala, 1,900 Equity Shares to Abhishek Shah, 1,041 Equity Shares to Adarsh Safir, 810 Equity Shares to Ajay Pathak, 200 Equity Shares to Ajeesh G, 860 Equity Shares to Amarinder Brar, 132 Equity Shares to Amit Shete, 100 Equity Shares to Amitkumar Jain, 36,000 Equity Shares to Anirudha Taparia, 3,660 Equity Shares to Anu Jain, 1,852 Equity Shares to Apul Gupta, 198 Equity Shares to Arvind Sarda, 10,405 Equity Shares to Ashish Ahuja, 1,112 Equity Shares to Ashwina Raghwan, 249 Equity Shares to Chandan Bhatnagar, 6,078 Equity Shares to Chirag Gandhi, 248 Equity Shares to Deepak Nikharge, 4,788 Equity Shares to Dipesh Mamania, 332 Equity Shares to Fahima Shaikh, 135 Equity Shares to Ganesh Kambli, 506 Equity Shares to Geetesh Arora, 600 Equity Shares to Girish Venkataraman, 27 Equity Shares to Gurpartap Singh, 620 Equity Shares to Hardik Mehta, 737 Equity Shares to Harveer Sidhu, 1,210 Equity Shares to Hemendra Ghatalia, 79,465 Equity Shares to Himanshu Bahga, 540 Equity Shares to Japhia Walker, 1,581 Equity Shares to Kamal Dugar, 368 Equity Shares to Karan Shrimankar, 920 Equity Shares to Karl Wadia, 896 Equity Shares to Krishna Patel, 3,286 Equity Shares to Kushal Mehta, 200 Equity Shares to Manish Hirulkar, 1,704 Equity Shares to Manish Asrani, 2,240 Equity Shares to Manu Awasthy, 186 Equity Shares to Mayank Shah, 6,000 Equity Shares to Mayank Padia, 1,000 Equity Shares to Meghna Suri, 276 Equity Shares to Mugdha Singhal, 1,916 Equity Shares to Mustafa Rangwala, 72 Equity Shares to Natasha Girglani, 448 Equity Shares to Nishant Ahuja, 3,234 Equity Shares to Nishit Doshi, 12,020 Equity Shares to Pankaj Fitkariwala, 8,000 Equity Shares to Parinaz Vakil, 10,600 Equity Shares to Pavan Manghnani, 2,000 Equity Shares to Poornima Shirsat, 100 Equity Shares to Pragadesh Chitalia, 3,416 Equity Shares to Priya Biswas, 3,480 Equity Shares to Purvi Pakeria, 30 Equity Shares to R Murlidharan, 2,500 Equity Shares to Rahul Bijlani, 2,000 Equity Shares to Rakesh Asrani, 3,216 Equity Shares to Rakesh Chandnani, 200 Equity Shares to Ramesh Khetawat, 1,117 Equity Shares to Rayes Eftihie, 1,121 Equity Shares to Reena Kumar, 500 Equity Shares to Rishi Chawla, 1,000 Equity Shares to Ritika Kumar, 2,000 Equity Shares to Ruchi Jamsandekar, 100 Equity Shares to Sachin Prabhu, 847 Equity Shares to Sarit Shah, 5,000 Equity Shares to Sarju Vakil, 5,545 Equity Shares to Shailendra Sharma, 3,792 Equity Shares to Sharmistha Chakraborty, 248 Equity Shares to Shelina Kajarekar, 1,144 Equity Shares to Siddharth Agrawal, 16,696 Equity Shares to Sidhartha Shaw, 3,197 Equity Shares to Sumit Vohra, 200 Equity Shares to Sunil Kulkarni, 1,150 Equity Shares to Susan Noronha, 1,400 Equity Shares to Sushanth Bolusani, 200 Equity Shares to Tawfiq Ali Shaikh, 1,320 Equity Shares to Umang Papneja, 272 Equity Shares to Umesh Gade, 2,538 Equity Shares to Vandana Rangarajan, 5,000 Equity Shares to Venkatesh Kommineni, 3,500 Equity Shares to Vinay Deshpande, and 230 Equity Shares to Wilson Lobo.
- (29) Allotment of 1,540 Equity Shares to Arzan Tamboly, 80 Equity Shares to Aniruddha Sarkar, 1,350 Equity Shares to Arzan Tamboly, 2,280 Equity Shares to Prashatha Seth, 250 Equity Shares to Sahil Kapoor, 100 Equity Shares to Santosh Kumar Pillai, and 480 Equity Shares to Vijeeta Sharma.
- (30) Allotment of 80 Equity Shares to Aniruddha Sarkar, 1,350 Equity Shares to Arzan Tamboly, 2,280 Equity Shares to Prashatha Seth, 250 Equity Shares to Sahil Kapoor, 100 Equity Shares to Santosh Kumar Pillai, and 480 Equity Shares to Vijeeta Sharma.
- (31) Allotment of 20,000 Equity Shares to Abhishek Puglia, 11,848 Equity Shares to Anirban Banerjee, 1,692 Equity Shares to Anirudha Sarkar, 8,600 Equity Shares to Arzan Tamboly, 3,277 Equity Shares to Ashutosh Naik, 12,000 Equity Shares to Bipen Dawani, 15,660 Equity Shares to Nikunj Kedia, 21,020 Equity Shares to Prashasta Seth, 400 Equity Shares to Puja Kochar, 3, Equity Shares to Sahil Kapoor, 1,000 Equity Shares to Saif Husan, 2,360 Equity Shares to Santosh Pillai, 2,336 Equity Shares to Savio Dsouza, 9,941 Equity Shares to Vijeeta Sharma, 2,502 Equity Shares to Vinay Deshpande, and 120 Equity Shares to Vishwambar Shetty.
- (32) Allotment of 480 Equity Shares to Abhishek Puglia, 1,500 Equity Shares to Abhishek Chandra, 1,548 Equity Shares to Arun Chopra, 3,000 Equity Shares to Chirag Gandhi, 5,000 Equity Shares to Leena Walia Thomas, 60 Equity Shares to Mihir Parekh, 2,000 Equity Shares to Nioraj Murarka, 60 Equity Shares to Parag Shah, 180 Equity Shares to Rakesh Asrani, 2,000 Equity Shares to Ranjit Majikar, 6,000 Equity Shares to Ritesh Jain, 5,000 Equity Shares to Sahil Contractor, 375 Equity Shares to Sarju Vakil, 1,500 Equity Shares to Tarun Haribhakti, and 1,000 Equity Shares to Vishal Khanna.
- (33) Allotment of 100 Equity Shares to Manish Nagare and 540 Equity Shares to Ronak Seth.
- (34) Allotment of 900,000 Equity Shares to Amit Shah, 4,000 Equity Shares to Asha Mathen, 2,336 Equity Shares to Manish Nagare, 1,200 Equity Shares to Niraj Kumar, 1,200 Equity Shares to Pavan Garikapati, 130 Equity Shares to Ritu Telang, and 3,480 Equity Shares to Ronak Seth.
- (35) Allotment of 4,000 Equity Shares to Amit Kaistha, 4,400 Equity Shares to Mohan Radhakrishnan, 120 Equity Shares to Niraj Kumar, 8,000 Equity Shares to Sharmistha Chakraborty, 78 Equity Shares to Shreyansh Bhandari, 240 Equity Shares to Sushanth Bolusani, and 491 Equity Shares to Venkatesh Kommineni.
- (36) Allotment of 630 Equity Shares to Bramhanand Pujari.
- (37) Allotment of 100 Equity Shares to Bramhanand Pujari and 40 Equity Shares to Reena Pujari.
- (38) Allotment of 4,000 Equity Shares to Ben Koshy, 1,500 Equity Shares to BVJ Srivatsava, 1,500 Equity Shares to Chiranjivi GVS, 3,500 Equity Shares to Deepali Nair, 1,500 Equity Shares to Don Bosco Sequeira, 2,000 Equity Shares to Gaurav Chaturvedi, 2,500 Equity Shares to Gaurav Khadgawat, 5,000 Equity Shares to Mukesh Sinha, 2,500 Equity Shares to Nitin Sood, 84 Equity Shares to Rohit Kumar, 8,000 Equity Shares to Sachin Deshpande, 1,500 Equity Shares to Sailesh Karnani, 10,000 Equity Shares to Umesh Agrawal, and 3,000 Equity Shares to Vivek Rajani.
- (39) Allotment of 6 Equity Shares to Akshat Saraf, 3,000 Equity Shares to Bhavesh Thakkar, 190 Equity Shares to Bhojraj Bathija, 800 Equity Shares to Bramhanand Pujari, 1,168 Equity Shares to Chetan Mhatre, 274 Equity Shares to Chikita Mehta, 10,000 Equity Shares to Japhia Walker, 480 Equity Shares to Jayanthi Rao, 1,015 Equity Shares to Jeetesh Hejip, 466 Equity Shares to Kashiprasad Pandey, 316 Equity Shares to Lalit Dhonde, 222 Equity Shares to Nikhil Bhamre, 120 Equity Shares to P Kumar Esakki, 2,600 Equity Shares to Parinaz Vakil, 2,000 Equity Shares to Poornima Shirsat, 150 Equity Shares to Priyanka Ingale, 25 Equity Shares to Rahul Save, 1,150



Equity Shares to Reena Pujari, 512 Equity Shares to Rishi Chawla, 1,600 Equity Shares to Ritika Kumar, 130 Equity Shares to Ritu Telang, 600 Equity Shares to Rohit Kumar, 236 Equity Shares to Ruchi Bhardwaj, 6,000 Equity Shares to Saif Hasan, 100 Equity Shares to Sandeep Sawant, 6,000 Equity Shares to Santhosh Thyagarajan, 200 Equity Shares to Tawfiq Ali Shaikh, and 200 Equity Shares to Tushar Chavan.

- (40) Allotment of 1,500 Equity Shares to Prabhjot Cheema.
- (41) Allotment of 700 Equity Shares to Prabhjot Cheema.
- (42) Allotment of 25,000 Equity Shares to Himanshu Jain and 40,000 Equity Shares to Shajikumar Devakar.
- (43) Allotment of 274,130 Equity Shares to Steadview Capital Mauritius Limited, 41,640 Equity Shares to ABG Capital, 31,230 Equity Shares to LTR Focus Fund, 1,092,000 Equity Shares to Rimco (Mauritius) Limited, 300,000 Equity Shares to HDFC Standard Life Insurance Company Limited, 1,092,000 Equity Shares to Amansa Holdings Private Limited, and 1,092,000 Equity Shares to WF Asian Reconnaissance Fund Limited.
- (44) Allotment of 2,120 Equity Shares to Himadri Chatterjee.
- (45) Allotment of 267 Equity Shares to Abhishek Puri, 1,633 Equity Shares to Aditya Shankar, 100 Equity Shares to Ajeesh G, 3 Equity Shares to Akshat Saraf, 430 Equity Shares to Amarinder Brar, 42 Equity Shares to Anahita Daruwala, 60 Equity Shares to Anish Goenka, 7,000 Equity Shares to Arun Chopra, 100 Equity Shares to Ganesh Kambli, 600 Equity Shares to Girish Venkataraman, 934 Equity Shares to Harshad Tambe, 24,162 Equity Shares to Himadri Chatterjee, 400 Equity Shares to Karanjeet Singh, 554 Equity Shares to Keshav Kabra, 100 Equity Shares to Manik Mandlik, 250 Equity Shares to Mihir Parekh, 138 Equity Shares to Mugha Singhal, 36 Equity Shares to Natasha Girglani, 100 Equity Shares to Neeraj Khemka, 250 Equity Shares to Parag Shah, 1,000 Equity Shares to Poornima Shirsat, 100 Equity Shares to Pragnesh Chitalia, 30 Equity Shares to R Murlidharan, 1,117 Equity Shares to Rayes Ethfie, 300 Equity Shares to Rohit Kumar, 1,000 Equity Shares to Ruchi Jamsandekar, 100 Equity Shares to Sachin Prabhu, 145 Equity Shares to Sandra Noronha, 548 Equity Shares to Satya Narain, 241 Equity Shares to Savio Rodrigues, 200 Equity Shares to Sonalika Garg, 1,400 Equity Shares to Sushanth Bolusani, 136 Equity Shares to Umesh Gade, 5,000 Equity Shares to Venkatesh Kommineni, 1,060 Equity Shares to Vinita Vishwanathan, 608 Equity Shares to Vinothraj Jeyachandran, and 60 Equity Shares to Vishwambar Shetty.
- (46) Allotment of 2,000 Equity Shares to Abhishek Chandra, 93 Equity Shares to Abhishek Puri, 305 Equity Shares to Amarinder Brar, 3,306 Equity Shares to Girish Venkataraman, 457 Equity Shares to Keshav Kabra, 185 Equity Shares to Nihal Hemdev, 20 Equity Shares to Pragnesh Chitalia, 84 Equity Shares to Sandra Noronha, 576 Equity Shares to Satya Narain, 178 Equity Shares to Saurabh Aggarwal, 221 Equity Shares to Savio Rodrigues, and 100 Equity Shares to Umesh Gade.
- (47) Allotment of 566,500 Equity Shares to General Atlantic Singapore Fund Pte. Limited.
- (48) Allotment of 142 Equity Shares to Abhishek Singh, 1,041 Equity Shares to Adarsh Safir, 100 Equity Shares to Amitkumar Jain, 322 Equity Shares to Anshuman Mund, 198 Equity Shares to Arvind Sarda, 1,346 Equity Shares to Ashutosh Naik, 293 Equity Shares to Bramhanand Pujari, 1,000 Equity Shares to Chirag Paul, 2,292 Equity Shares to Chitresh Kamawat, 27 Equity Shares to Gurpartap Singh, 240 Equity Shares to Jayanthi Rao, 1,200 Equity Shares to Jiten Surtani, 600 Equity Shares to Niraj Kumar, 448 Equity Shares to Nishant Ahuja, 1,000 Equity Shares to Poornima Shirsat, 500 Equity Shares to Prabhjot Cheema, 254 Equity Shares to Rachita Narang, 100 Equity Shares to Rahul Save, 590 Equity Shares to Ramesh Negi, 506 Equity Shares to Rishi Chawla, 100 Equity Shares to Sandeep Sawant, 43 Equity Shares to Sonalika Garg, 3,197 Equity Shares to Sumit Vohra, 48 Equity Shares to Swati Chibber, 100 Equity Shares to Tawfiq Ali Shaikh, 604 Equity Shares to Tushar Agrawal, and 300 Equity Shares to Yogesh Tambe.
- (49) Allotment of 87 Equity Shares to Anshuman Mund, 1,458 Equity Shares to Gaurav Chaturvedi, 45 Equity Shares to Gurpartap Singh, 11,984 Equity Shares to Jiten Surtani, 1,500 Equity Shares to Rahul Arora, 2,000 Equity Shares to Rama Biryani, 300 Equity Shares to Rayes Ethfie, 200 Equity Shares to Rishi Chawla, 114 Equity Shares to Ritika Kumar, 2,000 Equity Shares to Sameer Gambhir, 702 Equity Shares to Shantanu Chaturvedi, and 3,500 Equity Shares to Shashi Singh.
- (50) Allotment of 10,000 Equity Shares to Umesh Agrawal, 60 Equity Shares to Mihir Parekh, and 60 Equity Shares to Parag Shah.
- (51) Allotment of 1,150 Equity Shares to Aditi Jetly, 472 Equity Shares to Deepak Gohil, and 1,800 Equity Shares to Maharoof Parokot.
- (52) Allotment of 1,500 Equity Shares to Abhishek Chandra, 4,000 Equity Shares to Amit Kaistha, 180 Equity Shares to Maharoof Parokot, 4,400 Equity Shares to Mohan Radhakrishnan, and 84 Equity Shares to Rohit Kumar.
- (53) Allotment of 211 Equity Shares to Aditi Jetly.
- (54) Cancellation of 45,000,000 Equity Shares of our Company pursuant to the Scheme of Arrangement.
- (55) Allotment of 45,604,924 Equity Shares to the shareholders of IIFL Finance Limited as on the Record Date fixed for the purpose i.e. May 31, 2019, pursuant to the Scheme of Arrangement.

## 2. Equity Shares issued for consideration other than cash or out of revaluation reserves

Our Company has not issued any Equity Shares out of its revaluation reserves.

Except for the 45,604,924 Equity Shares issued to the shareholders of the IIFL Finance Limited pursuant to the Scheme of Arrangement (in the ratio of one Equity Share for every seven equity shares of IIFL Finance Limited held by the shareholders of IIFL Finance Limited as on the Record Date), and as set forth below, our Company has not issued any Equity Shares for consideration other than cash:

Date of allotment	Number of equity shares	Face value (₹)	Issue price per Equity Share (₹)	Reason/ Nature of allotment	Details of benefits accrued to our Company, if any
November 3, 2010	45,000,000	2.00	Not applicable	Bonus issue	Capitalisation of amounts standing to the credit of the share premium account <sup>(1)</sup>

<sup>(1)</sup> Allotment of 40,500,000 Equity Shares to IIFL Finance Limited, 2,250,000 Equity Shares to Karan Bhagat, and 2,250,000 Equity Shares to Yatin Shah.

For further details of the Scheme of Arrangement, see “*Scheme of Arrangement*” on page 90.

### 3. Shareholding pattern of our Company prior and post Scheme

(a) The Shareholding pattern of our Company prior to the allotment of Equity Shares under the Scheme is as under:

Category (I)	Category of Shareholder (II)	Number of Shareholders (III)	Number of fully paid up equity shares held (IV)	Number of Partly paid-up equity shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) = (IV)+(V) + (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								Number of Voting Rights			Total as a % of (A+B+C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class eg: Equity Shares	Class eg: Others	Total								
(A)	Promoter and Promoter Group	3	48,596,826	0	0	48,596,826	57.50	-	-	-	-	-	-	-	-	-	-	48,596,826
(B)	Public	238	35,888,458	0	0	35,888,458	42.46	-	-	-	-	-	-	-	-	-	-	35,888,458
(C)	Non Promoter-Non Public*																	
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	1	36,040	0	0	36,040	0.04	-	-	-	-	-	-	-	-	-	-	36,040
	<b>Total (A+B+C)</b>	<b>242</b>	<b>84,521,324</b>	<b>0</b>	<b>0</b>	<b>84,521,324</b>	<b>100.00</b>	-	-	-	-	-	-	-	-	-	-	<b>84,521,324</b>

\*Note: This does not take into account 872,807 employee stock options that have been granted which are convertible to 872,807 Equity Shares.

(b) The Shareholding pattern of our Company post allotment of Equity Shares under the Scheme is as under:

Category (I)	Category of Shareholder (II)	Number of Shareholders (III)	Number of fully paid up equity shares held (IV)	Number of Partly paid-up equity shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) = (IV) + (V) + (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII) + (X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								Number of Voting Rights			Total as a % of (A+B + C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class eg: Equity Shares	Class eg: Others	Total								
(A)	Promoter and Promoter Group	18	21,020,104	0	0	21,020,104	24.69	21,020,104	0	21,020,104	24.69	0	24.69	7,722,647	9.07	0	0	21,020,104
(B)	Public	36,978	64,059,390	0	0	64,059,390	75.25	64,059,390	0	64,059,390	75.65	0	75.26	31,798,677	37.35	-	-	64,019,857
(C)	Non Promoter-Non Public																	
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	2	46,754	0	0	46,754	0.05	0	0	0	0	0	0.05	0	0	0	0	46,754
	Total	36,998	85,126,248	0	0	85,126,248	100.00	85,079,494	0	85,079,494	100.00	0	100.00	39,521,324	46.42	0	0	85,086,715

\*Note: This does not take into account 1,928,456 employee stock options that have been granted which are convertible to 1,928,456 Equity Shares.

4. **Major Shareholders of our Company two years prior to date of this Information Memorandum:**

Set forth below is a list of Shareholders holding 1% or more of the paid-up share capital of our Company, on a fully diluted basis as of two years prior to date of this Information Memorandum:

S. No.	Name of the Shareholder	Number of Equity Shares Held	% of the Share Capital
1.	IIFL Finance Limited	45,000,000	53.86
2.	General Atlantic Singapore Fund Pte. Limited	18,053,050	21.61
3.	Karan Bhagat	48,10,526	5.76
4.	Yatin Shah	33,10,526	3.96
5.	Amit Shah	1,818,421	2.18
<b>Total</b>		<b>72,992,523</b>	<b>87.36</b>

5. **Major Shareholders of our Company one year prior to the date of this Information Memorandum**

Set forth below is a list of Shareholders holding 1% or more of the paid-up share capital of our Company, on a fully diluted basis as of one year prior to date of this Information Memorandum:

S. No.	Name of the Shareholder	Number of Equity Shares Held	% of the Share Capital
1.	IIFL Finance Limited	45,000,000	51.11
2.	General Atlantic Singapore Fund Pte. Limited	18,619,550	21.15
3.	Karan Bhagat	5,991,875	6.81
4.	Yatin Shah	3,310,526	3.76
5.	Amit Shah	1,568,421	1.78
6.	Rimco (Mauritius) Limited	1,092,000	1.24
7.	Amansa Holdings Private Limited	1,092,000	1.24
8.	WF Asian Reconnaissance Fund Limited	1,092,000	1.24
<b>Total</b>		<b>77,766,372</b>	<b>88.33</b>

6. **Major Shareholders of our Company 10 days prior to the date of this Information Memorandum:**

Set forth below is a list of Shareholders holding 1% or more of the paid-up share capital of our Company, on a fully diluted basis as of 10 days prior to date of this Information:

S. No.	Name of the Shareholder	Number of Equity Shares Held	% of the Share Capital
1.	General Atlantic Singapore Fund Pte. Limited	18,619,550	21.15
2.	FIH Mauritius Investments Limited	12,091,635	13.73
3.	Nirmal Jain	6,628,856	7.53
4.	HWIC Asia Fund Class A Shares	4,051,790	4.60
5.	Yatin Shah	3,314,097	3.76
6.	WF Asian Reconnaissance Fund Limited	2,715,390	3.08
7.	Rimco (Mauritius) Limited	1,994,000	2.26
8.	Bank Muscat India Fund	1,799,746	2.04
9.	Madhu Nirmal Jain	1,724,999	1.96
10.	Venkataraman Rajamani <sup>(1)</sup>	1,569,204	1.80
11.	Amit Shah	1,568,421	1.78
12.	Kush Family Private Trust (through its trustee, IIFL Investment Adviser and Trustee Services Limited) <sup>(2)</sup>	1,500,000	1.70
13.	Kyra Family Private Trust (through its trustee, IIFL Investment Adviser and Trustee Services Limited) <sup>(3)</sup>	1,500,000	1.70
14.	Nirmal Madhu Family Private Trust <sup>(4)</sup>	1,428,571	1.62
15.	Aditi Avinash Athavankar <sup>(5)</sup>	1,285,714	1.46
16.	Shilpa Bhagat <sup>(6)(6)</sup>	1,125,821	1.28
17.	Amansa Holdings Private Limited	1,092,000	1.24
18.	Satpal Khattar	888,075	1.01
<b>Total</b>		<b>64,897,869</b>	<b>73.71</b>

(1) Jointly held with Aditi Athavankar

- (2) Our Promoter and Director, Karan Bhagat, his son, Kush Bhagat, and his daughter, Kyra Bhagat, being the beneficiaries of the trust. The Equity Shares are being held through the trustee, IIFL Investment Adviser and Trustee Services Limited.
- (3) Our Promoter and Director, Karan Bhagat, his son, Kush Bhagat, and his daughter, Kyra Bhagat, being the beneficiaries of the trust. The Equity Shares are being held through the trustee, IIFL Investment Adviser and Trustee Services Limited.
- (4) The Equity Shares are being held through the trustees, Mansukhlal Jain and Harshita Jain.
- (5) Equity Shares held as a trustee to Kalki Family Private Trust.
- (6) Related to our Promoter and Director, Karan Bhagat, as his spouse.
- (7) Karan Bhagat, along with Kyrush Investments, Shilpa Bhagat (his spouse), Kush Family Private Trust, and Kyra Family Private Trust holds 4,446,675 equity shares of the Company aggregating to 5.05% of the total paid up Equity Share capital of the Company on a fully diluted basis.

## 7. Major Shareholders of our Company as on the date of this Information Memorandum

Set forth below is a list of Shareholders holding 1% or more of the paid-up share capital of our Company, on a fully diluted basis as on date of this Information Memorandum:

S. No.	Name of the Shareholder	Number of Equity Shares Held	% of the Share Capital
1.	General Atlantic Singapore Fund Pte. Limited	18,619,550	21.15
2.	FIH Mauritius Investments Limited*	12,091,635	13.73
3.	Nirmal Jain	6,628,856	7.53
4.	HWIC Asia Fund Class A Shares*	4,051,790	4.60
5.	Yatin Shah	3,314,097	3.76
6.	WF Asian Reconnaissance Fund Limited	2,715,390	3.08
7.	Rimco (Mauritius) Limited	1,994,000	2.26
8.	Bank Muscat India Fund	1,799,746	2.04
9.	Madhu Nirmal Jain	1,724,999	1.96
10.	Venkataraman Rajamani <sup>(1)</sup>	1,569,204	1.80
11.	Amit Shah	1,568,421	1.79
12.	Kush Family Private Trust (through its trustee, IIFL Investment Adviser and Trustee Services Limited) <sup>(2)</sup>	1,500,000	1.70
13.	Kyra Family Private Trust (through its trustee, IIFL Investment Adviser and Trustee Services Limited) <sup>(3)</sup>	1,500,000	1.70
14.	Nirmal Madhu Family Private Trust <sup>(4)</sup>	1,428,571	1.62
15.	Aditi Athavankar <sup>(5)</sup>	1,285,714	1.46
16.	Shilpa Bhagat <sup>(6)(7)</sup>	1,125,821	1.28
17.	Amansa Holdings Private Limited	1,092,000	1.24
18.	Satpal Khattar	888,075	1.01
<b>Total</b>		<b>64,897,869</b>	<b>73.71</b>

- (1) Jointly held with Aditi Athavankar
- (2) Our Promoter and Director, Karan Bhagat, his son, Kush Bhagat, and his daughter, Kyra Bhagat, being the beneficiaries of the trust. The Equity Shares are being held through the trustee, IIFL Investment Adviser and Trustee Services Limited.
- (3) Our Promoter and Director, Karan Bhagat, his son, Kush Bhagat, and his daughter, Kyra Bhagat, being the beneficiaries of the trust. The Equity Shares are being held through the trustee, IIFL Investment Adviser and Trustee Services Limited.
- (4) The Equity Shares are being held through the trustees, Mansukhlal Jain and Harshita Jain.
- (5) Equity Shares held as a trustee to Kalki Family Private Trust.
- (6) Related to our Promoter and Director, Karan Bhagat, as his spouse.
- (7) Karan Bhagat, along with Kyrush Investments, Shilpa Bhagat (his spouse), Kush Family Private Trust, and Kyra Family Private Trust holds 4,446,675 equity shares of the Company aggregating to 5.22% of the total paid up Equity Share capital of the Company

### **\*Voting Rights of FIH Mauritius Investments Ltd and HWIC Asia Fund (Class A Shares) in IIFL Wealth Management Limited:**

Pursuant to the Securities and Exchange Board of India (Mutual Funds) (Amendment) Regulations, 2018 dated March 13, 2018 (“SEBI MF Amendment Regulations”), any sponsor, its associate, or group company is restricted from directly or indirectly holding 10% or more of the shareholding or voting rights in more than one asset management company or a trustee company of a mutual fund. Fairfax Financial Holdings Limited (“FFHL”), the ultimate parent entity of the Fairfax group, held net effective voting rights in excess of 10% in more than one asset management company and trustee company in India. FFHL was, therefore, required to reduce its net effective interest in one of the asset management companies and trustee companies to less than 10% of the shareholding and voting rights to comply with the requirements under the SEBI MF Amendment Regulations.

Given that FFHL’s net indirect interest (by way of its indirect investment in IIFL Finance Limited through the Fairfax Shareholders (as defined below)) in our Company and therefore, effectively, in IIFL Asset Management Limited and IIFL Trustee Limited was 9.33% of the paid up equity share capital and 17.81% of the voting rights (on account of being wholly owned by our Company), FIH Mauritius Investments Limited and HWIC Asia Fund (Class A Shares) (collectively the “Fairfax Shareholders”) had by their letter dated March 12, 2019 to IIFL Finance Limited agreed and had given an undertaking to restrict their voting rights in IIFL Finance Limited to 20% to ensure that the net effective shareholding and voting rights of FFHL in IIFL Asset Management Limited and IIFL

Trustee Limited is less than 10% of the voting rights and equity share capital, in order to comply with the terms of the SEBI MF Amendment Regulations.

The Fairfax Shareholders undertook and agreed that they shall not exercise voting rights on resolutions placed before the equity shareholders of IIFL Finance Limited in relation to such number of equity shares held by the Fairfax Shareholders that represent more than 20% of the paid up equity share capital of IIFL Finance Limited at the time of voting on the relevant resolution (“**Undertaking**”). Fairfax Shareholders also clarified certain conditions in which the Undertaking would not apply.

The said letter, among other things, also clarified that upon the Scheme becoming effective, IIFL Finance Limited would be demerged, resulting in the Fairfax Shareholders directly holding approximately 18.18% in our Company. Further, pursuant to the Scheme, IIFL Finance Limited would not hold any shares in our Company (and therefore would not have any interest in IIFL Asset Management Limited and IIFL Trustee Limited). Accordingly, the Fairfax Shareholders had clarified that pursuant to the effectiveness of the Scheme, the restriction on voting rights as set out in their undertaking would only pertain to voting rights of the Fairfax Shareholders in our Company and the voting rights of Fairfax Shareholders in IIFL Securities Limited and IIFL Finance Limited would be restricted to 25% as per the terms of another undertaking submitted by the Fairfax Shareholders to the SEBI.

Currently, pursuant to the Scheme, the Fairfax Shareholders hold 18.96% of paid up share capital of our Company. In order to comply with the terms of the SEBI MF Amendment Regulations, the Fairfax Shareholders shall restrict their voting rights in our Company to 9.99% to ensure that the net effective shareholding and voting rights of FFHL in IIFL Asset Management Limited and IIFL Trustee Limited is less than 10% of the voting rights and equity share capital of IIFL Asset Management Limited and IIFL Trustee Limited.

## 8. Details of Equity Shares held by our Directors and Key Managerial Personnel

Except as stated below, there are no Directors or Key Managerial Personnel who hold Equity Shares in our Company as on the date of this Information Memorandum:

S. No.	Name of Director or Key Managerial Personnel	Number of shares
1.	Nirmal Jain, Non-executive Director	6,628,856
2.	Yatin Shah, Whole-time Director	3,314,097
3.	Venkataraman Rajamani, Non-executive Director	1,569,204
4.	Karan Bhagat, Managing Director	306,569
5.	Anirban Banerjee, Senior Partner (Human Resources)	163,683
6.	Pankaj Fitkariwala, Senior Managing Partner (Administration, Brokerage and Operations)	161,522
7.	Ronak Sheth, Partner (Client Experience)	46,655
8.	Nilesh Vikamsey, Chairman and Independent Director	23,571
9.	Japhia Walker, Partner (Client Services)	22,121
10.	Ashutosh Naik, Company Secretary and Compliance Officer	8,000
11.	Abhishek Chandra, Partner (Technology)	5,000
12.	Anshuman Maheshwary, Chief Operating Officer	152
<b>Total</b>		<b>12,249,430</b>

## 9. Shareholding of our Promoters

As on the date of this Information Memorandum, our Promoters hold 11,818,719 Equity Shares, equivalent to 13.88% of the issued, subscribed and paid-up Equity Share capital of our Company and the members of our Promoter Group (except those named as Promoters) hold 9,201,385 Equity Shares, equivalent to 10.81% of the issued, subscribed and paid-up Equity Share capital of our Company. Together, our Promoters and the remaining members of our Promoter Group hold 21,020,104 Equity Shares, equivalent to 24.69% of the issued, subscribed and paid-up Equity Share capital of our Company.

The build-up of the Shareholding of our Promoters since incorporation of our Company is set forth in the table below:

Date of Allotment/ Transfer	Nature of allotment / transfer	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue Price/ Transfer Price per Equity Share (₹)	Percentage of the pre-Scheme capital (%)	Percentage of the post-Scheme capital (%)
<b>Karan Bhagat</b>							
June 23, 2008	Allotment	50,000	Cash	10.00	10.00	0.05	0.05
<b>Pursuant to a Shareholders’ resolution dated September 21, 2010, each equity share of our Company of face value of ₹ 10 each was sub-divided into an equity share of our Company of ₹ 2 each.</b>							

Date of Allotment/ Transfer	Nature of allotment / transfer	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue Price/ Transfer Price per Equity Share (₹)	Percentage of the pre-Scheme capital (%)	Percentage of the post-Scheme capital (%)
November 3, 2010	Bonus issue	2,250,000	Consideration other than cash	2.00	2.00	2.66	2.64
October 8, 2013	Pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2012	460,526	Cash	2.00	16.00	0.54	0.54
February 26, 2016	Transfer	(375,000)	Cash	2.00	586.70	0.44	0.44
April 6, 2016	Transfer	(175,000)	Cash	2.00	586.70	0.20	0.20
March 30, 2017	Pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2015	2,400,000	Cash	2.00	282.00	2.83	2.81
June 14, 2018	Transfer	1,175,819	Cash	2.00	1,134.00	1.39	1.38
July 30, 2018	Transfer	5,530	Cash	2.00	1,134.00	0.01	0.01
May 16, 2019	Transfer	(4,125,821)	Not Applicable	2.00	Not Applicable	4.88	4.84
May 17, 2019	Transfer	(264,054)	Cash	2.00	1,329.00	0.31	0.31
May 20, 2019	Transfer	(902,000)	Cash	2.00	1,329.00	1.06	1.05
May 30, 2019	Transfer	(413,700)	Cash	2.00	1,329.00	0.49	0.49
June 2019	Pursuant to the Scheme of Arrangement	20,269	Consideration other than cash	2.00	Not Applicable	Not Applicable	0.04
<b>Total</b>		306,569				0.36	0.36
Karan Bhagat, along with Kyrush Investments, Shilpa Bhagat, Kush Family Private Trust, and Kyra Family Private Trust holds 4,446,675 equity shares of the Company aggregating to 5.22% of the total paid up Equity Share capital of the Company.							
<b>Yatin Shah</b>							
June 23, 2008	Further allotment	50,000	Cash	10.00	10.00	0.05	0.05
November 3, 2010	Bonus issue	2,250,000	Consideration other than cash	2.00	2.00	2.66	2.64
October 28, 2013	Pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option	295,526	Cash	2.00	16.00	0.35	0.34



Date of Allotment/ Transfer	Nature of allotment / transfer	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue Price/ Transfer Price per Equity Share (₹)	Percentage of the pre-Scheme capital (%)	Percentage of the post-Scheme capital (%)
	Scheme – 2012						
November 5, 2013	Transfer	165,000	Cash	2.00	16.00	0.20	0.19
February 26, 2016	Transfer	(245,000)	Cash	2.00	586.70	0.29	0.29
April 6, 2016	Transfer	(305,000)	Cash	2.00	586.70	0.36	0.36
March 30, 2017	Pursuant to exercise of ESOPs under the IIFL Wealth Employee Stock Option Scheme – 2015	900,000	Cash	2.00	282.00	1.06	1.05
June 6, 2019	Pursuant to the Scheme of Arrangement	3,571	Consideration other than cash	2.00	Not Applicable	Not Applicable	Negligible
<b>Total</b>		<b>3,314,097</b>				<b>3.92</b>	<b>3.89</b>
Yatin Shah, along with Ami Yatin Shah, Yatin Prakash Shah HUF, Yatin Investments, and Prakash Chunilal Shah holds 3,336,086 equity shares of the Company aggregating to 3.92% of the total paid up Equity Share capital of the Company.							
<b>Nirmal Jain</b>							
June 6, 2019	Pursuant to the Scheme of Arrangement	6,628,856	Consideration other than cash	2.00	Not Applicable	Not Applicable	7.78
<b>Total</b>		<b>6,628,856</b>				<b>Not applicable</b>	<b>7.78</b>
Nirmal Jain, along with Ardent Impex Private Limited, Madhu Nirmal Jain, Nirmal Madhu Family Private Trust, and Orpheus Trading Private Limited holds 10,353,854 equity shares of the Company aggregating to 12.17% of the total paid up Equity Share capital of the Company.							
<b>Venkataraman Rajamani</b>							
June 6, 2019	Pursuant to the Scheme of Arrangement	1,569,204	Consideration other than cash	2.00	Not Applicable	Not Applicable	1.84
<b>Total</b>		<b>1,569,204</b>				<b>Not Applicable</b>	<b>1.84</b>
Venkataraman Rajamani, along with Aditi Athavankar and Aditi Avinash Athavankar (as trustee to Kalki Family Private Trust) holds 2,883,489 equity shares of the Company aggregating to 3.38% of the total paid up Equity Share capital of the Company.							

All of the Equity Shares held by our Promoters are fully paid up and none of such Equity Shares have been pledged in any manner. Further, all Equity shares held by our Promoters are in dematerialized form.

#### 10. Details of Equity Shares held by the members of our Promoter Group

Name of person	No. of Equity Shares held	Percentage of the paid-up Equity Share capital (in %)
<b>A. Nirmal Jain (Promoter)</b>	6,628,856	7.79
<b>Promoter Group</b>		
Ardent Impex Private Limited	385,714	0.45
Madhu Nirmal Jain	1,724,999	2.03
Nirmal Madhu Family Private Trust <sup>(1)</sup>	1,428,571	1.68
Orpheus Trading Private Limited	185,714	0.22

Name of person	No. of Equity Shares held	Percentage of the paid-up Equity Share capital (in %)
<b>Total (A)</b>	<b>10,353,854</b>	<b>12.17</b>
<b>B. Venkataraman Rajamani (Promoter) <sup>(2)</sup></b>	1,569,204	1.84
<b>Promoter Group</b>		
Aditi Avinash Athavankar <sup>(3)</sup>	1,285,714	1.51
Aditi Athavankar	28,571	0.03
<b>Total (B)</b>	<b>2,883,489</b>	<b>3.38</b>
<b>C. Karan Bhagat (Promoter) <sup>(4)</sup></b>	306,569	0.36
<b>Promoter Group</b>		
Shilpa Bhagat	1,125,821	1.32
Kush Family Private Trust <sup>(5)</sup>	1,500,000	1.76
Kyra Family Private Trust <sup>(6)</sup>	1,500,000	1.76
Kyrush Investments	14,285	0.02
<b>Total (C)</b>	<b>4,446,675</b>	<b>5.22</b>
<b>D. Yatin Shah (Promoter)</b>	3,314,097	3.89
<b>Promoter Group</b>		
Ami Yatin Shah <sup>(7)</sup>	571	0.00
Yatin Prakash Shah HUF	11,428	0.01
Yatin Investments	6,419	0.01
Prakash Chunilal Shah <sup>(8)</sup>	3,571	0.00
<b>Total (D)</b>	<b>3,336,086</b>	<b>3.92</b>
<b>Total (A+B+C+D)</b>	<b>21,020,104</b>	<b>24.69</b>

(1) Equity Shares held through its trustees, Mansukhlal Jain and Harshita Jain.

(2) Jointly held with Aditi Athavankar.

(3) Equity Shares held as a trustee to Kalki Family Private Trust.

(4) Jointly held with Shilpa Bhagat.

(5) Equity Shares held through its trustee, IIFL Investment Adviser and Trustee Services Limited.

(6) Equity Shares held through its trustee, IIFL Investment Adviser and Trustee Services Limited.

(7) Jointly held with Yatin Shah.

(8) Jointly held with Hansadevi Prakashchandra Shah.

## 11. Employee Stock Option Schemes of our Company

As on the date of this Information Memorandum, our Company has in place the IIFL Wealth Employee Stock Option Scheme – 2012 and the IIFL Wealth Employee Stock Option Scheme – 2015.

IIFL Wealth Employee Stock Option Scheme – 2012 was approved pursuant to a resolution dated March 5, 2012 of our Shareholders. As on the date of this Information Memorandum, our Company has granted a total of 1,786,310 stock options under the IIFL Wealth Employee Stock Option Scheme – 2012.

IIFL Wealth Employee Stock Option Scheme – 2015 was approved pursuant to a resolution dated June 9, 2015 of our Shareholders. As on the date of this Information Memorandum, our Company has granted a total of 8,974,907 stock options under the IIFL Wealth Employee Stock Option Scheme – 2015.

Further, in terms of the Scheme, our Company is required to formulate a new employee stock option scheme by adopting the Employee Stock Option Scheme 2007 and 2008 of IIFL Finance Limited and grant one employee stock option in such scheme for every seven stock options held by employees of IIFL Finance Limited and its subsidiaries in the Employee Stock Option Scheme 2007 and 2008.

Set forth below are the details in respect of the IIFL Wealth Employee Stock Option Scheme – 2012:

Particulars	Details		
	Fiscal 2019	Fiscal 2018	Fiscal 2017
<b>Total options granted</b>	Nil	13,885	Nil
<b>Pricing formula</b>	Based on the determination of the fair value of the Equity Shares		
<b>Exercise price of options in ₹ for the options granted during the year (as on the date of grant of options)</b>	Not applicable	417.00	Not applicable

Particulars	Details		
	Fiscal 2019	Fiscal 2018	Fiscal 2017
<b>Vesting period</b>	Options granted would vest within a period of seven years, subject to a minimum period of one year from the date of grant of such options. The vesting period is four years in respect of options granted during Fiscal 2018.		
<b>Total options vested during the year</b>	2,777	45,920	297,465
<b>Options exercised</b>	4,390	117,420	449,185
<b>The total number of shares arising as a result of exercise of granted options (including options that have been exercised)</b>	4,390	117,420	449,185
<b>Options forfeited/lapsed/cancelled</b>	1,390	Nil	13,835
<b>Variation of terms of options</b>	Not applicable		
<b>Money realized by exercise of options (in ₹)</b>	77,020	2,033,430	7,368,940
<b>Total number of options outstanding in force (as at the end of the fiscal)</b>	19,195	24,975	128,510
<b>Employee wise details of options granted to:</b>			
<b>(i) Key Managerial Personnel</b>	<b>Fiscal 2018</b>		
	<b>Name of employee</b>	<b>Details of options</b>	
		<b>Granted</b>	<b>Exercised</b>
	Ashutosh Naik	10,000	Nil
<b>(ii) Any other employee who receives a grant in any one year of options amounting to 5% or more of the options granted during the year</b>	Nil		
<b>(iii) Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant</b>	Nil		
<b>Vesting schedule (and conditions for vesting)</b>	Options granted during Fiscal 2018 are vested in four instalments of 20%, 20%, 20%, and 40%.		
<b>Fully diluted earnings per share pursuant to issue of equity shares on a pre-offer basis on exercise of options in accordance with the Accounting Standard (AS) 20 'Earning Per Share' (in ₹)</b>	43.37	46.51	41.88
<b>Where our Company has calculated the employee compensation cost using the intrinsic value of stock options, difference, if any, between employee compensation cost calculated according using the intrinsic value of stock options and the employee compensation cost calculated on the basis of fair value of stock options and impact of this difference on the profits of our Company and on the earnings per share of our Company</b>	Not applicable. Our Company has determined employee compensation based on the fair value of employee stock options granted.		
<b>Weighted average exercise price and the weighted average fair value of options whose exercise price either equals or exceeds or is less than the market price of the stock for options granted during the year</b>	Not applicable	Weighted average exercise price: ₹ 417.00 Weighted average fair value of options: ₹ 55.42	Not applicable
<b>Method and significant assumptions used to estimate the fair value of</b>	Options granted during Fiscal 2018		

Particulars	Details		
	Fiscal 2019	Fiscal 2018	Fiscal 2017
options granted during the year including weighted average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in market at the time of grant of the option	Assumptions used at the time of grant of options granted during Fiscal 2018		
	Expected volatility		
	10.00%		
	Risk free interest rate		
	6.67% - 7.30%		
	Expected dividend yield		
Impact on the profits and on the Earnings Per Share of the last three years if the accounting policies prescribed in the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 had been followed, in respect of options granted in the last three years. (₹ in million)	3.00%		
	Expected life of options		
	2 years – 5 years		
	Exercise price on the date of grant of options		
	₹ 417.00		
	<ul style="list-style-type: none"> <li>Increase in restated profit after tax as per the consolidated statement of profit and loss before other comprehensive income by ₹ 18.76 million*</li> <li>Revised fully diluted earnings per share on account the of above: ₹ 43.58 per share*</li> </ul>	<ul style="list-style-type: none"> <li>Increase in restated profit after tax as per the consolidated statement of profit and loss before other comprehensive income by ₹ 24.77 million*</li> <li>Revised fully diluted earnings per share on account the of above: ₹ 46.81 per share*</li> </ul>	<ul style="list-style-type: none"> <li>Increase in restated profit after tax as per the consolidated statement of profit and loss before other comprehensive income by ₹ 22.78 million*</li> <li>Revised fully diluted earnings per share on account the of above: ₹ 42.19 per share*</li> </ul>

\* Increase in restated profit after tax and as per the consolidated statement of profit and loss before other comprehensive income and fully diluted earnings per share has been determined after considering the impact of accounting of intrinsic value method for both IIFL Wealth Employee Stock Option Scheme – 2012 and IIFL Wealth Employee Stock Option Scheme – 2015 schemes.

Set forth below are the details in respect of the IIFL Wealth Employee Stock Option Scheme – 2015:

Particulars	Details		
	Fiscal 2019	Fiscal 2018	Fiscal 2017
Total options granted	170,028	1,206,968	900,000
Pricing formula	Based on the determination of the fair value of the Equity Shares		
Exercise price of options in ₹ (as on the date of grant of options)	1661.00	417.00	339.00
Vesting period for the options granted	13 months	Four years	Four years
Total options vested during the year	919,707	713,918	4,753,087
Options exercised	273,971	1,672,279	3,555,921
The total number of shares arising as a result of exercise of granted options (including options that have been exercised)	273,971	1,672,279	3,555,921
Options forfeited/lapsed/cancelled	163,978	99,944	4,412
Variation of terms of options	Not applicable	Not applicable	Not applicable
Money realized by exercise of options (in ₹)	89,045,808	474,263,502	1,002,769,722
Total number of options outstanding in force (as at the end of the fiscal)	3,472,436	3,740,357	4,305,612
Employee wise details of options granted to:			
(i) Key Managerial Personnel	Fiscal 2017		
	Name of employee	Details of options	
		Granted	Exercised
	Abhishek Chandra	7,500	3,000
Fiscal 2018			

Particulars	Details		
	Fiscal 2019	Fiscal 2018	Fiscal 2017
	<b>Name of employee</b>		
	<b>Details of options</b>		
		<b>Granted</b>	<b>Exercised</b>
	Abhishek Chandra	10,000	2,000
	Ashutosh Naik	1,395	Nil
	Japhia Walker	2,634	Nil
	Mihir Nanavati	50,000	Nil
Pankaj Fitkariwala	8,254	Nil	
(ii) Any other employee who receives a grant in any one year of options amounting to 5% or more of the options granted during the year	<b>Fiscal 2017</b>		
	<b>Name of employee</b>		
	<b>Details of options</b>		
		<b>Granted</b>	<b>Exercised</b>
	Shajikumar Devakar	200,000	40,000
	Himanshu Jain	125,000	25,000
	Somnath Mukherjee	50,000	Nil
	Umesh Agrawal	50,000	20,000
	<b>Fiscal 2018</b>		
	<b>Name of employee</b>		
	<b>Details of options</b>		
		<b>Granted</b>	<b>Exercised</b>
	Anirudha Taparia	80,100	Nil
	Balaji Raghavan	70,000	Nil
	<b>Fiscal 2019</b>		
	<b>Name of employee</b>		
	<b>Details of options</b>		
		<b>Granted</b>	<b>Exercised</b>
	Pramod Kumar A	95,590	Nil
Abhay Amrite	37,633	Nil	
Vivek Banka	15,051	Nil	
Srikumar R	9,623	Nil	
(iii) Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant	Nil		
Vesting schedule (and conditions for vesting)	Options are vested in four instalments of 20%, 20%, 20%, and 40% for options granted in Fiscal 2019, Fiscal 2018 and Fiscal 2017		
Fully diluted earnings per share pursuant to issue of equity shares on a pre-offer basis on exercise of options in accordance with the Accounting Standard (AS) 20 ‘Earning Per Share’ (in ₹)	43.47	46.51	41.88
Where our Company has calculated the employee compensation cost using the intrinsic value of stock options, difference, if any, between employee compensation cost calculated according using the intrinsic value of stock options and the employee compensation cost calculated on the basis of fair value of stock options and impact of this difference on the profits of our Company and on the earnings per share of our Company	Not applicable. Our Company has determined employee compensation based on the fair value of employee stock options granted.		
Weighted average exercise price and the weighted average fair value of options whose exercise price	Weighted average exercise price: ₹ 1,661.00	Weighted average exercise price: ₹ 417.00	Weighted average exercise price: ₹ 339.00

Particulars	Details		
	Fiscal 2019	Fiscal 2018	Fiscal 2017
<b>either equals or exceeds or is less than the market price of the stock</b>	Weighted average fair value of options: ₹ 46.68	Weighted average fair value of options: ₹ 28.42	Weighted average fair value of options: ₹ 31.80
<b>Method and significant assumptions used to estimate the fair value of options granted during the year including weighted average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in market at the time of grant of the option</b>	<b>Options granted during Fiscal 2019</b>		
	<b>Assumptions used at the time of grant of options granted during Fiscal 2019</b>		
	Expected volatility		
	10.00%		
	Risk free interest rate		
	7.07%		
	Expected dividend yield		
	1.50%		
	Expected life of options		
	3 years		
	Exercise price on the date of grant of options		
	₹ 1,661.00		
	<b>Options granted during Fiscal 2018</b>		
	<b>Assumptions used at the time of grant of options granted during Fiscal 2018</b>		
	Expected volatility		
	10.00%		
	Risk free interest rate		
	6.19% - 7.30%		
	Expected dividend yield		
	3.00%		
	Life of options		
	2 years – 5 years		
	Exercise price on the date of grant of options		
	₹ 417.00		
	<b>Options granted during Fiscal 2017</b>		
	<b>Assumptions used at the time of grant of options granted during Fiscal 2017</b>		
	Expected volatility		
	10.00%		
	Risk free interest rate		
	6.33% - 6.60%		
	Expected dividend yield		
	3.00%		
	Expected life of options		
	2 years – 5 years		
	Exercise price on the date of grant of options		
	₹ 339.00		
<b>Impact on the profits and on the Earnings Per Share of the last three years if the accounting policies prescribed in the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 had been followed, in respect of options granted in the last three years. (₹ in million)</b>	<ul style="list-style-type: none"> <li>• Increase in restated profit after tax as per the consolidated statement of profit and loss before other comprehensive income by ₹ 18.76 million*</li> <li>• Revised fully diluted earnings per share on account the of above: ₹ 43.58 per share*</li> </ul>	<ul style="list-style-type: none"> <li>• Increase in restated profit after tax as per the consolidated statement of profit and loss before other comprehensive income by ₹ 24.77 million*</li> <li>• Revised fully diluted earnings per share on account the of above: ₹ 46.81 per share*</li> </ul>	<ul style="list-style-type: none"> <li>• Increase in restated profit after tax as per the consolidated statement of profit and loss before other comprehensive income by ₹ 22.78 million*</li> <li>• Revised fully diluted earnings per share on account the of above: ₹ 42.19 per share*</li> </ul>

\* Increase in restated profit after tax and as per the consolidated statement of profit and loss before other comprehensive income and fully diluted earnings per share has been determined after considering the impact of accounting of intrinsic value method for both IIFL Wealth Employee Stock Option Scheme – 2012 and IIFL Wealth Employee Stock Option Scheme – 2015 schemes.

12. As on the date of this Information Memorandum, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments into Equity Shares.
13. Except, the allotment of the Equity Shares pursuant to the Scheme, no Equity Shares have been issued pursuant to a scheme approved under Sections 391-394 of the Companies Act, 1956 or Sections 230 to 232 of the Companies Act, 2013.
14. Our Company, our Directors and our Promoters have not entered into any buy-back, standby or similar arrangements to purchase equity shares of our Company from any person.

15. There shall be only one denomination of equity shares of our Company, subject to applicable regulations and our Company shall comply with such disclosure and accounting norms, specified by SEBI from time to time.
16. There shall be no further issue of capital by our Company whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of approval of the Scheme till listing of the Equity Shares allotted as per the Scheme.
17. Our Company has 37,911 Shareholders as on date of filing of this Information Memorandum.

## STATEMENT OF TAX BENEFITS

To  
The Board of Directors  
IIFL Centre, Kamala Mills,  
Senapati Bapat Marg,  
Lower Parel,  
Mumbai 400 013  
IIFL Wealth Management Ltd.  
Maharashtra  
India

Dear Sirs,

**Subject: Statement of possible special tax benefits available to IIFL Wealth Management Ltd. (“the Company”) and its shareholders prepared in accordance with the requirement of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended**

We refer to the Draft Information Memorandum and Information Memorandum (collectively called the “**IM**”) proposed to be filed by the Company with the Securities Exchange Board of India (“**SEBI**”), the National Stock Exchange of India Limited (the “**NSE**”) and the BSE Limited (the “**BSE**”, and together with the NSE, the “**Stock Exchanges**”). We enclose herewith the Annexure stating the possible special tax benefits available to the Company and to its shareholders under the provisions of the Income-tax Act, 1961 (the “**IT Act**”), (i.e. including amendments made by Finance Act 2018, i.e. applicable for the financial year 2018-2019, relevant to the assessment year 2019-2020) presently in force in India, for inclusion in the IM.

The benefits discussed in the enclosed Annexure cover only the special tax benefits available to the Company and its shareholders and do not cover general tax benefits. Special tax benefits are benefits which are generally not available for all companies. We are informed that this Statement of Tax Benefits is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the nature of individual tax consequences and the changing tax laws, each of the investor is advised to consult his or her or their own tax consultant with respect to the specific tax implications arising out of listing of equity shares of the Company.

We do not express any opinion or provide any assurance as to whether:

- the Company or its shareholders will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits, where applicable, have been/would be met with;

The contents of the enclosed Annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities / courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct.

The enclosed annexure is intended for your information and for inclusion in the IM to be filed with SEBI and the Stock Exchanges. We hereby consent to the use of our name and other details, including reference to our firm as auditors to the Company. We further consent to be named as an expert in the IM, as defined under the provisions of the Companies Act, 2013 and the rules framed thereunder.

Yours faithfully,

**For Sanjay Rane & Associates**  
**Chartered Accountants**  
**ICAI Firm Registration Number: 121089W**



**Partner: CA Abhijeet Deshmukh**  
**Membership No. 129145**

**UDIN: 19129145AAAAJS3876**

**Place: Mumbai**  
**Date: June 12, 2019**

**Encl: Annexure I (Statement of tax benefits)**

## **ANNEXURE I TO THE STATEMENT OF TAX BENEFITS**

The information provided below sets out the possible special tax benefits available to the Company and its shareholders under the Income Tax Act 1961 as amended by the Finance Act 2018, i.e. applicable for the Financial year 2018-2019 relevant to the assessment year 2019-2020, presently in force in India (the “**IT Act**”).

### **I. Special tax benefits available to the Company**

There are no special tax benefits available to the Company.

### **II. Special tax benefits available to Shareholders**

There are no special tax benefits available to the shareholders for investing in the shares of the Company.

Notes:

1. This statement does not discuss any tax benefits in the country outside India of an investment in the Equity Shares. The subscribers of the Equity Shares in the country other than India are urged to consult their own professional advisers regarding possible special tax benefits and consequences that apply to them.
2. In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.
3. All the above benefits are as per the current IT Act. Accordingly, any change or amendment in the laws /regulations, which when implemented would impact the same.

## SECTION V- ABOUT US

### INDUSTRY OVERVIEW

*You should read the following summary together with the section “Risk Factors” on page 14 and the more detailed information about us and our financial results included elsewhere in this Information Memorandum. The information presented in this section has been obtained from various publicly available sources, including industry websites and publicly available industry reports. Industry websites and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy, completeness, and underlying assumptions are not guaranteed, and their reliability cannot be assured.*

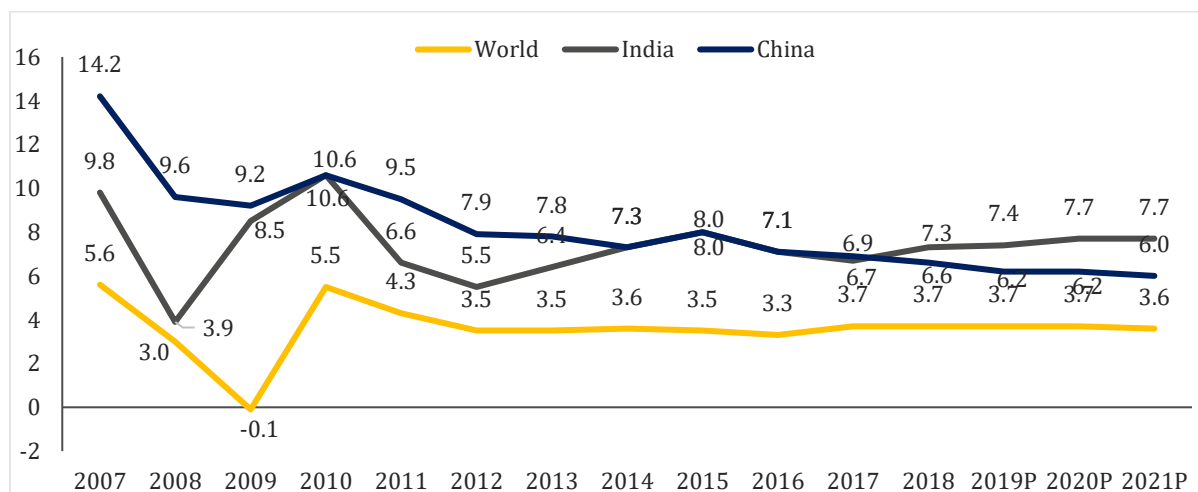
*Accordingly, none of our Company or any person associated with our Company, has independently verified this information or takes any responsibility for the data, projections, forecasts, conclusions, or any other information contained in this section. Industry sources and publications are also prepared on information as on specific dates and may no longer be current or reflect market trends. Accordingly, you should not place undue reliance on, or base any investment decisions on, this information.*

#### 1. India: Economic Outlook

India is poised to become a \$5 trillion economy in the next five years and aspires to become a \$10 trillion economy in the next eight years thereafter, according to the Finance Minister of the Government of India, Piyush Goyal, in his budget speech, in February 2019.

An IMF report concurs, opining that India’s economy is on track towards achieving those goals, picking up pace in 2019, benefiting from lower oil prices and a slower pace of monetary tightening than previously expected, as inflationary pressures ease. India should return to a healthy growth rate of 7.7 % by 2020, if there are no major headwinds in the global economy, the IMF report states. (Source: *IMF India Growth Forecast*: <https://www.cnbc18.com/economy/davos-2019-imf-cuts-global-growth-retains-india-gdp-at-7-3-2026761.htm>) As the IMF projections in Figure 1 depict, India’s real GDP growth surpassed China’s in 2018 and is expected to maintain a ~4% spread as against the average worldwide real annual GDP growth through 2021.

**Figure 1: Real Annual GDP Growth (%)**



(Source: IMF GDP Projections:

[http://www.imf.org/external/datamapper/NGDP\\_RPCH@WEO/OEMDC/ADVEC/WEOWORLD](http://www.imf.org/external/datamapper/NGDP_RPCH@WEO/OEMDC/ADVEC/WEOWORLD))

Having overtaken France to become the sixth largest economy in 2018, India is expected to displace the United Kingdom from the fifth spot in 2019. “India’s enormous population, favourable demographics and high catch-up potential due to low initial GDP per head will help it surpass the United Kingdom in the world’s largest economy rankings in 2019”, according to PwC’s Global Economy Watch. (Source: *PwC Reportage*: <https://www.financialexpress.com/economy/india-to-overtake-united-kingdom-as-5th-largest-economy-in-2019-three-key-things-to-know/1419851/>;) )

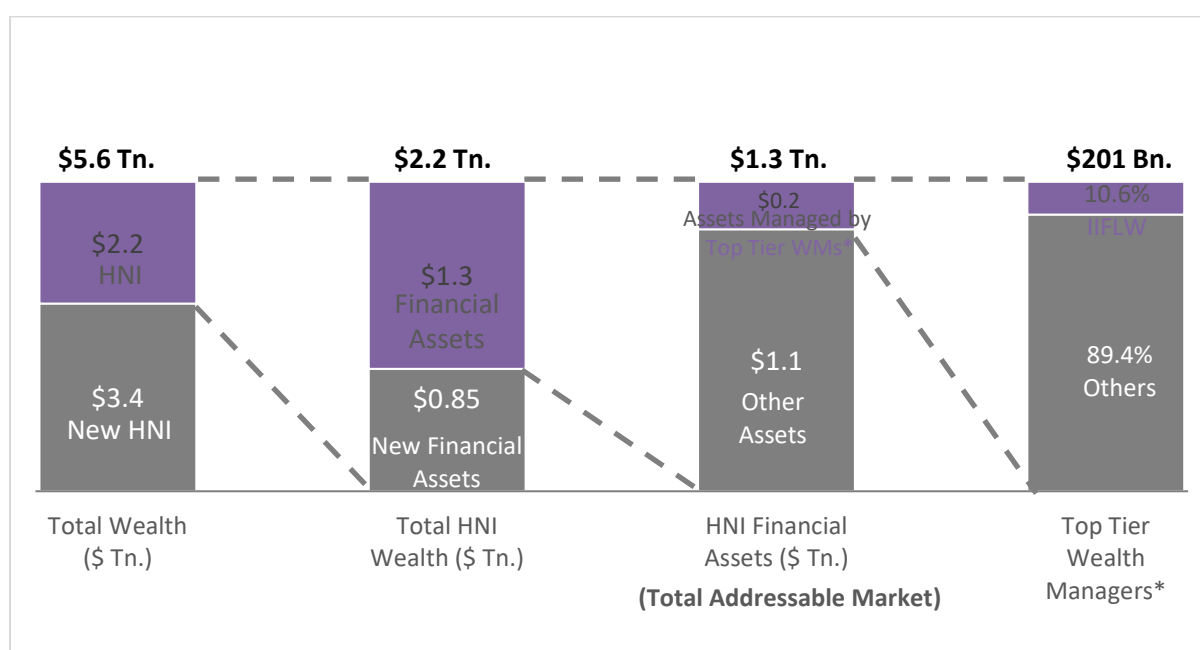
#### 2. Size of Market: Potential Opportunity

With a booming economy, India's wealth creation journey has accelerated over the past few years. Total Individual Wealth in India is currently estimated to be approx. USD 5.6 trillion and is expected to double to USD 10.9 trillion by 2023 at a CAGR of 14% (Source: Karvy Wealth Report 2018)

India's wealthy are expected to increase their assets sharply through growth of existing assets or sale of business (unlocking potential through secondary sale). Of the total Individual wealth Ultra HNI's & HNI's account for approximately USD 2.2 trillion which is projected to grow to USD 5.06 trillion by 2023. It is estimated that as of FY 17 there are 160,600 UHNI / HNI households and this is projected to grow to 330,400 households by FY 2021 (Source: Kotak Wealth Report 2017).

To break the above USD 2.2 trillion, USD 1.3 trillion is in financial assets (Stocks, Mutual Funds, Fixed Deposits etc). Using industry data, we estimate that Financial Assets managed by Top Tier Wealth Managers is only USD 201 billion, with other assets (USD 1.1 trillion) outside coverage. Of this USD 201 billion, IIFL Wealth Management's market share is 10.6%.

**Figure 2: Estimates of Financial Assets**



Source: IIFL Wealth Analysis and Triangulations –Kotak Wealth Report, 2018; Karvy Wealth Report 2018; Asian Private Banker 2019. \* Top Tier WMs -27 Top Wealth Managers as stated by Asian Private Banker 2019. HNI defined as minimum net worth of INR 250 million)

### 3. Industry Overview

#### a) Wealth Management:

The global wealth management industry, estimated at \$201 trillion in client assets, as of 2017 grew at ~8% per annum from 2011 through 2016, and is expected to grow at a slightly slower pace of 7% going forward through 2021. India is ranked 4<sup>th</sup> in the world for the number of new wealthy individuals joining the ranks of the rich, behind the US, China and Japan, but ahead of Germany. (Source wealth X)

#### b) Asset Management:

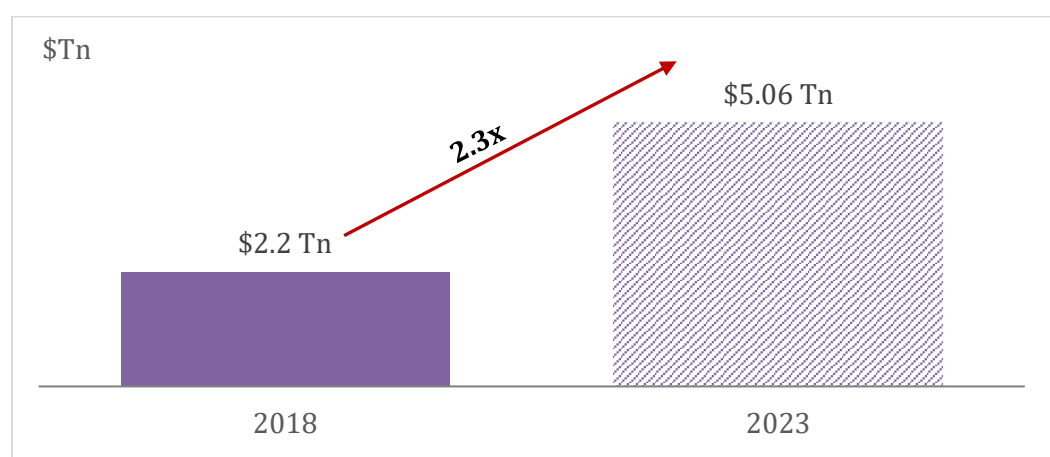
Asset management in India too has witnessed strong growth over the last few years – In March 2019, Assets under Management in India were USD 340 billion (growth of 24% from March 2014 – March 2019). Alternative Investments in India (AIF - Real Estate & Private Equity, Debt, Equity) is estimated to be around USD 40 billion and is poised to grow sharply as investors are increasingly looking to allocate to more sophisticated products. (Source: AMFI and SEBI statistics)

#### 4. Wealth Management – Growth Drivers

##### a. HNI Wealth Expected to Grow ~2.3 X

India's wealthy are expected to increase their assets sharply through growth of existing assets or sale of business (unlocking potential through secondary sale). It is estimated that there are 160,600 HNI households in FY17 which is projected to grow to 330,400 households by FY 2021. (Source: Karvy Wealth Report 2018)

**Figure 3: HNI Wealth in India**



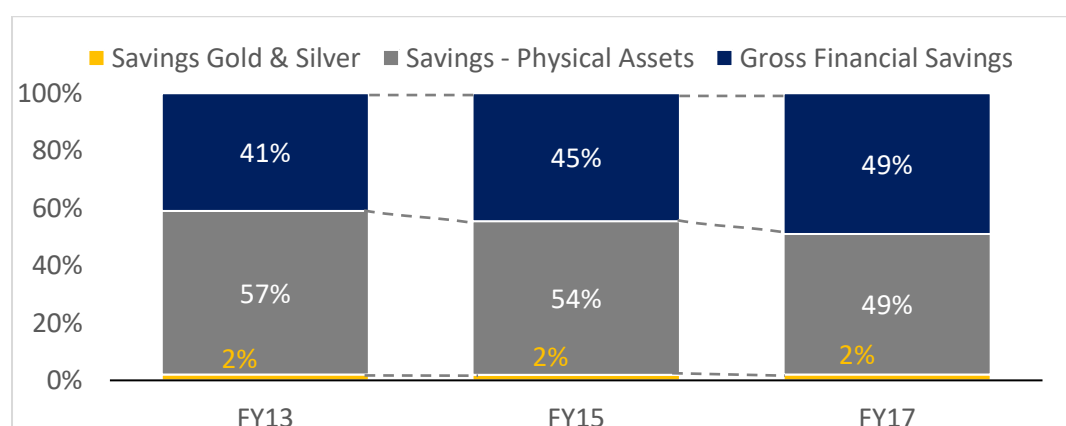
(Source: Top of the Pyramid 2017 Kotak Wealth Management)

##### b. Financialization of Savings

Over the years, Indian Investors have moved away from traditional investment assets such as Real Estate, Gold and Fixed Deposits towards building financial portfolios. Firstly, the prolonged slump in real-estate led to a move away from a sector that had traditionally been the default 'go-to' asset class, a few years ago. Secondly, post demonetisation, with a greater share of assets already formalized and 'in the bank', more of these assets have been 'put to work' in mutual funds. Post demonetisation, Mutual Funds Systematic Investment Plans (SIPs) have surged, peaking at INR 81 billion in March 2019. (source HDFC AMC Shareholder Presentation Q4FY19)

This trend towards investing in financial assets is also seen in HNI families who wish to diversify away from business and real estate.

**Figure 4: Indian Household Savings (%)**

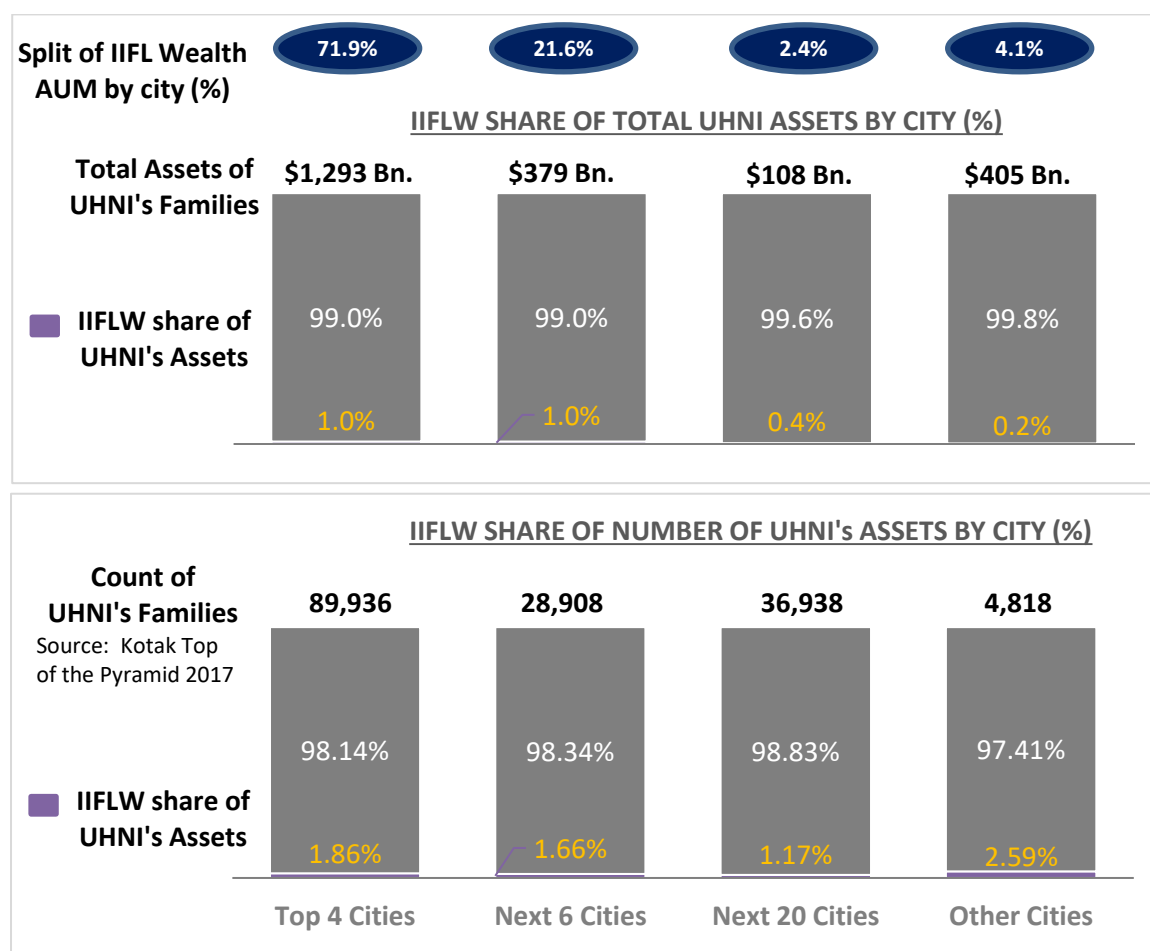


(Fig. 9- Source: Ministry of Statistics, CRISIL Research, HD: <https://www.equitymaster.com/5minWrapUp/charts/index.asp?date=07/26/2018&story=1&title=Is-India-Moving-Towards-Financialization-of-Household-Savings>)

##### c. Underpenetrated Market Opportunity

Estimates suggest that 56% of HNIs live in the top 4 metros, followed by 26% in the next 6 cities, 23% in next 20 cities and balance 3% in others. In terms of Assets the 4 metros account for 59% of wealth and the next 6 cities at 17% of wealth. Tier 2 & 3 Cities have seen significant wealth creation, are underpenetrated by large WMs. As seen below, share of assets of IIFL is low, hence the opportunity to expand reach and penetration across the country.

**Figure 5: Break Down of IIFL's Share of HNI Assets by City**

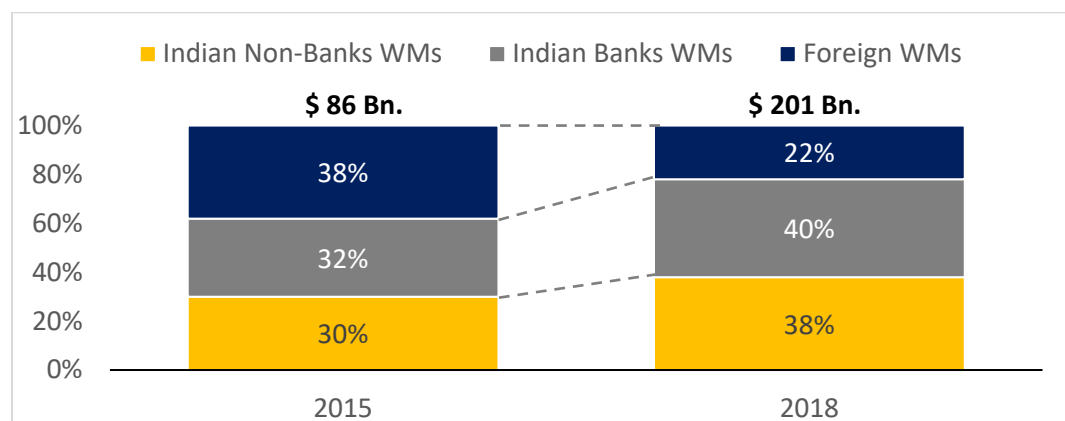


- Source: Asian Private Banker Reports - India AUM League Tables 2016 to 2019
- Cities - Top 4: Mumbai, Delhi, Chennai, Kolkata      Next 6 Cities: Bengaluru, Ahmedabad, Pune, Hyderabad, Nagpur, Ludhiana      Next 11-20 Cities: Chandigarh, Surat, Jaipur, Lucknow, Kanpur, Jamshedpur, Amritsar, Raipur, Indore, Aurangabad
- Share of UHNI Assets by city is calculated by allocating Total UHNI wealth of 153 Trillion to each city using MF AUM by city (Source MFDEX) as a base proportion.
- No of UHNI's by city for IIFLW is basis location of relevant families as defined earlier.

#### **d. Consolidation of Wealth Management Industry**

Over the last few years, Indian Firms have significantly gained market share as global Wealth Management firms have scaled back. Indian Banks and Wealth Managers now account for 78% of assets under management as of 2018. With localised offerings and better reach, Indian players are expected to continue increasing market share.

**Figure 6: Market Share Break Up**



Source: Asian Private Banker Reports - India AUM League Tables 2016 to 2019

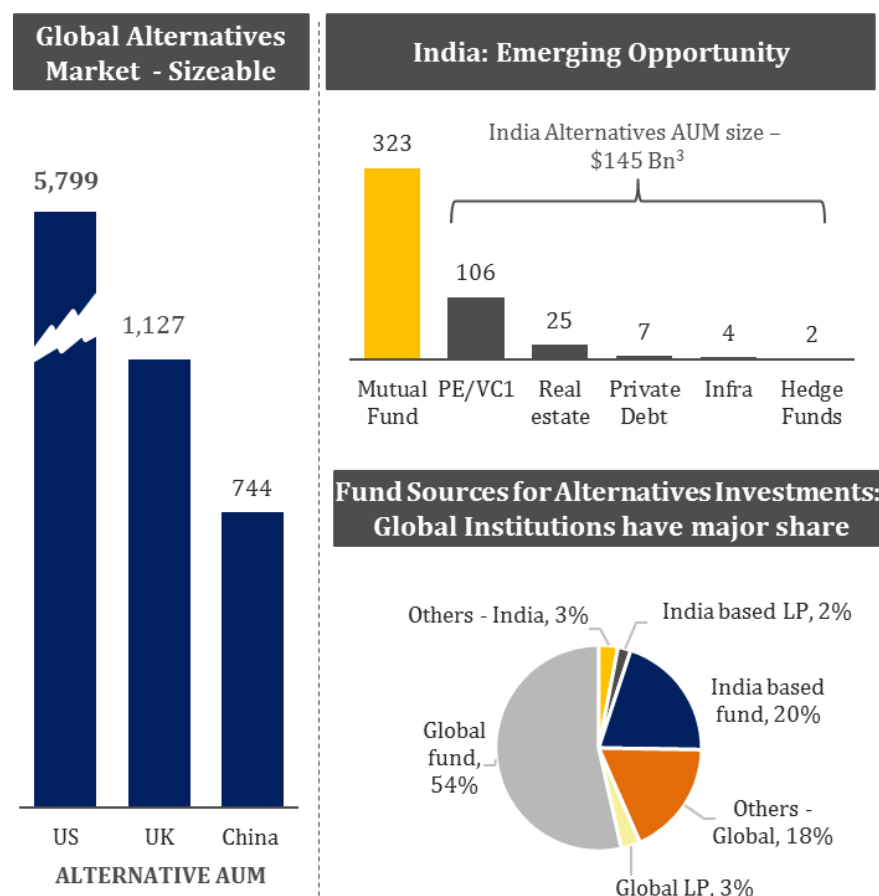
## 5. Asset Management – Growth Drivers

### a. Increasing Sophistication of Investors:

- I. **Alternates:** If we see the chart below, the global alternates market is sizeable. In India, the size of the market is relatively small denoting an emerging opportunity for asset managers. Alternate Investment Funds (AIFs) are gaining prominence for domestic investors; grown at 100%+ CAGR to become a INR 85,000+ Cr market.

*Share of Alternates in HNI Portfolios has increased from 4% in FY 13 to 14% in 1H2018. IIFL has a ~14 share in AIFs. (Source IIFL Data – SEBI, Market share is as on June 30 2018; AIF market share measured as a % of Funds raised as at 30<sup>th</sup> June 2018)*

**Figure 7: Alternatives AUM – Size of Opportunity**



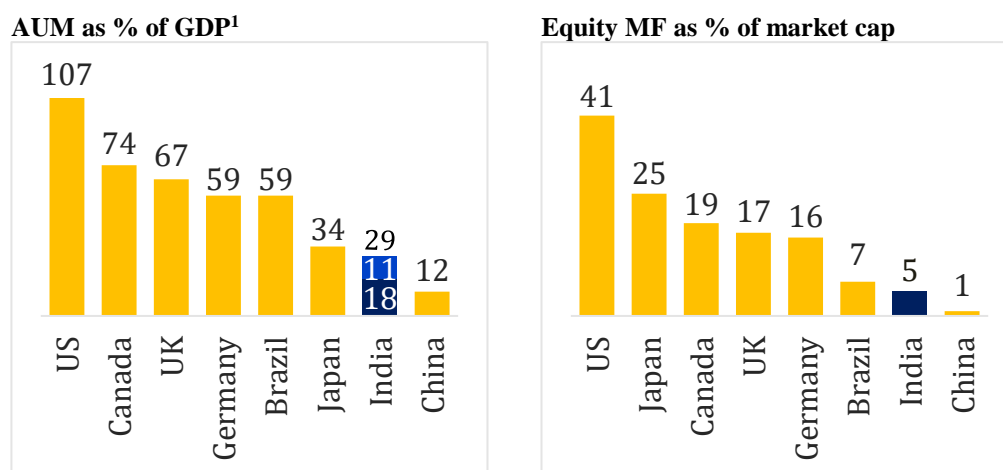
Source BCG 1. Alternative assets sizes as on March 2018 2. Private equity AuM assumed to be PE/VC investments made in India in last 5 years (2014 to 2018 YTD) which are still active 3. Real Estate market size taken total investments made from FY14 to FY18. Note: \$1 = Rs65; Source: Preqinreport

- II. Discretionary PMS:** Another area which has seen strong inflows has been discretionary PMS where the market is estimated to be around Rs 93k crores, growing at approx. 35% CAGR. Over 95% of PMS holders are individuals as opposed to mutual funds (share of Individuals here is 45%).

Source: SEBI; Kotak Wealth Report; Company disclosures

**b. Under Penetrated Market for Mutual Funds:**

Mutual Fund penetration in India is still low. As % of GDP, India MF AUMs account for 29% as compared to countries like UK, Canada and US is over 70%. In fact, equity MF AUM as a % of market cap is 5%.



Source BCG 1. 18% is the AuM managed by Life and Non-life Insurers in India, 11% is managed by standalone Mutual Funds 2. As on Current prices (Base Year 2011-12) Note: Data for AuM as % of GDP and Equity MF as % of market cap is as on Dec '17, for India AuM as % of GDP is as on Mar '17 Source: ICI Factbook; Economic Intelligence Unit; World Bank; AMFI; SEBI

**6. Other enablers to our Business**

**a. In house NBFC:**

Uniquely Positioned NBFC set up to be an enabler for the Wealth Management Business.

- Almost the entire Loan book is collateralized against client investments with IIFLW
- Clients utilize these loans as a temporary bridge for their liquidity requirements.
- Loan Book is usually 3% - 4% of the Wealth AUM
- No Sales / Distribution Cost as all loans are sourced by the Wealth RM's
- Unique liability model where almost the entire liabilities are long term in nature and raised in the form of structured notes from wealth clients
- The book has had zero credit losses from inception

**b. Trust & Estate Planning:**

A dedicated trust team works with clients to pass on wealth in an effective, efficient and compliant manner through legal structures and trusts.

- Use of Guidelines & Family Constitution
- Wills for Family Members
- Set up and Administration of Trusts
- Appropriate Holding Structures to suit client objectives

**c. Broking Services:**

We also have team specialising in providing broking services to clients

- Equity Broking: Direct Equity Desk, team of over 25 people, managing client broking requirements in listed equities as well as derivatives



- Debt Broking: All direct debt related broking activities – NCDs, bonds, preference shares, corporate fixed deposits
- Commodities & Currency: For Corporate Clients.
- Real Estate Broking: Buy & Sell transactions for residential and commercial real estate.

**d. Corporate Advisory:**

We also actively assist our clients (through third party tie-ups) who are promoters of companies for M&A, Divestments, raising funds from Private Equity, Strategic Investments, Structured Equity / Debt, Promoter Financing, IPOs and QIP.

## OUR BUSINESS

*Some of the information in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read section “Forward Looking Statements” on page 9 for a discussion of the risks and uncertainties related to those statements and also “Risk Factors”, “Financial Statements”, and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 14, 125, and 126, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.*

*Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year. Unless otherwise indicated, the financial information included herein is based on our Financial Statements included in this Draft Red Herring Prospectus. For further details, see “Financial Statements” on page 125.*

*Unless the context otherwise requires, in this section, references to “we”, “us”, or “our” refers to IIFL Wealth Management Limited on a consolidated basis and references to “the Company” or “our Company” refers to IIFL Wealth Management Limited on a standalone basis.*

### Overview

#### Overview

We are one of the largest and fastest growing private wealth management firms in India. Founded in 2008, our Company has grown steadily and now manages assets worth INR 1,677,460 million, as on March 31, 2019. We have a wide network comprising of over 1,000 employees operating out of 33 offices, spread across the world.

Our business can be divided into two verticals

- **Wealth Management:** We serve the highly specialized and sophisticated needs of high net worth and ultra-high net worth individuals, affluent families, family offices and institutional clients through a comprehensive range of tailored wealth management and lending solutions.
- **Asset Management:** We have a diversified suite of alternative investment funds, portfolio management schemes and mutual funds that span public and private equities, fixed income securities and real estate. Our clients include global and domestic institutions, channel partners including private banks, family offices, pension funds, and retail investors.

The table below sets forth the key performance indicators of our business on a consolidated basis, as of/for the periods indicated:

*(in ₹ million, unless otherwise specified)*

KPI	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended March 31, 2017
Revenue from operations	15,490.08	16,585.50	10,980.55
Profit before tax	5,379.31	4,900.76	4,296.16
Profit After Tax	3,745.47	3,801.69	3,134.80
Total Comprehensive Income (net of Tax)	3,843.57	3,808.40	3,093.28

### Wealth Management Business

#### 1) Our Business Proposition

The fundamental role of a wealth manager is to help clients preserve and grow their wealth. Our Company provides HNI and UHNI clients investment management services with the aim to generate steady returns from a diversified portfolio with the lowest possible volatility, along with allied additional services such as trust and estate planning, credit solutions and corporate advisory.

The following are the modes of our engagement with clients:

- Discretionary & Non – Discretionary multi-asset class Portfolio management service,

- Distribution of financial products across asset classes,
- Broking Solutions for debt, equity, real estate, commodities and currency, and
- Investment advisory services primarily catering to corporate treasuries.

Along with the above, we also provide clients the following services:

- Credit solutions: Providing credit to fill short term liquidity gaps or enable leveraged investing,
- Estate and succession planning: Providing full suite of wealth structuring and inter-generational transfer solutions, and
- Corporate Finance Advisory: Mergers & acquisitions, divestments, raising funds from private equity, strategic investments, structured equity / debt, initial public offerings and qualified institutional placements (through third party tie-ups).

## 2) Our Client Segment:

With a booming economy, India's wealth creation journey has accelerated over the past few years. Total individual wealth in India is currently estimated to be approximately \$ 5.6 trillion and is expected to double to \$ 10.9 trillion by 2023 at a CAGR of 14% (Source: Karvy Wealth Report 2018)

India's wealthy are expected to increase their assets sharply through growth of existing assets or sale of business (unlocking potential through secondary sale). Of the total individual wealth, Ultra HNIs and HNIs account for approximately \$ 2.2 trillion which is projected to grow to \$ 5.06 trillion by 2023. It is estimated that as of Fiscal 2017, there are 160,600 UHNI / HNI households and this is projected to grow to 330,400 households by Fiscal 2021 (Source: Kotak Wealth Report 2017).

## 3) Unit Economics of the business:

We track the unit economics of the business in two forms:

### Average Assets under Management (AUM) – Rs. 120,376 crores for the year

Particulars*	FY 19 % Basis Average AUM
Net Revenues on Average AUM(A)	0.76%
Wealth Employee Expenses on Average AUM (B)	0.22%
Admin and Other Expenses on Average AUM (C)	0.13%
<b>PBT (A-B-C)</b>	<b>0.41%</b>

### Number of team leaders – Average 62

Particulars	FY 19 - INR Cr (Basis average no. of RM teams)
Net Revenues on Average AUM (A)	14.82
Wealth Employee Expenses for FY19 (B)	4.33
Admin and Other Expenses for FY19 (C)	2.58
<b>PBT (A-B-C)</b>	<b>7.93</b>

## 4) Pillars of our wealth management business

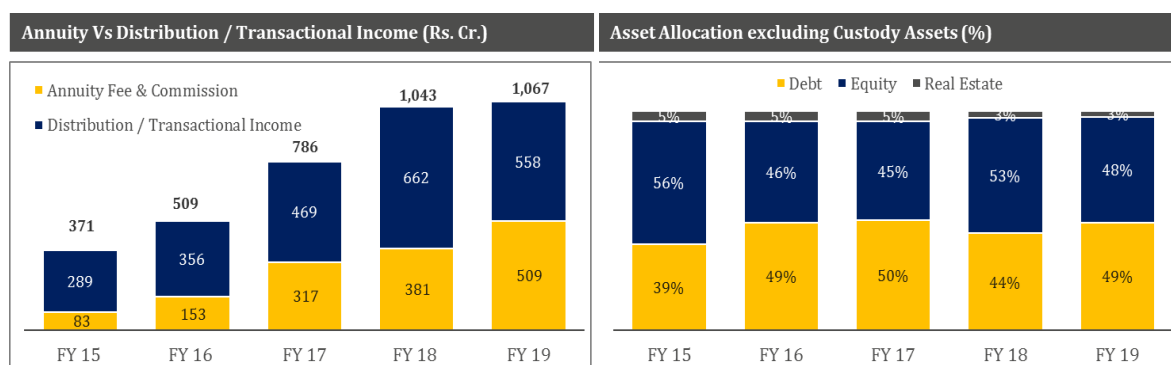
- People:** Wealth management is a people-centric business with high engagement levels. A quality team comprised of experienced professionals across verticals such as relationship management, products, operations etc. is essential to ensure high levels of service to clients.
- Platform:** A comprehensive platform with a wide product and research capability enables us to provide cost – efficient access to the best in – class fund managers and jointly create innovative and often exclusive product ideas in partnership with leading AMCs.
- Process:** A strong emphasis on building processes helps us create standardized solutions and streamlined working mechanisms.

- d. **Proposition:** It is our ability to engage with clients through multiple modes of engagement basis their requirements and suitability. Across engagement models, we strive for transparency, alignment of interest and robust process and risk management controls to provide our clients the best possible experience.

#### 5) Capital Markets – Business Stability/ Cyclicality

Capital markets are a major sentiment indicator and can influence client behavior. However, the impact of cyclical markets on a wealth management business can be mitigated by diversifying revenue and AUM mix across asset classes and increasing fee and annuity incomes.

As seen in the trailing five-year revenue snapshot below, the wealth business is relatively buffered from the volatility of capital markets, and closer in correlation to the underlying economic output of the nation. The share of annuity income has been growing year-on-year as the business becomes less impacted by capital market volatility.



#### 6) Business case for having an in-house NBFC:

While clients generally invest for the long – term, they often also need short term liquidity for meeting requirements such as business acquisition, business needs, taking positions in equity trading, investing in public offerings, and for exercising stock options. Clients utilize this facility as a temporary bridge for their immediate liquidity requirements.

We have a unique credit solutions model:

- Almost the entire loan book is collateralized against client investments with us;
- Our loan book is usually 3% - 4% of our AUM;
- No sales / distribution cost as all loans are sourced by our RMs
- Unique liability model where almost the entire liabilities are long term in nature and raised in the form of structured notes from our clients;
- The book has had zero credit losses from inception; and
- Enables high degree of customization, quick turn-around and cost flexibility which improves client stickiness

#### 7) Requirement of Capital

While the wealth management business is fee driven, the enablers that are needed to provide a full platform for clients require capital as mentioned below:

- Credit solutions: provides short term liquidity to our clients.
- Investment as sponsor in AIFs manufactured by our AMC
- Inorganic expansion.

Currently barring any major inorganic expansion, the business will not need to raise capital via equity dilution. The current rate of growth in the wealth and investment management business is sufficient to support the growth of the credit solutions platform and future sponsor commitments.

#### 8) Implications of the strategic focus on IIFL-ONE

IIFL – ONE is a pure advice for fee engagement model and focuses on 3 core principles i.e.

- Complete alignment of interest and transparency with our clients;
- Focus robust process and risk management controls to manage our clients' wealth; and
- Open architecture and multiple manager selection and asset class diversification.

IIFL – ONE benefits all stakeholders as follows:

- **For our clients:** Addresses evolving requirements, process driven approach, alignment of interest;
- **For our employees:** Deeper engagement with clients, advisory relationship vs product driven; and
- **For the firm:** Increased revenues in the form of fees, higher wallet share, better risk management and portfolio oversight and retaining top talent.

#### *9) Changes in the Revenue Recognition Process*

**Upfront to Trail Commissions – Mutual Funds:** We had already moved to a trail model for all distribution commissions from mutual funds in 2017. The only exception to this was commissions on closed – ended funds such as FMP's on which upfront commissions were still being received till September 2018. Pursuant to a SEBI mandate on upfront commissions earned by advisors on mutual funds in October 2017, all payouts have now moved to a trail model.

**Upfront to Trail Commissions – Managed Accounts:** We have decided to also move income recognition for commissions earned on managed accounts to a trail model with effect from April 1, 2019. While there is no regulatory requirement to do this, and there is no impact on the total income that will be earned over the life of the product distributed, we believe this change will be beneficial to the business in the longer term. The key mitigating factor for any reduction in revenue recognition in the short term is to move assets onto the IIFL – ONE proposition, therefore increasing the fee incomes in Fiscal 20 and beyond.

#### *10) Retaining Top Talent, leads to low Client and AUM attrition*

Strong pillars are already in place for attracting and retaining the best-in-class talent in the country:

- **Equity Ownership:** Wealth Management for HNIs and Ultra HNIs is a people's business and to build a superior business we partnered with the best people by offering significant portion of the ownership (>20%) in the company. This willingness to share the wealth creation upside has created an entrepreneurial culture and an ownership mindset across the firm and teams such as client relations, products, investment advisory, operations, technology and others.
- **Strong Platform:** RMs gravitate towards platforms that can help them acquire and engage clients across multiple products and services, and improve wallet share.
- **Alignment of Interest:** Transparent and attractive incentive & compensation structure for RMs
- **Self-Development:** Continuous focus on learning and development and knowledge expansion through training sessions conducted by global b-school faculty and external trainers

We have managed to retain and attract top talent in the industry. We can look at our data for Fiscal 19 below, and infer the same:

- Our team leader attrition rate was 3.2% in Fiscal 2019, and has averaged at less than 2.5% over the last four years;
- Our client attrition rate is less than 2.5 % per annum; and
- AUM lost because of those families was 0.99% in Fiscal 2019.

The above figures underline the fact that clients may initially come to the firm because of a relationship, however they stay with the firm – because of the platform, its proposition, multiple engagement points and our strong process driven approach to wealth management.

#### *11) Maintaining Open Architecture in spite of having our own AMC*

The firm is striving to ensure each client has a documented investment policy – setting guard-rails on portfolio allocation including maximum % portfolio exposure towards a single Issuer/AMC. This ensures client's exposure to IIFL AMC products is capped and be seen from the fact share of IIFL AMC assets in IIFLW total assets is less than 10%.

#### *12) Differentiating ourselves in the Indian Wealth Management space*

Over the last few years, Indian firms have significantly gained market share (62% in Fiscal 2013 to 78% in Fiscal 2018 – basis data as shown in Asian Private Banker league tables) as global wealth management firms have scaled back. Most existing players in India offer wealth management as an extension to their core business (banking/ broking/ investment banking etc.). In turn, we are pure play wealth management company with a deep focus on managing only HNI wealth.

This focus has enabled us to offer full-fledged services including an evolving advisory platform, building allied services like estate planning, broking and corporate advisory. Having an in-house Asset Management Company and our own NBFC also allows us to offer customised solutions to our clients.

#### *13) Impact of technology on the business in the medium and long term*

The wealth management business, especially for UHNI / HNI segment remains a highly customized and high touch business requiring significant investment in relationship building and garnering client's trust before actual AUM inflow.

In the present context we see technology as being a core enabler to our business in medium to long term and will help in automation of operational processes, transaction execution, generating on-demand investment analytics, better risk management and reporting

To this end, the firm has:

- Acquired 'Altire', a wealth tech start-up that helps clients track their entire portfolio of holdings held across multiple advisors / wealth managers;
- Initiated internal process automation through Salesforce;
- Automated client portfolio analysis and reporting with our platform "Insights"; and
- Built our own in – house core transaction processing system "Caliber".

We are also evaluating pure Robo-advisory models that will allow u to evaluate a foray into the mass-affluent segment which will have simpler requirements, lower portfolio complexity and automated execution.

#### *14) Significant risk factors which may potentially impact our performance*

- **Assets Under Management:** Our results are materially affected by the Assets Under Management. Accordingly, our growth and success depend upon the investment performance of our clients' portfolio and funds.
- **General economic and financial conditions:** The business is dependent on overall economic conditions in India, in case of any deterioration in the same, there could be an impact on financial performance.
- **Competition:** The business is highly competitive. Mergers and acquisitions involving our competitors may create disruption in the market. We also face competition from number of players acting as intermediaries, many of which operate in a highly cost competitive environment.
- **Regulatory Oversight:** Our activities are subject to supervision and regulation by multiple statutory and regulatory authorities. While it may be possible that certain regulatory changes would be positive for some of our business operations, it may also so happen that such changes may adversely affect our financial condition and results of operations.

#### **Asset Management Business**

### 1) Business proposition

Asset management in India too has witnessed strong growth over the last few years. Within the domestic asset management industry, alternative investments (growth of 85% on AIF commitments from Fiscal 2014 to Fiscal 2019) have grown much faster than traditional products like mutual funds (a growth of 24% from Fiscal 2014 to Fiscal 2019). (Source: SEBI and AMFI statistics)

IIFL AMC, with its differentiated position as the leading alternates player, complements the wealth business by manufacturing innovative products; some examples of which are as below:

- First to develop late-stage / pre-IPO as an attractive investment asset-class;
- Thematic equity strategies offered via PMS route;
- Pioneer in offering structured collateralized senior secured debt issued by real estate developers to HNIs in India when rest of market was focusing on project equity;
- First to launch venture fund-of-fund in India with attractive co-investment options; and
- Early trend spotter in movement of structured whole-sale corporate credit from NBFCs to AIFs.

### 2) Unit economics of the Business

	Fiscal 2019
Recurring management fees % (Net of Direct distribution costs) on average AUM during the year [A]	0.69%
Other income/carry income (% of average AUM) [B]	0.17%
Employee costs (% of Average AUM) [C]	0.40%
Other allocated costs (% of Average AUM) [D]	0.19%
PBT [A+B-C-D] (% of Average AUM)	0.27%

### 3) Pillars of the Asset Management business

- **Attracting and retaining the right talent for each alternate strategy:** Since the core of the asset management business is alternates i.e. private equity, venture capital, structured corporate credit, real estate, each requiring highly specialized deal due – diligence and deal execution skills, attracting and retaining the right talent for each alternate strategy is the key. Entrepreneurial culture promoting and rewarding innovation and ownership, financial incentives and opportunity for growth are key drivers in this space.
- **Constant product innovation** – Tapping niches and developing newer sub-asset-classes, the biggest example of the same being the Pre – IPO fund, which garnered over a billion dollars in commitment. The fund filled a large gap in the market as a large segment of HNI investors wanted to invest in unlisted equity but were wary of risks in early stage PE/VC investing, as there was no institutional fund product offering late stage / Pre – IPO investments.
- **Building a wide diversified investor base** - HNIs, Endowments, Family offices, Pension Funds and a distributor base encompassing leading Banks, brokers and IFAs

### 4) Capital Markets – Business Stability/ Cyclicity

- IIFL AMC business model is built around Alternates, which has been the fastest growing asset-class (14% share of HNI investment allocation in 2018 vs 4% in 2013. Source: Kotak Wealth report: 2017) and has seen strong inflows even in years with weak capital market performance like 2015 and 2016
- Diversified offerings with different strategies targeted at different market segments hedges the business for individual sectoral shocks. We have assets in various strategies such as Structured credit, Real Estate lending, Unlisted Equity which are relatively a-cyclical to listed equity capital market cycle. Also, the tenure of these funds/strategies are long (around 4 to 6 years) which helps ride out cycles.
- Ultra HNI/ HNI segment are generally better buffered with pools of long term capital in different asset classes and therefore have greater understanding of capital market cycles and willing to ride out cycles and put in money at bottom of cycle

## 5) *Capital Requirements*

Capital is needed from time to time in the asset management business as follows:

- To invest in AIFs manufactured as a sponsor;
- Maintain minimum net worth requirements as per SEBI; and
- Inorganic expansion.

## 6) *Dependence on the wealth business for distribution*

Our business has provided and continues to provide the impetus for many new product launch and ongoing subscriptions. This has helped the AMC business achieve critical mass in the differentiated product offerings launched. There is a natural synergy given increasing share of Alternates in HNI Portfolios (increased from 4% in Fiscal 13 to 14% in 1H2018.) (Source: Kotak Wealth report, 2017).

Over the last two years, the AMC business has consciously started to reduce its dependence on the wealth business and has empaneled itself across most leading banks and distributors. We have also expanded our reach to target large global institutions, family offices and pension funds for advisory services.

## 7) *Differentiate our Business in the Indian Asset Management space*

We have built a strong franchise over the last three years as a leader in the alternate space. Our offerings are as follows:

- Listed equity: Focus on thematic managed account strategies (discretionary PMS) and focused equity funds;
- Private Equity: Multiple funds straddling early stage investing right up to late stage/ Pre-IPO;
- Structured collateralized real estate debt: We have raised and returned several funds with a strong track record; and
- Structured corporate credit: Looking to gain market-share from NBFCs and credit mutual funds.

## **Competitive Strengths**

Our principle competitive strengths include the following:

### ***Strong and well-established 'IIFL' brand***

We believe that the 'IIFL' brand is a well-established and reputed brand in the broking and financial services sector throughout India. We believe that our customers associate our brand with high quality services, competitiveness as well as our corporate values of integrity, trust and honesty. Our expertise in our field and the individual solutions that we provide to our customers, has aided us in increasing customer loyalty, earn repeat business and customer referrals. We believe that our brand marketing exercises over the years have helped us retain our existing customers and gain new ones.

In order to increase our outreach to further develop our brand and to acquire new customers, we do multiple activities, both digitally and on the ground. In terms of the digital platform, we advertise on various platforms for brand visibility and lead generation. On the ground, we evaluate strategic sponsorships depending upon our brand getting optimum visibility, in addition to us getting substantial speaking opportunities and audience interaction. We also carry out certain events wherein we invite our existing customers for discussions on the markets, thereby creating engagement avenues. Such activities are primarily carried out in order to retain and engage existing customers.

### ***Our extensive technology and innovation platform and infrastructure***

We have invested extensively in our core transaction and execution systems to ensure the timely execution and accurate reporting and accounting of our clients' investments. By adopting modern analytics and client reporting and client relationship management software through third party vendor platforms and acquiring (and deploying) proprietary software such as our reporting platform, 'Altior', we continually improve our technological and execution capabilities. We have recently launched mobile applications that enable us to present complex data in a simple manner to clients and relationship managers, thus keeping them well informed and satisfied. We are



committed to adopting modern technologies to stay ahead of the curve in the financial services industry. Digital and analytics continue to be the key focus areas to bring in agility, availability and relevance.

### ***Open architecture product model***

We follow an open architecture model in both our wealth management and asset management verticals, whereby we offer both proprietary and third-party products to our clients. This open architecture model provides us with the opportunity to present a diverse product mix to our clients, depending on their needs and preferences. This also allows for the opportunities to cross-sell our products across different verticals.

### ***Employee ownership***

Our employees own a significant percentage of the issued and paid up equity share capital of our Company, making the interests of our Company and the employees perfectly aligned with the long-term vision for our business. This significant Shareholding of our employees in our Company makes our Company one of the only companies of our size with such a large employee holding. Over a period of time, this has helped us keep employee attrition to below 3-4%, and close to zero amongst the senior relationship managers. Consequently, we have the lowest client attrition rates on in the industry.

### ***Strong financial performance***

The growth of our business in the recent years has contributed significantly to our financial strength. Our total income increased from ₹ 11,559.94 million in Fiscal 2017 to ₹ 15,771.88 million in Fiscal 2019. In the same periods, our profit before tax grew from ₹ 4,296.16 million for Fiscal 2017 to ₹ 5,379.31 million for Fiscal 2019.

For further details, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on page 126.

### ***Experienced Promoters with strong management team***

We have seen robust business growth under the vision, leadership and guidance of our Promoters. We believe that our Promoters have played a key role in the development of our business and we benefit from their industry knowledge and expertise, vision and leadership.

In addition to our Promoters, our senior management team includes qualified, experienced and skilled professionals who have experience across various sectors. We believe the stability and the industry experience brought on by our Promoters and senior our management team will enable us to continue to take advantage of future market opportunities and expand into newer markets. Further, considering that our employees hold a significant percentage of the issued and paid-up share capital of our Company, we are able to instill a sense of ownership of the business in our employees, while also helping us to attract and retain over 300 relationship managers, in addition to our experienced management and non-sales employees and investment personnel.

### ***Our Business Strategy***

Our Company intends to consolidate its leadership position in the industry by continuing to grow its business. Our Company intends to achieve this by increasing income from existing clients and acquiring new clients. Our Company intends to grow income from existing clients by maintaining and enhancing service quality and process excellence, continuing to invest in account and relationship management teams, expanding service offerings to cover a broad range of services and cross selling various areas of expertise across different verticals and geographies. In addition, by leveraging of its industry expertise, our Company intends to develop tools and platforms to suit its client's specific needs. Our Company is also looking to grow by acquiring new clients.

### ***Description of our business verticals***

#### ***Wealth Management***

The core of our business is working with UHNIs, HNIs, family offices and institutions in helping manage and deploy their investments, as an advisor to their portfolio and as a distributor of financial products, or as a broker facilitating purchase and sale of securities.

Our Company acquires and manages client relationships via the medium of relationship managers (“**RM**s”). We have over 325 relationship managers in 25 offices in India and five offices outside India, as on March 31, 2019. These RMs work in team structures along with dedicated service managers, and the team as a whole draws upon the institutional resources of our Company to serve the client. We have over 100 employees involved in the product/advisory and investment team, along with the investor counsellors and dealers, available as resources to the RMs to meet the client requirements.

Enabling this business vertical, are (i) the trust advisory team, and (ii) the leverage solutions team. The trust advisory team advise large client families on setting up multi – generational and multi – location trusts to efficiently protect and pass on their wealth legacy. The leverage solutions team provide liquidity solutions in the form of loans against securities for temporary requirements that our clients may have for meeting their investment objectives. The leverage solutions are offered through IIFL Wealth Finance Limited, with a closing loan book of ₹ 47,982.90 million as on March 31, 2019.

Recently, our Company has shifted our revenue earning model from a distribution – led model to an advisory – led trail income model, which will make our earnings much more predictable and consistent in nature. This is in line with the global movement of client assets by large European and American firms to more advisory/discretionary models vis-à-vis traditional transactional and distribution led models.

Our client engagement model comprises the following services:

- Treasury Advisory – We offer treasury advisory services for institutions and businesses, helping clients manage their short-term liquid investments on a fee basis.
- Non-discretionary portfolio management services (“**NDPMS**”) – We advise and execute (on a best effort and pricing basis) through customized NDPMS services available for our ultra HNI clients. This business is branded as ‘IIFL One’ for marketing purposes. The client is involved in entire decision-making process and has to provide their consent for all trades executed on behalf of them. We earn management fees from the client based on the AUM and performance of the relevant client portfolios.
- Discretionary portfolio management service (“**DPMS**”) – We advise and execute (on a best effort and pricing basis) through customized DPMS service available for our ultra HNI clients. This business is branded as ‘IIFL All In’ for marketing purposes. The client leaves the decision making for security selection and all trades are executed on behalf of the client by our Company as their investment manager, and we earn management fees from the client based on AUM and performance of the client portfolios.
- Financial product distribution – We act as a distributor of various products (mutual funds, alternate investment funds, structured products, portfolio management schemes, etc.) wherein we provide the products to the clients and earn distribution commission from the product provider/vendor. As a distributor, we also act as a broker dealer for the client, helping in purchasing and selling shares, stocks, bonds and other financial instruments.

### ***Asset Management***

This business vertical has shaped up to become the highest purveyor of asset management in the alternates space, with listed equity, early stage private equity, mid – market / SME private equity, private debt, and global SMA practices being fully established. The focus on alternates and portfolio management services will drive the growth of the asset management vertical for the next few years, as we open India’s access to global institutions and UHNIs, and family offices for investments for the long term.

We have recruited robust and well – known teams in all the above areas, under the experienced eye of the CIO and Joint CEO, Anup Maheshwari. Client engagement in this vertical will be through channel partners and private banks and institutions in India, and global institutions and family offices outside India.

### **Intellectual Property**

We believe that the brand “IIFL” benefits from the trust of our clients and enhances our market visibility. The trademark relating to “IIFL” and the associated logo were held by IIFL Finance Limited. However, due to the expiry of the trademark registration, IIFL Finance Limited had applied to the Registrar of Trademarks, Mumbai

on August 28, 2015 for the fresh registration of 'IIFL' and the associated logo as a trademark in Class 36. The application for trademark registration is presently pending before the Registrar of Trademarks, Mumbai.

Our portfolio of intellectual property also includes other trademark/logo, including *IIFL Investment Managers Estate Planning* and *IIFL Investment Managers*.

### **Properties**

Our Registered and Corporate Office is located at IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel Mumbai – 400 013. As of March 31, 2019, we had branch offices across India and offices in USA, Canada, Singapore, United Arab Emirates, and Mauritius.

## KEY REGULATIONS AND POLICIES IN INDIA

*The following description is a summary of certain sector specific laws and regulations in India, which are applicable to our Company. The information stated below has been obtained from various legislations, rules and regulations made thereunder and other regulatory requirements that are available in public domain. Description of the applicable law set out below is not exhaustive and is only intended to provide general information. The statements below are based on the current provisions of Indian law, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.*

### **Securities and Exchange Board of India Act, 1992**

The Securities and Exchange Board of India Act, 1992, (the “**SEBI Act**”), is the primary legislation governing the securities market in India. The SEBI Act was enacted to (i) provide for the establishment of Securities and Exchange Board of India (the “**SEBI**”); (ii) protect the interest of investors in securities; and (iii) promote the development of, and to regulate, the securities market. Among other things, the SEBI Act confers powers on SEBI to formulate rules and regulations to govern the registration and functioning of various market intermediaries such as stock brokers, depository participants, portfolio managers, and investment advisers. SEBI also has the power to impose monetary penalties and other penalties prescribed, including suspending or cancelling the certificate of registration of an intermediary and initiating prosecution against such intermediaries.

### **Securities Contracts (Regulation) Act, 1956**

The Securities Contracts (Regulation) Act, 1956, (the “**SCRA**”) was enacted to prevent undesirable transactions in securities by regulating the business of dealing therein. The SCRA provides for the manner and procedure for recognition of stock exchanges and confers powers on such recognised stock exchanges to frame rules and bye laws for the regulation and control of contracts relating to the purchase or sale of securities.

In addition to the SEBI Act and the SCRA, the activities of our Company are also governed by the following regulations, rules, guidelines, and circulars:

### **Securities and Exchange Board of India (Intermediaries) Regulations, 2008**

An intermediary is defined under the SEBI Act to include stock brokers and sub-brokers, portfolio managers, investment advisers, and depository participants. The Securities and Exchange Board of India (Intermediaries) Regulations, 2008 provides for, among other things, the manner of making an application for registration as an intermediary with SEBI, the period of validity of the registration certificate, and the general obligations of intermediaries.

### **Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993**

As per the Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993 (the “**SEBI Portfolio Manager Regulations**”), a ‘portfolio manager’ is a person who, pursuant to a contract or arrangement with a client, advises, or directs, or undertakes, on behalf of the client, the management, or administration, of a portfolio of securities, or the funds, of the client, as the case may be. The SEBI Portfolio Manager Regulations stipulate that no person shall act as a portfolio manager unless they hold a certificate granted by SEBI and lay down the eligibility criteria and conditions for grant of certificate to a portfolio manager. The regulations also impose certain obligations on portfolio managers and prescribe sanctions for non-compliance.

### **Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and Association of Mutual Funds in India Guidelines**

The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 govern the law pertaining to the business of mutual funds in India. SEBI has made it mandatory for all mutual funds to appoint agents / distributors who are registered with the Association of Mutual Funds in India (the “**AMFI**”).

The AMFI has issued guidelines to ensure that mutual fund intermediaries do not use unethical means to sell, market, or induce, any investor to buy units of their scheme(s) and mobilize funds on the strength of professional fund management and good practices. These guidelines are mandatory in nature and mutual funds, intermediaries distributing their products, and the sub-brokers acting on their behalf, are required to ensure compliance with these guidelines. Intermediaries are also required to comply with the code of conduct prescribed by the AMFI.

### **Securities and Exchange Board of India (Investment Advisers) Regulations, 2013**

The Securities and Exchange Board of India (Investment Advisers) Regulations, 2013 (the “**SEBI Investment Advisers Regulations**”) provide that no person shall act as an investment adviser unless they hold a certificate granted by SEBI under the regulations. The SEBI Investment Advisers Regulations lay down, among other things, the eligibility criteria, conditions for grant of certificate to investment advisers, and their general obligations and responsibilities. Further, every investment adviser is required to abide by the code of conduct specified under the regulations at all times.

### **Securities and Exchange Board of India (Research Analysts) Regulations, 2014**

The Securities and Exchange Board of India (Research Analysts) Regulations, 2013 (the “**SEBI Research Analysts Regulations**”), provide that no person shall act or hold itself out as a research analyst or a research entity unless such person holds a certificate granted by SEBI under the regulations. The SEBI Research Analysts Regulations, lays down, among other things, the eligibility criteria and conditions for grant of a certificate to research analysts and their general obligations and responsibilities. Further, every research analyst is required to abide by the code of conduct specified under the SEBI Research Analysts Regulations at all times.

### **Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012**

The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 (the “**SEBI AIF Regulations**”) provide no person shall act as an AIF unless they hold a certificate granted by SEBI under the regulations. The SEBI AIF Regulations lay down, among other things, the eligibility criteria, conditions for grant of certificate to AIFs, and their general obligations and responsibilities.

### **Securities and Exchange Board of India (Certification of Associated Persons in the Securities Markets) Regulations, 2007**

The Securities and Exchange Board of India (Certification of Associated Persons in the Securities Markets) Regulations, 2007 provide that any category of associated persons (as defined in terms of the regulations) may be required to obtain the requisite certifications for engagement or employment with intermediaries by SEBI. SEBI has required approved users and sales personnel of trading members in currency derivative and equity derivative segments, distributors of mutual fund products, compliance officers of intermediaries, research analysts and certain persons associated with stock brokers, trading members or clearing members to obtain the prescribed certification from National Institute of Securities Markets.

### **Securities Contract (Regulation) Rules, 1957**

Framed under the SCRA, the Securities Contract (Regulation) Rules, 1957, (the “**SCRR**”) provide for, among other things, the qualifications for membership of a recognised stock exchange. SCRR also empowers SEBI to direct the governing body of recognised stock exchange to take disciplinary action including fine, expulsion, suspension or any other penalty of like nature not involving payment of money, against a member who contravenes or attempts to contravene the provisions of the SCRA or of any rules or regulations or bye laws made thereunder.

### **Labour Laws**

The following is an indicative list of labour laws applicable to the business and operations of our Company:

- Contract Labour (Regulation and Abolition) Act, 1970;
- Employees’ Provident Funds and Miscellaneous Provisions Act, 1952;
- Employees’ State Insurance Act, 1948;
- Minimum Wages Act, 1948;
- Payment of Bonus Act, 1965;
- Payment of Gratuity Act, 1972;
- Payment of Wages Act, 1936;
- Maternity Benefit Act, 1961;
- State-specific shops and establishments legislations;
- Equal Remuneration Act, 1976;
- Maharashtra Labour Welfare Fund Act, 1953;

- Employees' Compensation Act, 1923; and
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## HISTORY AND CERTAIN CORPORATE MATTERS

### Brief history of our Company

Our Company was incorporated as 'IIFL Wealth Management Limited' on January 17, 2008 under the Companies Act, 1956, at Mumbai, as a public limited company with a certificate of incorporation issued by the RoC. We received our certificate of commencement of business from the RoC on February 13, 2008.

### Changes in the registered office of our Company

The details of changes in the registered office of our Company since its incorporation are set forth below.

Date of change of registered office	Details of the address of registered office	Reason(s) for change
November 27, 2017	The registered office of our Company was changed from IIFL House, Sun Infotech Park, Road No.16V, Plot No. B-23, Thane Industrial Area, Wagle Estate, Thane – 400 604, Maharashtra to IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, Maharashtra	For the improvement of administrative and operational efficiency.

### Changes in the Memorandum of Association

The details of the changes made to the Memorandum of Association of our Company in the last 10 years are set forth hereunder.

Date of Shareholders' resolution	Nature of amendment
September 21, 2010	<p>The face value of the equity shares of our Company was sub-divided from ₹ 10 to ₹ 2. The authorised share capital pursuant to the sub-division of equity shares was ₹ 20,000,000, comprising of 10,000,000 equity shares of ₹ 2 each.</p> <p>The authorised share capital of our Company was increased from ₹ 20,000,000, comprising of 10,000,000 equity shares of ₹ 2 each to ₹ 100,000,000, comprising of 50,000,000 equity shares of ₹ 2 each.</p>
December 28, 2010	The authorised share capital of our Company was increased from ₹ 100,000,000, comprising of 50,000,000 equity shares of ₹ 2 each to ₹ 140,000,000, comprising of 70,000,000 equity shares of ₹ 2 each.
January 28, 2015	<p>The main objects (clause III) of our Company were altered to include the following:</p> <p><i>“3. To carry on activities of depository participant by obtaining necessary membership with authorised depositories and to carry on all the permitted activities ancillary to depository participant services including depository clearing services, custodian clearing services and professional clearing services.</i></p> <p><i>4. To carry on in India or abroad the business of broking including share and stock broking, derivative broking and to pool, mobilize and manage the funds of any financial institutions, corporate, individuals and other entities by investing and dealing in stocks, shares, debentures, derivatives, mutual funds, currencies, bonds, units, options, participation certificates, company deposits, deposit certificates, money market instruments, treasury bills, government securities, savings certificates, American depository receipts, global depository receipts, euro and generally for securities of all kinds by way of internet, e-broking, telephone, personal contact or through other media, e-commerce, to acquire and hold one or more memberships/dealership in stock exchanges, security exchanges, OTC exchanges, commodity exchanges and any other recognized stock exchanges with trading privileges, clearing houses.”</i></p>
December 7, 2015	The authorised share capital of our Company was increased from ₹ 140,000,000, comprising of 70,000,000 equity shares of ₹ 2 each to ₹ 170,000,000, comprising of 85,000,000 equity shares of ₹ 2 each.
June 19, 2018	The authorised share capital of our Company was increased from ₹ 170,000,000, comprising of 85,000,000 equity shares of ₹ 2 each to ₹ 200,000,000, comprising of 100,000,000 equity shares of ₹ 2 each.

Date of Shareholders' resolution	Nature of amendment
	<p>The main objects (clause III) of our Company were altered, and the previous clause III (1) was replaced, to include the following:</p> <p><i>“1. To act as the wealth managers, investment managers, asset manager, financial consultants, management consultants, advisors and provide consultancy, advisory, counseling services, financial services and facilities of every description and to manage and mobilise funds and assets of various companies, individual investors, firms, associations and other bodies corporate, private and institutional investors and carry on the activities of managing investment in equity and derivative instruments, commodities, debt instruments, mutual funds, alternative investment funds, government securities, post office schemes, saving instruments, insurance products, money market instruments and securities of all types and to promote, support and to carry on the business of providing asset management services to funds including alternative investment funds and wealth management services to the individuals, firms, associations, institutions, corporate and body corporate and to pass on the benefits of such investments as interest, dividend, bonus, etc. and provide complete range of financial services.”</i></p>

### **Main objects as set out in the Memorandum of Association of our Company**

The main objects of our Company as contained in our Memorandum of Association are:

- 1. “To act as the wealth managers, investment managers, asset managers, financial consultants, management consultants, advisors and provide consultancy, advisory, counselling services, financial services and facilities of every description and to manage and mobilize funds and assets of various companies, mutual fund, individual investors, firms, associations and other bodies corporate, private and institutional investors and carry on the activities of managing investment in equity and derivative instruments, commodities, debt instruments, mutual funds, alternative investment funds, government securities, post office schemes, saving instruments, insurance products, money market instruments and securities of all types and to promote, support and to carry on the business of providing asset management services to funds including alternative investment funds and wealth management services to the individuals, firms, associations, institutions, corporate and body corporate and to pass on the benefits of such investments as interest, dividend, bonus etc. and provide complete range of financial services.*
- 2. To carry on all kinds of agency business and to act as advisors, consultants, agents, sub-agents, distributors, sellers of Deposits, loans, Units of Unit Trust of India and other Mutual Funds, shares, stocks, debentures, Bonds, Government securities, insurance products, National Savings Certificates and such other financial, investment, personal loans, home loans products, securities & debt instruments and to acquire and hold one or more memberships/ dealership with or without trading privileges of associations of bankers, associations of mutual funds, merchant bankers, insurance companies, fund managers, brokers, securities dealers or commodity dealers, clearing houses, stock exchanges, commodity exchanges in India or any part of the world which will or is likely in any way to facilitate the conduct of the company's business.*
- 3. To carry on the activities of depository participant by obtaining necessary membership with authorized depositories and to carry on all the permitted activities ancillary to depository participant services including depository clearing services, custodian clearing services and professional clearing services.*
- 4. To carry on in India or abroad the business of broking including share and stock broking, derivative broking and to pool, mobilize and manage the funds of any financial institutions, corporate, individuals and other entities by investing and dealing in stocks, shares, debentures, derivatives, mutual funds, currencies, bonds, units, options, participation certificates, company deposits, deposits certificates, money market instruments, treasury bills, government securities, savings certificates, American depository receipts, global depository receipts, euro and generally for securities of all kind by way of internet, e-broking, telephone, personal contact or through other media, e-commerce, to acquire and hold one or more memberships/ dealership in stock exchanges, security exchanges, OTC exchanges, commodity exchanges, and any other recognized stock exchanges with trading privileges, clearing houses.”*

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out.

### **Major events and milestones of our Company**



The table below sets forth the key events in the history of our Company:

Calendar year	Particulars
2008	Incorporation as IIFL Wealth Management Limited
2009	Established global presence with offices in US, Dubai, Singapore and Mauritius
2010	Crossed the ₹ 15,000 million AUM threshold
2011	Acquisition of Finest Wealth Managers Private Limited (later renamed as IIFL Distribution Services Limited) adding AUM worth ₹ 17,000 million
2012	Crossed the ₹ 250,000 million AUM threshold
2013	Acquisition of India Infoline Asset Management Company Limited and India Infoline Trustee Company Limited
2014	Launched an alternative investment fund Acquisition of IIFL Inc., IIFL (Asia) Pte. Limited, IIFL Private Wealth Management (Dubai) Limited, IIFL Private Wealth Hong Kong Limited, IIFL Asset Management (Mauritius) Limited, and IIFL Private Wealth (Suisse) SA
2015	Investment by General Atlantic Singapore Fund Pte. Limited in our Company
2016	Acquisition of Chephis Capital Markets Limited, investment of \$9 billion in the entity, later renamed as IIFL Wealth Finance Limited
2017	Launched the \$1 billion fund, IIFL Special Opportunities Fund
2018	Investment by Steadview Capital Mauritius Limited, ABG Capital, LTR Focus Fund, HDFC Standard Life Insurance Company, Rimco (Mauritius) Limited Amansa Holdings Private Limited, and WF Asian Reconnaissance Fund Limited along with further investment by General Atlantic Singapore Fund Pte. Limited
2018	Acquisition of Wealth Advisors (India) Private Limited (later renamed as IIFL Wealth Advisors (India) Limited) and Altior Advisors Private Limited (later renamed as IIFL Altior Advisors Limited)

#### Awards and accreditations

Calendar Year	Awards and Accreditations
2019	Best Wealth Management App - (AIWMI)
2019	Special Jury Award for Outstanding Contribution to Wealth Management (AIWMI)
2019	Best Private Bank, India - The Asset Triple A Private Banking
2019	Financial Services Company of the Year at the VCCircle Awards 2019
2018	Fastest Growing Asset Management Company – India at the International Finance Awards, 2018
2018	Best Product Category: Alternative Investment Fund - IIFL AMC at The India Wealth Awards, 2018
2018	Succession Planning Advice and Trusts by Euromoney Private Banking and Wealth Management
2018	Best Performer in Account Growth Rate at the NSDL Star Performer Awards, 2018
2018	Excellence in Wealth Management - India Domestic at the Asian Private Banker Awards for Distinction, 2018
2018	Best Artificial Intelligence at the 2018 DMAASIA ECHO AWARDS
2018	BFSI Innovation Tribe Awards (Video Statements) by The Economic Times, 2018
2018	Company with Great Managers, 2018 by People in Business India Private Limited
2018	India's Greatest Brands at the URS Asia One, 2018
2018	Global Indian of the Year 2017-18 at the URS Asia One, 2018
2018	Best Wealth Management Company at the India Wealth Awards, 2018
2018	Wealth Management Thought Leader at the India Wealth Awards, 2018
2018	Outstanding Initiative (CSR) at the India Wealth Awards, 2018
2018	Best Private Bank, India at The Asset Triple A Private Banking, Wealth Management, Investment and ETF Awards, 2018
2018	Best Employee Engagement in Non-Banking Sector at the Employee Engagement Leadership Awards, 2018
2018	Best-in-Class Talent Management Award at the Employee Engagement Leadership Awards, 2018
2018	Best Digital Wealth Management Experience, India at the Asset Triple A Digital Awards, 2017
2018	Asia's Greatest Brands at the URS Asia One, 2016
2018	Best Private Bank in India at the Global Finance Best Private Bank Awards, 2018
2018	Best Wealth Manager - India Domestic at the Asian Private Banker Awards for Distinction, 2017
2017	Asset Management Company of the Year - Rising Star, India at the Asset Triple A Asset Servicing, Fund Management and Investors Awards, 2017
2017	Best Private Bank – India at the Asiamoney Best Bank Awards 2017: India
2017	Best Private Bank, India at the The Asset Triple A Private Banking, Wealth Management, Investment and ETF Awards, 2017
2017	Best Private Bank, India at the Global Finance Best Private Bank Awards, 2017
2016	Best Online Wealth Management Experience, India at the Asset Triple A Digital Awards, 2016

Calendar Year	Awards and Accreditations
2016	Best Wealth Manager - India Domestic at the Asian Private Banker Awards for Distinction
2016	Best Private Bank, India at the Asset Triple A Banking, Wealth Management and Investment Awards, 2016
2016	Best Performing National Financial Advisor Wealth Distributor at the UTI MF & CNBC-TV18 Financial Advisor Awards
2016	Best Independent Wealth Management Team, India at the Capital Finance International Awards
2016	Best Private Wealth Manager, India at the Alternative Investment Awards
2016	Best India Start-Up Fund: Seed Venture Fund at the Alternative Investment Awards
2016	Best Online Wealth Management Experience at The Asset Triple A Digital Enterprise Awards, 2016
2016	Best Wealth Management Firm, India at the APAC Insider Investment Awards
2016	Best Domestic Private Bank, India at the Asian Private Banker Awards of Distinction, 2015

### Details regarding acquisition of business/undertakings/mergers and amalgamations

Other than pursuant to the Scheme, as on the date of filing this Information Memorandum, there has been no material acquisition of business, undertakings, mergers, amalgamations or revaluation of assets.

However, the Board of Directors of our Company and our Subsidiary, IIFL Wealth Advisors (India) Limited, have resolved to enter into a scheme of amalgamation on January 28, 2019 and January 29, 2019, respectively, wherein it is proposed to amalgamate IIFL Wealth Advisors (India) Limited with our Company. The appointed date for the proposed scheme is November 22, 2018. Since IIFL Wealth Advisors (India) Limited is a wholly owned subsidiary of our Company, there shall be no issue of consideration as shares or otherwise for the proposed amalgamation.

The company scheme applications of our Company and IIFL Wealth Advisors (India) Limited have been filed with the National Company Law Tribunal, Mumbai bench and the National Company Law Tribunal, Chennai bench, respectively.

The National Company Law Tribunal, Mumbai bench, through its order dated April 22, 2019 has admitted the company scheme application of IIFL Wealth Management Limited, while the admission by the National Company Law Tribunal, Chennai bench of the company scheme application is currently awaited.

### Summary of key agreements

***Share subscription and purchase agreement (the “SSPA”) dated October 30, 2015 (effective October 24, 2015) entered into between our Company, Karan Bhagat, Yatin Shah, Amit Shah, IIFL Finance Limited, and General Atlantic Singapore Fund Pte. Limited (the “Investor”), as amended from time to time.***

Pursuant to the SSPA, the Investor agreed to purchase Equity Shares constituting 21.61% of the Equity Share capital of the Company on a fully diluted basis at the time. For details of the shareholding of the Investor in our Company, see “Capital Structure” on page 28.

### ***Shareholders’ agreements:***

***Shareholders’ agreement dated October 24, 2015 (“SHA”) entered into between our Company, Karan Bhagat, Yatin Shah, Amit Shah, IIFL Finance Limited, and General Atlantic Singapore Fund Pte. Limited (“Investor”), as amended from time to time.***

In connection with the SSPA, our Company, Karan Bhagat, Yatin Shah, Amit Shah, IIFL Finance Limited, and the Investor entered into the SHA to set out mutual rights and obligations between such entities.

The SHA provides for, among others, certain special shareholders’ rights which survive listing, which include:

- a) a right of first offer to the Investor, Nirmal Jain and Venkataraman Rajamani, if Karan Bhagat, Yatin Shah, and / or Amit Shah (collectively, the “**Senior Management**”) propose to transfer all or part of their shares to a third party, save and except their respective affiliates, which shall be exercised in the following manner:
  - a. The Investor, Nirmal Jain and Venkataraman Rajamani have, for a period of 7 business days after receipt of the written notice from the selling shareholder (“**ROFO Period**”) setting out the total number of shares

proposed to be transferred (“**ROFO Shares**”), an irrevocable and exclusive option to make an offer to purchase the ROFO Shares by serving a written notice on the relevant selling shareholder (“**ROFO Response Notice**”) by specifying: (x) its offer to purchase the ROFO Shares along with the proposed offer price for the ROFO Shares (“**ROFO Price**”) and any other terms and conditions of the offer (“**ROFO Terms**”); or (y) its election not to make an offer to purchase the ROFO Shares.

- b. The selling shareholder would be required to inform the Investor, Nirmal Jain and Venkataraman Rajamani of the ROFO Price and ROFO terms offered by the other shareholder within 2 business days of receipt of the ROFO Response Notice(s). The party which has offered the lower ROFO Price would have, for a period of 21 days after intimation by the selling shareholder, an irrevocable and exclusive option to match the ROFO Price of the other party.
  - c. The selling shareholder would be required to accept or reject the offer of Investor, Nirmal Jain and / or Venkataraman Rajamani (as applicable) to purchase the ROFO Shares at the ROFO Price on the ROFO Terms, within a period of 2 business days after the issuance of the initial ROFO Response Notice(s) (“**ROFO Acceptance Period**”).
  - d. In the event the ROFO Response Notice is received within the ROFO Period and the selling shareholder accepts the offer of the Investor, Nirmal Jain and/or Venkataraman Rajamani (as applicable) to purchase the ROFO Shares at the ROFO Price on the ROFO Terms during the ROFO Acceptance Period, then the selling shareholder would be required to transfer the ROFO Shares to the Investor, Nirmal Jain and/or Venkataraman Rajamani (as applicable) within 10 business days from the issue of ROFO Response Notice. Provided that if an updated ROFO Response Notice has been made by the other party matching the higher ROFO Price as per Paragraph (B) above, then the ROFO Shares would be sold to the Investor, Nirmal Jain and/or Venkataraman Rajamani (as applicable) in proportion to their shareholding in the Company calculated on a fully diluted basis.
  - e. In the event that, (x) the ROFO Response Notice is not received within the ROFO Period; or (y) each of, the Investor, Nirmal Jain and Venkataraman Rajamani (as applicable) serve a ROFO Response Notice electing not to make an offer to purchase the ROFO Shares; or (z) the selling shareholder rejects the offer of the Investor, Nirmal Jain and Venkataraman Rajamani (as applicable) within the ROFO Acceptance Period, then such selling shareholder may, subject to Paragraph (F) and (G) below, transfer to a third party the ROFO Shares for a price not less than the ROFO Price; provided however, if the price offered by the third party is more than 110% of the ROFO Price and the transfer to such third party is not completed within 120 days of the expiry of the ROFO Acceptance Period, the right to sell the ROFO Shares would lapse and the terms set out in Paragraph (A) to Paragraph (G) would once again apply to the ROFO Shares.
  - f. If the price offered by the third party is equal to or less than 110% of the ROFO Price, the selling shareholder would be required to intimate the Investor, Nirmal Jain and Venkataraman Rajamani of the price offered by the third party (“**ROFO Second Notice**”) and the Investor, Nirmal Jain and Venkataraman Rajamani would have, for a period of 7 business days after receipt of ROFO Second Notice (“**ROFO Second Acceptance Period**”) an irrevocable and exclusive option to make an offer to purchase the ROFO Shares at the price offered by the third party.
  - g. If the Investor, Nirmal Jain and Venkataraman Rajamani have: (x) exercised their option to purchase the ROFO Shares under Paragraph (F) above, then the transfer to the Other Shareholder; or (y) not exercised their option to purchase the ROFO Shares under Paragraph (F) above, then in each case the transfer of shares to such third party would be required to be completed within 10 business days of the expiry of the ROFO Second Acceptance Period failing which the right to sell the ROFO Shares would lapse and the terms set out in Paragraph (A) to Paragraph (G) would once again apply to the ROFO Shares.
- b) subject to the right of first offer, tag along right to the Investor, Nirmal Jain and Venkataraman Rajamani, if Karan Bhagat, Yatin Shah, and/or Amit Shah propose to transfer all or part of their shares to any person, which shall be exercised in the following manner:
- a. The selling shareholder would be required to promptly, but in any case, not later than 16 business days prior to the consummation of any transfer of shares, give notice (“**Transfer Notice**”) to the Investor, Nirmal Jain and Venkataraman Rajamani describing in reasonable detail the proposed transfer, including,

- (x) the number of shares proposed to be transferred; (y) the consideration proposed to be paid for such transfer; and (z) the name and address of the person to which the shares are proposed to be transferred.
- b. If the Investor, Nirmal Jain and/or Venkataraman Rajamani (as applicable) wish to exercise their tag along right, they would be required to give notice of the exercise (“**Tag Notice**”) to the selling shareholder within a period of 2 business days after receipt of the Transfer Notice (“**Exercise Period**”) setting forth the number of shares to be included in the proposed transfer of shares (the maximum of such number shares to be determined with reference to Paragraphs C and D below) (“**Tagged Shares**”).
  - c. Subject to Paragraph D below, with respect to each proposed transfer, each of the Investor, Nirmal Jain and Venkataraman Rajamani would have the right to transfer a maximum number of Tagged Shares equal to the number (and if this is not a whole number, such number rounded to the nearest whole number) obtained by multiplying the number of the shares of the Company on a fully diluted basis proposed to be transferred by the selling shareholder by a fraction: (x) the numerator of which would be the number of Shares of the Company on a fully diluted basis held by the Investor, Nirmal Jain and/or Venkataraman Rajamani (as applicable) (as of the date of the Tag Notice); and (ii) the denominator of which would be the aggregate number of shares of the Company on a fully diluted basis held by the selling shareholder, the Investor, Nirmal Jain and/or Venkataraman Rajamani (as applicable) (as of the date of the Tag Notice).
  - d. If the proposed transfer by the selling shareholder would result in: (x) Change in Control of the Company; or (y) if following the proposed transfer, the shares of the Company held by Senior Management would account for less than 9% of the share capital of the Company then outstanding on a fully diluted basis, or the shares of the Company held by Karan Bhagat would account for less than 4% of the share capital of the Company then outstanding on a fully diluted basis, the maximum number of the Tagged Shares would be all of the shares of the Company held by the Investor, Nirmal Jain and/or Venkataraman Rajamani (as applicable).
  - e. Upon receipt of the Tag Notice, the selling shareholder would be required to make all necessary arrangements in order that the Tagged Shares may be included in the relevant transaction and transferred on the same terms and conditions (including with respect to price) as described in the Transfer Notice and at the same time as the sale of shares by such selling shareholder in the transaction. The Investor, Nirmal Jain and/or Venkataraman Rajamani (as applicable) would not be required to make any representation or warranty in relation to such transfer of shares, except in relation to title of the Tagged Shares, to the extent held by them.
  - f. The selling shareholder would have a period of 14 business days from the expiration of the Exercise Period in which it would be required transfer the shares originally proposed to be transferred upon the terms and conditions (including with respect to price) specified in the Transfer Notice. If the selling shareholder is not able to complete the transfer of its shares within such 14 business days period, any proposed subsequent transfer by it of some or all of its shares would again be subject to the tag along right of the Investor, Nirmal Jain and Venkataraman Rajamani.
  - g. If the Investor, Nirmal Jain and/or Venkataraman Rajamani (as applicable) deliver a Tag Notice, the selling shareholder would be required to deliver a prior written notice of at least 2 business days of the consummation of the proposed share transfer.
  - h. The selling shareholder is restricted from transferring its shares unless, at the same time, all of the Tagged Shares are transferred and any such purported transfer of shares would be void.
- c) the following rights to appoint nominee directors to the Board of our Company:
- (i) Investor: The right to appoint two Directors, till the time the Investor, along with its affiliates and assignees, holds at least 10% of our Company’s share capital and the right to appoint one Director till the time the Investor, along with its affiliates and assignees, holds at least 5% of our Company’s share capital.
  - (ii) Nirmal Jain and Venkataraman Rajamani: Nirmal Jain and Venkataraman Rajamani have the right to appoint two Directors, till the time they, along with their affiliates and assignees, hold at least

10% of our Company's share capital and the right to appoint one Director till the time they along with their affiliates and assignees, hold at least 5% of our Company's share capital.

- (iii) Senior Management: Each of the Senior Management, have the right to appoint themselves as Directors.
- d) In the event IIFL Finance Limited (previously, IIFL Holdings Limited) ceases to hold any shares of our Company pursuant to listing of our Company and each of, Nirmal Jain and Venkataraman Rajamani (jointly, "**Parent Promoter**") become shareholders of our Company, the Parent Promoters will acquire all the rights and be bound by all the obligations of IIFL Finance Limited (previously, IIFL Holdings Limited) as set out in the SHA; and
- e) The SHA may be terminated at any time by: (i) a mutual agreement of the parties by issuance of a prior written notice; or (ii) when any of the parties to the agreement (along with their affiliates and assignees) cease to hold at least 5% of our Company's share capital on a fully diluted basis.

Separately, per the restated articles of association of our Company adopted on May 24, 2019, from the Senior Management, only Karan Bhagat and Yatin Shah would be appointing themselves as directors of our Company as Amit Shah has resigned from his directorship and employment in our Company. This should be read-in line with the summary of the SHA set out above.

*Investment agreement dated June 19, 2018 ("Investment Agreement") entered into between our Company, IIFL Finance Limited (previously, IIFL Holdings Limited), Karan Bhagat, Yatin Shah, Amit Shah, General Atlantic Singapore Fund Pte. Ltd., Steadview Capital Mauritius Limited, ABG Capital, LTR Focus Fund, HDFC Standard Life Insurance Company Limited, WF Asian Reconnaissance Fund Limited, Rimco (Mauritius) Limited and Amansa Holdings Private Limited*

Pursuant to the Investment Agreement, (i) Steadview Capital Mauritius Limited subscribed to 274,130 Equity Shares of our Company; (ii) ABG Capital subscribed to 41,640 Equity Shares of our Company; (iii) LTR Focus Fund subscribed to 31,230 Equity Shares of our Company; (iv) HDFC Standard Life Insurance Company Limited subscribed to 300,000 Equity Shares of our Company; (v) WF Asian Reconnaissance Fund Limited subscribed to 1,092,000 Equity Shares of our Company; (vi) Rimco (Mauritius) Limited subscribed to 1,092,000 Equity Shares of our Company; (vii) Amansa Holdings Private Limited subscribed to 1,092,000 Equity Shares of our Company; and (viii) the Investor subscribed to 566,500 Equity Shares of our Company.

While the Investment Agreement provides for, among others, certain special shareholders' rights, the Investment Agreement would stand automatically terminated upon successful listing of our Company.

### Material agreements

There are no material agreements entered into by our Company in the preceding two years from the date of this Information Memorandum.

Further, there is no agreement entered into by a Key Managerial Personnel or Director or Promoter or any employee of our Company, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with the dealings in the securities of our Company.

### Holding company

Our Company has no holding company.

### Our Subsidiaries and Joint Ventures

As on the date of this Information Memorandum, our Company has the following subsidiaries:

S. No.	Name of the Subsidiary
1.	IIFL Wealth Finance Limited
2.	IIFL Distribution Services Limited
3.	IIFL Asset Management Limited

S. No.	Name of the Subsidiary
4.	IIFL Investment Adviser and Trustee Services Limited
5.	IIFL Alternate Asset Advisors Limited
6.	IIFL Trustee Limited
7.	IIFL Wealth Securities IFSC Limited
8.	IIFL Altior Advisors Limited
9.	IIFL Wealth Advisors (India) Limited
10.	IIFL Asset Management (Mauritius) Limited
11.	IIFL Private Wealth Management (Dubai) Limited
12.	IIFL (Asia) Pte. Limited
13.	IIFL Private Wealth Hong Kong Limited
14.	IIFL Inc.
15.	IIFL Capital (Canada) Limited
16.	IIFL Capital Pte. Limited
17.	IIFL Securities Pte. Limited

Unless stated otherwise, the details in relation to our Subsidiaries provided below, are as on the date of this Information Memorandum.

## **Indian Subsidiaries**

### **1. IIFL Wealth Finance Limited**

#### ***Corporate information***

IIFL Wealth Finance Limited was incorporated as a public limited company, under the Companies Act, 1956, on August 31, 1994 with the RoC. The registered office of IIFL Wealth Finance Limited is situated at 6<sup>th</sup> Floor, IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, Maharashtra. It is currently engaged in the business of offering lending and financing services, both short term and long term, such as, capital market financing and loans against property and factoring, by way of pledge, mortgage, hypothecation, charge, or otherwise, with or without any securities.

#### ***Capital structure***

The authorised share capital of IIFL Wealth Finance Limited is ₹ 3,500,000,000 divided into 350,000,000 equity shares having a face value of ₹ 10 each and the issued, subscribed and paid up capital of IIFL Wealth Finance Limited is ₹ 3,054,938,030 divided into 305,493,803 equity shares having a face value of ₹ 10 each.

#### ***Shareholding***

Our Company holds 305,493,797 equity shares and nominees of our Company hold six equity shares in IIFL Wealth Finance Limited.

### **2. IIFL Distribution Services Limited**

#### ***Corporate information***

IIFL Distribution Services Limited was incorporated as a private limited company, under the Companies Act, 1956 on January 30, 1995 with the RoC. It was converted into a public limited company and a fresh certificate of incorporation was issued on August 27, 2014. The registered office of IIFL Distribution Services Limited is situated at IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, Maharashtra. It is currently engaged in the business of distribution of financial products and providing manpower services to its group companies.

#### ***Capital structure***

The authorised share capital of IIFL Distribution Services Limited is ₹ 3,500,000 divided into 35,000 equity shares having a face value of ₹ 100 each and the issued, subscribed and paid up capital of IIFL Distribution Services Limited is ₹ 3,000,000 divided into 30,000 equity shares having a face value of ₹ 100 each.

#### ***Shareholding***

Our Company holds 29,960 equity shares and nominees of our Company hold 40 equity shares in IIFL Distribution Services Limited.

### **3. IIFL Asset Management Limited**

#### ***Corporate information***

IIFL Asset Management Limited was incorporated as a public limited company, under the Companies Act, 1956 on March 22, 2010 with the RoC. The registered office of IIFL Asset Management Limited is situated at 6<sup>th</sup> Floor, IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, Maharashtra. The company is currently engaged in the business of acting as investment manager to mutual funds, alternative investment funds, and venture capital funds and offering portfolio management services.

#### ***Capital structure***

The authorised share capital of IIFL Asset Management Limited is ₹ 325,000,000 divided into 32,500,000 equity shares having a face value of ₹ 10 each and the issued, subscribed and paid up capital of IIFL Asset Management Limited is ₹ 321,000,000 divided into 32,100,000 equity shares having a face value of ₹ 10 each.

#### ***Shareholding***

Our Company holds 32,099,994 equity shares and nominees of our Company hold six equity shares in IIFL Asset Management Limited.

### **4. IIFL Investment Adviser and Trustee Services Limited**

#### ***Corporate information***

IIFL Investment Adviser and Trustee Services Limited was incorporated as a public limited company, under the Companies Act, 1956 on December 24, 2010 with the RoC. The registered office of IIFL Investment Adviser and Trustee Services Limited is situated at IIFL Centre, Kamala Mills, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400 013, Maharashtra. It is currently engaged in the business of acting as investment advisor and providing trustee services.

#### ***Capital structure***

The authorised share capital of IIFL Investment Adviser and Trustee Services Limited is ₹ 352,500,000 divided into 35,250,000 equity shares having a face value of ₹ 10 each and the issued, subscribed and paid up capital of IIFL Investment Adviser and Trustee Services Limited is ₹ 352,250,000 divided into 35,225,000 equity shares having a face value of ₹ 10 each.

#### ***Shareholding***

Our Company holds 35,224,994 equity shares and nominees of our Company hold six equity shares in IIFL Investment Adviser and Trustee Services Limited.

### **5. IIFL Alternate Asset Advisors Limited**

#### ***Corporate information***

IIFL Alternate Asset Advisors Limited was incorporated as a public limited company, under the Companies Act, 1956, on July 19, 2011 with the RoC. The registered office of IIFL Alternate Asset Advisors Limited is situated at IIFL Centre, Kamala Mills, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400 013, Maharashtra. It is currently engaged in the business of offering asset management services and acts as an investment manager to schemes of alternative investment funds.

#### ***Capital structure***

The authorised share capital of IIFL Alternate Asset Advisors Limited is ₹ 3,000,000 divided into 300,000 equity

shares having a face value of ₹ 10 each and the issued, subscribed and paid up capital of IIFL Alternate Asset Advisors Limited is ₹ 2,494,810 divided into 249,481 equity shares having a face value of ₹ 10 each.

### ***Shareholding***

Our Company holds 249,475 equity shares and nominees of our Company hold six equity shares in IIFL Alternate Asset Advisors Limited.

#### **6. IIFL Trustee Limited**

### ***Corporate information***

IIFL Trustee Limited was incorporated as a public limited company, under the Companies Act, 1956 on June 5, 2009 with the RoC. The registered office of IIFL Trustee Limited is situated at 6<sup>th</sup> Floor, IIFL Centre, Kamala Mills, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400 013, Maharashtra. It is currently engaged in the business of acting as trustee to asset management companies, mutual funds, and alternative investment funds.

### ***Capital structure***

The authorised share capital of IIFL Trustee Limited is ₹ 100,000,000 divided into 10,000,000 equity shares having a face value of ₹ 10 each and the issued, subscribed and paid up capital of IIFL Trustee Limited is ₹ 5,000,000 divided into 500,000 equity shares having a face value of ₹ 10 each.

### ***Shareholding***

Our Company holds 499,994 equity shares and nominees of our Company hold six equity shares in IIFL Trustee Limited.

#### **7. IIFL Wealth Securities IFSC Limited**

### ***Corporate information***

IIFL Wealth Securities IFSC Limited was incorporated as a public limited company under the Companies Act, 2013 on June 22, 2018 with the Registrar of Companies, Gujarat at Ahmedabad. The registered office of IIFL Wealth Securities IFSC Limited is situated at 412, Building No.13-B, Block No.13, Zone-1, Road 1C, Gift SEZ, Gift City, Gift SEZ, Gandhinagar – 382 355, Gujarat. It proposes to carry on the business as an International Financial Service Centre (“IFSC”) unit in accordance with the SEBI (IFSC) Guidelines and to act as an intermediary in terms of such guidelines or otherwise deal on any global exchanges, including IFSC in shares, stocks, debentures, debentures stock, bonds, depository receipts, hedge instruments, warrants, certificates, options futures, money market securities, marketable or non-marketable securities, derivatives and other instruments or securities issued or guaranteed by any government, semi-government, or any other authority or to deal in other permissible securities as prescribed in such guidelines or as may be amended from time to time.

### ***Capital structure***

The authorised share capital of IIFL Wealth Securities IFSC Limited is ₹ 20,000,000 divided into 2,000,000 equity shares having a face value of ₹ 10 each and the issued, subscribed and paid up capital of IIFL Wealth Securities IFSC Limited is ₹ 1,000,000 divided into 100,000 equity shares having a face value of ₹ 10 each.

### ***Shareholding***

Our Company holds 99,994 equity shares and nominees of our Company hold six equity shares in IIFL Wealth Securities IFSC Limited.

#### **8. IIFL Altire Advisors Limited**

### ***Corporate information***

IIFL Altire Advisors Limited was originally incorporated as ‘Altire Advisors Private Limited’, a private limited company under the provisions of the Companies Act, 2013 pursuant to the issuance of a certificate of incorporation dated October 21, 2016. Subsequently, its name was changed to ‘IIFL Altire Advisors Private Limited’ pursuant



to the issuance of a fresh certificate of incorporation dated February 19, 2019 by the registrar of companies and the name was further changed to 'IIFL Altire Advisors Limited' pursuant to the issuance of a certificate of incorporation dated April 15, 2019 by the registrar of companies. The registered office of IIFL Altire Advisors Limited is situated at Plot No.11B, Survey No.40/9, Devasandra, Industrial Area, 2<sup>nd</sup> Stage, K.R. Puram, Bengaluru – 560 048, Karnataka. IIFL Altire Advisors Limited carries on the business of data analytics.

#### ***Capital structure***

The authorised share capital of IIFL Altire Advisors Limited is ₹ 1,500,000 divided into 150,000 equity shares having a face value of ₹ 10 each and the issued, subscribed and paid up capital of IIFL Altire Advisors Limited is ₹ 1,246,720 divided into 124,672 equity shares having a face value of ₹ 10 each.

#### ***Shareholding***

Our Company holds 124,666 equity shares and nominees of our Company hold six equity shares in IIFL Altire Advisors Limited.

### **9. IIFL Wealth Advisors (India) Limited**

#### ***Corporate information***

IIFL Wealth Advisors (India) Limited was incorporated as a public limited company, under the Companies Act, 1956 on May 20, 2004 with the Registrar of Companies, Tamil Nadu at Chennai. The registered office of IIFL Wealth Advisors (India) Limited is situated at Lemuir House, 10 G.N. Chetty Road, T. Nagar Chennai – 600 017, Tamil Nadu. It is currently engaged in the business of investment advisory, portfolio management services, and mutual funds distribution.

#### ***Capital structure***

The authorised share capital of IIFL Wealth Advisors (India) Limited is ₹ 65,300,000 divided into 60,000,000 equity shares having a face value of ₹ 1 each, 300,000 zero percent fully convertible preference shares having a face value of ₹ 1 each, and 50,000 zero percent fully convertible preference shares having a face value of ₹ 100 each and the issued, subscribed and paid up capital of IIFL Wealth Advisors (India) Limited is ₹ 53,433,822 divided into 53,433,822 equity shares having a face value of ₹ 1 each.

#### ***Shareholding***

Our Company holds 53,433,816 equity shares and nominees of our Company hold six equity shares in IIFL Wealth Advisors (India) Limited.

#### **Foreign Subsidiaries**

### **1. IIFL Asset Management (Mauritius) Limited**

#### ***Corporate information***

IIFL Asset Management (Mauritius) Limited was incorporated as a private limited company, under the Companies Act, 2001 of Mauritius on December 15, 2010. The registered office of IIFL Asset Management (Mauritius) Limited is situated at 5<sup>th</sup> Floor, Barkly Wharf Le Caudan Waterfront Port Louis, Mauritius. It is currently engaged in the business of (i) a collective investment scheme manager, (ii) distribution of financial products, and (iii) investment advisory.

#### ***Capital structure***

The issued, subscribed and paid up capital of IIFL Asset Management (Mauritius) Limited is USD 69,975 divided into 69,975 equity shares having a face value of USD 1 each.

#### ***Shareholding***

The shareholding pattern of IIFL Asset Management (Mauritius) Limited as on date of this Information Memorandum is given below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
IIFL Wealth Management Limited	69,975	100.00
<b>Total</b>	<b>69,975</b>	<b>100.00</b>

## 2. IIFL Private Wealth Management (Dubai) Limited

### *Corporate information*

IIFL Private Wealth Management (Dubai) Limited was incorporated as a private limited company, under the Companies Law, DIFC Law No. 2 of 2009 on September 28, 2010. The registered office of IIFL Private Wealth Management (Dubai) Limited is situated at Unit 808, Level 8, Liberty House, Dubai International Financial Centre, Dubai, 115 064, United Arab Emirates. It is currently engaged in the business of (i) arranging credit and dealing in investment, and (ii) advising on financial products and credit.

### *Capital structure*

The authorised share capital of IIFL Private Wealth Management (Dubai) Limited is USD 1,000,000 divided into 1,000,000 equity shares having a face value of USD 1 each and the issued, subscribed and paid up capital of IIFL Private Wealth Management (Dubai) Limited is USD 918,442 divided into 918,442 equity shares having a face value of USD 1 each.

### *Shareholding*

The shareholding pattern of IIFL Private Wealth Management (Dubai) Limited as on date of this Information Memorandum is given below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
IIFL Wealth Management Limited	918,442	100.00
<b>Total</b>	<b>918,442</b>	<b>100.00</b>

## 3. IIFL (Asia) Pte. Limited

### *Corporate information*

IIFL (Asia) Pte. Limited was incorporated as a private limited company, under the Companies Act, Cap. 50, Singapore, on August 29, 2007 with the Registrar of Companies, Singapore. The registered office of IIFL (Asia) Pte Ltd is situated at unit no 583, Distrii Singapore Pte Ltd, Level 6 Republic Plaza, 9 Raffles Place, Singapore – 048 619. It is currently engaged in the business of investment holding.

### *Capital structure*

The issued, subscribed and paid up capital of IIFL (Asia) Pte Limited is SGD 14,000,000 divided into 14,000,000 equity shares having a face value of SGD 1 each.

### *Shareholding*

The shareholding pattern of IIFL (Asia) Pte Limited as on date of this Information Memorandum is given below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
IIFL Wealth Management Limited	14,000,000	100.00
<b>Total</b>	<b>14,000,000</b>	<b>100.00</b>

## 4. IIFL Private Wealth Hong Kong Limited

### *Corporate information*

IIFL Private Wealth Hong Kong Limited is company limited by shares and incorporated in Hong Kong under the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) pursuant to the issuance of a certificate of incorporation dated June 4, 2010, by the Registrar of Companies, Hong Kong. The registered office of IIFL Private Wealth Hong Kong Limited is situated at room no 902, Wilson House, 19-27 Wyndham Street, Central, Hong Kong. It is in the process of winding up. IIFL Private Wealth Hong Kong Limited carries on the business of advising and dealing in securities.

#### ***Capital structure***

The issued, subscribed and paid up capital of IIFL Private Wealth Hong Kong Limited is HKD 6,476,324 divided into 6,476,324 equity shares having a face value of HKD 1 each.

#### ***Shareholding***

The shareholding pattern of IIFL Private Wealth Hong Kong Limited as on date of this Information Memorandum is given below:

<b>Name of the shareholder</b>	<b>Number of equity shares</b>	<b>Percentage of the issued and paid-up share capital (%)</b>
IIFL Wealth Management Limited	6,476,324	100.00
<b>Total</b>	<b>6,476,324</b>	<b>100.00</b>

### **5. IIFL Inc.**

#### ***Corporate information***

IIFL Inc. was incorporated as a private limited company, under Section 402 of the Business Corporation Law on January 30, 2008. The registered office of IIFL Inc. is situated at 1120 Avenue of the Americas, Suite 1502, New York, NY 10036, United States of America. The company's business activities, in terms of its constitutional documents, include conducting the business of a broker dealer.

#### ***Capital structure***

The authorised share capital of IIFL Inc. is USD 100 divided into 1,000 equity shares having a face value of USD .01 each and the issued, subscribed and paid up capital of IIFL Inc. is USD 1 divided into 140 equity shares having a face value of USD .01 each.

#### ***Shareholding***

The shareholding pattern of IIFL Inc as on date of this Information Memorandum, is given below:

<b>Name of the shareholder</b>	<b>Number of equity shares</b>	<b>Percentage of the issued and paid-up share capital (%)</b>
IIFL Wealth Management Limited	1,000	100.00
<b>Total</b>	<b>1,000</b>	<b>100.00</b>

### **6. IIFL Capital (Canada) Limited**

#### ***Corporate information***

IIFL Capital (Canada) Limited was incorporated as a private limited company, under the Business Corporations Act on November 14, 2016 with the Ministry of Government Services. The registered office of IIFL Capital (Canada) Limited is situated at 121 King Street West Suite 1725, Toronto, Ontario M5H 3T9, Canada. It is currently engaged in the business of distribution of certain financial products to accredited and permitted clients.

#### ***Capital structure***

The issued, subscribed and paid up capital of IIFL Capital (Canada) Limited is CAD 187,030 divided into 187,030 equity shares having a face value of CAD 1 each.

#### ***Shareholding***

The shareholding pattern of IIFL Capital (Canada) Limited as on date of this Information Memorandum, is given below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
IIFL Wealth Management Limited	100,000	100.00
<b>Total</b>	<b>100,000</b>	<b>100.00</b>

## 7. IIFL Capital Pte. Limited

### *Corporate information*

IIFL Capital Pte. Limited was incorporated as a private limited company, under the Companies Act, Cap. 50, Singapore, on May 6, 2008 with the Registrar of Companies, Singapore. The registered office of IIFL Capital Pte. Limited is situated at unit no 583, Distrii Singapore Pte Ltd, Level 6 Republic Plaza, 9 Raffles Place, Singapore – 048 619. It is currently engaged in the business of fund management.

### *Capital structure*

The issued, subscribed and paid up capital of IIFL Capital Pte. Limited is SGD 5,300,000 divided into 5,300,000 equity shares having a face value of SGD 1 each.

### *Shareholding*

The shareholding pattern of IIFL Capital Pte. Limited as on date of this Information Memorandum is given below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
IIFL (Asia) Pte. Limited	5,300,000	100.00
<b>Total</b>	<b>5,300,000</b>	<b>100.00</b>

## 8. IIFL Securities Pte. Limited

### *Corporate information*

IIFL Securities Pte. Limited was incorporated as a private limited company, under the Companies Act, Cap. 50, Singapore, on August 12, 2008 with the Registrar of Companies, Singapore. The registered office of IIFL Securities Pte. Limited is situated at unit no 583, Distrii Singapore Pte Ltd, Level 6 Republic Plaza, 9 Raffles Place, Singapore – 048 619. It is currently engaged in the business of dealing in capital markets products and is an exempt financial adviser for the regulated activity of advising on investment products.

### *Capital structure*

The issued, subscribed and paid up capital of IIFL Securities Pte. Limited is SGD 1,030,000 divided into 1,030,000 equity shares having a face value of SGD 1 each.

### *Shareholding*

The shareholding pattern of IIFL Securities Pte. Limited as on date of this Information Memorandum is given below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
IIFL (Asia) Pte Ltd	1,030,000	100.00
<b>Total</b>	<b>1,030,000</b>	<b>100.00</b>

### *Other Confirmations*

Our Subsidiaries are not interested in the business of our Company. Further, there are no common pursuits between our Company and our Subsidiaries.

There are no accumulated profits or losses of our Subsidiaries not accounted for by our Company.

There have been no rescheduling of our borrowings from financial institutions.

There have been no significant time and cost over-runs in the development or construction of any of the projects or establishments of our Company.

Our Company does not have any strategic / financial partners.

## SCHEME OF ARRANGEMENT

### Rationale as provided in the Scheme:

The composite scheme of arrangement filed under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, and the rules made thereunder, involves: (i) amalgamation of India Infoline Media and Research Services Limited (“IIMRSL”) with IIFL Finance Limited (“IIFL”) (“**Part II**” of the Scheme); (ii) transfer and vesting of the Securities Business Undertaking (“**Part III**” of the Scheme) from IIFL into IIFL Securities Limited (“ISL”); (iii) transfer and vesting of the Wealth Business Undertaking from IIFL into our Company (“**Part IV**” of the Scheme); (iv) amalgamation of India Infoline Finance Limited (“IIFL”) with IIFL (“**Part V**” of the Scheme); and (v) transfer and vesting of the Broking and Depository Participant Business Undertaking from our Company to IIFL Distribution Services Limited (“IDSLS”) (“**Part VI**” of the Scheme); and (vi) such other matters consequential to or otherwise connected with the above (the “**Scheme**”).

### Rationale for the Scheme

The re-organisation is intended to achieve the following:

- Creation of a clean corporate structure with no cross holdings, thereby ensuring transparency, accountability, highest standards of corporate governance and compliance, enhanced operational flexibility and responsiveness to competitive or environmental challenges;
- Unlocking value for shareholders given the business has achieved scale, allowing a focused strategy in operations which would be in the best interest of all stakeholders;
- Creation of listed entities specializing in the loans and mortgages business, wealth management services and capital market business with ability to achieve valuation based on respective risk-return profile and cash flows, attracting the right investors and thus enhancing flexibility in accessing capital; and
- Attracting and motivating its key people with stock options such that their rewards are strongly correlated with IIFL Group’s philosophy of ‘owner mindset’ which is shared ownership and shared accountability by all team members.

### Appointed Date

The appointed date for amalgamation of IIMRSL with IIFL is April 1, 2017 (“**Appointed Date 1**”) and the appointed date for demerger and vesting of the Securities Business Undertaking, the demerger and vesting of the Wealth Business Undertaking, amalgamation of IIFL with IIFL, and the demerger and vesting of the Broking and Depository Participant Business Undertaking is April 1, 2018 (“**Appointed Date 2**”).

### Salient features of the Scheme

#### *Demerger and vesting of the Wealth Business Undertaking in our Company*

Pursuant to Part IV of the Scheme and in accordance with the provisions of the Companies Act, the provisions of Section 2(19AA) of the Income Tax Act, the Wealth Business Undertaking along with all its assets, liabilities, contracts, arrangements, employees, permits, licenses, records, approvals, etc. has been demerged from IIFL and transferred to and vested in our Company as a going concern, so as to become the assets, liabilities, contracts, arrangements, employees, permits, licenses, records, approvals, etc., of our Company with effect from Appointed Date 2.

In consideration of the demerger of the Wealth Business Undertaking into our Company pursuant to the provisions of the Scheme, we have issued and allotted, on a proportionate basis to each shareholder of IIFL, one fully paid up equity share of ₹ 2 each, credited as fully paid up, for every seven equity shares of ₹ 2 each of IIFL held by such shareholder whose name is recorded in the register of members and records of the depository as members of the IIFL as on the Record Date, i.e., May 31, 2019.

Further, in terms of the Scheme, our Company is required to formulate a new employee stock option scheme by adopting the Employee Stock Option Scheme 2007 and 2008 of IIFL and grant one employee stock option in such

scheme for every seven stock options held by employees of IFL and its subsidiaries in the Employee Stock Option Scheme 2007 and 2008.

***Demerger and vesting of Broking and Depository Participant Business Undertaking***

Pursuant to Part VI of the Scheme and in accordance with the provisions of the Companies Act, the provisions of Section 2(42C) of the Income Tax Act and other applicable laws, the Broking and Depository Business Undertaking stands transferred to and vested in IDSL from our Company as a going concern, so as to become the assets, liabilities, contracts, arrangements, employees, permits, licenses, records, approvals, etc., of IDSL with effect from Appointed Date 2.

The lumpsum consideration for the transfer of the Broking and Depository Participant Business Undertaking is ₹ 165.80 million.

***Reduction and reorganisation of the existing equity shares of our Company***

Immediately upon the implementation of Part IV of the Scheme and with effect from the Effective Date, the paid up equity share capital, as on the Effective Date, of our Company held by IFL stood cancelled, extinguished and annulled on and from the Effective Date and the paid up equity capital of our Company to that effect stood cancelled and reduced, which is to regarded as reduction of the share capital of our Company.

On the Effective Date, we debited our share capital account in our books of account with the aggregate face value of such cancelled shares. The capital reserve in the books of our Company was increased to the extent of the amount of such cancelled shares.

In addition to the above, the following actions have also been undertaken pursuant to the Scheme:

***(a) Amalgamation of IIMRSL with IFL***

Pursuant to Part II of the Scheme, and in accordance with the provisions of the Companies Act, the provisions of Section 2(1B) of the Income Tax Act, IIMRSL along with all its assets, liabilities, contracts, employees, licenses, records, approvals, etc. of IIMRSL amalgamated with and vested in IFL as a going concern so as to become the assets, liabilities, contracts, employees, licenses, records, approvals, etc. of IFL, with effect from the Appointed Date 1.

IIMRSL was a wholly owned subsidiary of IFL and therefore there was no issue of shares by IIMRSL as consideration for the amalgamation of IIMRSL with IFL.

***(b) Demerger and vesting of Securities Business Undertaking***

Pursuant to Part III of the Scheme, and in accordance with the provisions of Companies Act, 2013, the provisions of Section 2(19AA) of the Income Tax Act, the Securities Business Undertaking along with all its assets, liabilities, contracts, arrangements, employees, permits, licenses, records, approvals, etc. demerged from IFL and transferred to and vested in ISL as a going concern, so as to become the assets, liabilities, contracts, arrangements, employees, permits, licenses, records, approvals, etc., of ISL with effect from April 1, 2018.

Additionally, ISL was required to either formulate a new employee stock option scheme or make changes to its existing employee stock option schemes by adopting the Employee Stock Option Scheme 2007 and 2008 of IFL, as modified in accordance with the Scheme. With respect to the stock options granted by IFL to its employees or its subsidiaries under the Employee Stock Option Scheme 2007 and 2008 and upon the Scheme becoming effective, the said employees were required to be granted one stock option by ISL for every one stock option held in the Employee Stock Option Scheme 2007 and 2008, whether the same were vested or not, on terms and conditions similar to the Employee Stock Option Scheme 2007 and 2008.

In consideration of the demerger and vesting of the Securities Business Undertaking into our Company, our Company has, issued and allotted, on a proportionate basis to each shareholder of IFL, one fully paid up equity share of ₹ 2 each of our Company, credited as fully paid up, for every equity share of ₹ 2 each of IFL held by such shareholder whose name is recorded in the register of members and records of the depository as members of IFL as on the Record Date. Further, upon coming into effect of Part III and after

giving effect to combination of authorised capital as contemplated under Part II of the Scheme, ₹ 800,000,000 stands transferred from the authorised capital of IFL and has been combined with the authorised capital of our Company.

**(c) *Amalgamation of IIFL with IFL***

Pursuant to Part V of the Scheme becoming effective, and in accordance with the provisions of the Companies Act, the provisions of Section 2(1B) of the Income Tax Act, IIFL along with all its assets, liabilities, contracts, employees, licenses, records, approvals, etc. being integral parts of IIFL shall amalgamate with and vest in IFL as a going concern so as to become the assets, liabilities, etc. of IFL with effect from Appointed Date 2.

In consideration of the amalgamation of IIFL with IFL pursuant to the provisions of the Scheme, IFL shall without any further application, act, deed, consent, acts, instrument or deed, issue and allot, on a proportionate basis to each shareholder of IIFL, 135 fully paid up equity shares of ₹ 2 each of IFL, credited as fully paid up, for every 100 equity shares of ₹ 10 each of IIFL, and 135 fully paid up equity shares of ₹ 2 of IFL each for every one hundred 0.01% compulsorily convertible preference share of ₹ 10 each of IIFL, held by such shareholder whose name is recorded in the register of members and records of the depository as members of the IIFL as on the Record Date.

In accordance with the Scheme, the name of IFL was changed from 'IIFL Holdings Limited' to 'IIFL Finance Limited' with a fresh certificate of incorporation issued by the Registrar of Companies dated May 24, 2019. The amalgamation of IFL with IIFL pursuant to Part V of the Scheme shall be made effective upon receipt of regulatory approvals by IFL to carry on the lending business. Accordingly, the consequent allotment of equity shares of IFL in terms of the clause 34 of the Scheme shall be implemented upon receipt of the final approval from the Reserve Bank of India and the listing application for such equity shares by IFL shall be filed thereafter.

**(d) *Reduction and reorganisation of the existing equity shares of ISL***

Immediately upon implementation of Part III of the Scheme and with effect from the Effective Date and upon allotment of equity shares by ISL, the entire paid up equity share capital of ISL stood cancelled, extinguished and annulled and the paid-up equity capital of ISL to that effect stood cancelled and reduced, which is to be regarded as reduction of share capital of ISL.

On the Effective Date, ISL debited its share capital account in its books of accounts with the aggregate face value of such cancelled shares. The capital reserve in the books of ISL was increased to the extent of the amount of such cancelled shares.

The Scheme was sanctioned by the NCLT by an order dated March 7, 2019. The effective date of the Scheme is May 13, 2019, except in relation to Part V of the Scheme, which shall be made effective upon receipt of requisite regulatory approvals by IFL to carry on the lending business.

For details of the Shareholding of our Company pursuant to the allotment in terms of the Scheme please refer to chapter "*Capital Structure*" on page 28.



## OUR MANAGEMENT

Subject to the provisions of the Companies Act, 2013 and our Articles of Association, the number of Directors on our Board shall not be less than three and not more than 12.

As on the date of this Information Memorandum, our Board comprises of nine Directors, out of which three are Independent Directors, including one woman Director. The composition of the Board of Directors is in compliance with Section 149 of the Companies Act, 2013 and Regulation 17 of the SEBI Listing Regulations.

### Board of Directors

The following table sets forth details of our Board as of the date of filing of this Information Memorandum with the Stock Exchanges:

Name, DIN, age, designation, occupation, term and current period of Directorship	Date of birth	Address	Directorship in other companies
<b>Nirmal Jain</b>  DIN: 00010535  Age: 52 years  Designation: Non-executive Director  Occupation: Business  Term: Liable to retire by rotation  Current period of directorship: Since January 17, 2008	June 15, 1966	101-A, Ashoka Guruprasad CHS Limited, TPS II, Hanuman Road, Vile Parle (East), Mumbai – 400 057, Maharashtra	1. IIFL Finance Limited 2. IIFL Home Finance Limited 3. India Infoline Finance Limited 4. MNJ Consultants Private Limited 5. Pratham Education Foundation
<b>Karan Bhagat</b>  DIN: 03247753  Age: 41 years  Designation: Managing Director  Occupation: Business  Term: Five years with effect from July 27, 2015  Current period of directorship: Since July 27, 2015	April 25, 1977	4501, Aqua Tower 2, Planet Godrej Complex, 30, K.K. Marg, Mahalaxmi East, Mumbai – 400 011, Maharashtra	1. Kyrush Realty Private Limited 2. NSDL E-Governance Infrastructure Limited
<b>Yatin Shah</b>  DIN: 03231090  Age: 43 years  Designation: Whole-time Director  Occupation: Business  Term: Five years with effect from July 27, 2015  Current period of directorship: Since July 27, 2015	January 27, 1976	51, Kedia Apartments, 29/F Dongarsi Road, Malabar Hill, Walkeshwar Road, Mumbai – 400 006, Maharashtra	1. IIFL Wealth Finance Limited 2. IIFL Wealth Securities IFSC Limited 3. Naykia Realty Private Limited 4. IIFL Alternate Asset Advisors Limited 5. India Alternatives Investment Advisors Private Limited 6. IIFL Wealth Advisors (India) Limited 7. IIFL Investment Adviser and Trustee Services Limited 8. CDE Real Estate Private Limited
<b>Venkataraman Rajamani</b>  DIN: 00011919	July 27, 1967	604, Glen Heights, Hiranandani Gardens, Powai, Andheri, Mumbai – 400 076, Maharashtra	1. IIFL Finance Limited 2. IIFL Home Finance Limited 3. India Infoline Finance Limited 4. Samasta Microfinance Limited

Name, DIN, age, designation, occupation, term and current period of Directorship	Date of birth	Address	Directorship in other companies
<p>Age: 51 years</p> <p>Designation: Non-executive Director</p> <p>Occupation: Business</p> <p>Term: Liable to retire by rotation</p> <p>Current period of directorship: Since January 17, 2008</p>			<p>5. IIFL Management Services Limited</p> <p>6. IIFL Securities Limited</p>
<p><b>Nilesh Vikamsey</b></p> <p>DIN: 00031213</p> <p>Age: 54 years</p> <p>Designation: Chairman and Independent Director</p> <p>Occupation: Professional</p> <p>Term: Five years with effect from August 25, 2014</p> <p>Current period of directorship: Since May 21, 2013</p>	August 16, 1964	Kalpaturu Habitat, 184/A Wing Dr. S. S. Rao Road, Near Gandhi Hospital, Parel East, Mumbai – 400 012, Maharashtra	<p>1. Navneet Education Limited</p> <p>2. Thomas Cook (India) Limited</p> <p>3. PNB Housing Finance Limited</p> <p>4. IIFL Finance Limited</p> <p>5. SBI Life Insurance Company Limited</p> <p>6. SOTC Travel Limited</p> <p>7. India Infoline Finance Limited</p> <p>8. NSEIT Limited</p> <p>9. SBI Cards and Payment Services Limited</p>
<p><b>Geeta Mathur</b></p> <p>DIN: 02139552</p> <p>Age: 52 years</p> <p>Designation: Independent Director</p> <p>Occupation: Professional</p> <p>Term: Five years with effect from July 27, 2015</p> <p>Current period of directorship: Since March 03, 2015</p>	November 21, 1966	B-1/8, Vasant Vihar-1, South West Delhi, Vasant Vihar, New Delhi – 110 057	<p>1. JTEKT India Limited</p> <p>2. Motherson Sumi Systems Limited</p> <p>3. NIIT Limited</p> <p>4. IIFL Finance Limited</p> <p>5. India Infoline Finance Limited</p> <p>6. Sentiss Pharma Private Limited</p> <p>7. Tata Communications Transformation Services Limited</p> <p>8. J.K. Helene Curtis Limited</p> <p>9. Ummeed Housing Finance Private Limited</p> <p>10. IPE Global Centre for Knowledge and Development</p> <p>11. Samvardhana Motherson Automotive Systems Group BV</p> <p>12. Info Edge (India) Limited</p>
<p><b>Sandeep Naik</b></p> <p>DIN: 02057989</p> <p>Age: 47 years</p> <p>Designation: Nominee Director</p> <p>Occupation: Professional</p> <p>Term: Liable to retire by rotation</p> <p>Current period of directorship: Since February 25, 2016</p>	October 29, 1972	1301, Floor 13, B Wing, Lodha Bellissimo, N.M. Joshi Marg, Apollo Mills Compound, Mahalaxmi, Jacob Circle, Mumbai – 400 011, Maharashtra	<p>1. General Atlantic Private Limited</p> <p>2. The Wharton School of the University of Pennsylvania</p> <p>3. House of Anita Dongre Limited</p> <p>4. Citiustech Health Care Technology Private Limited</p> <p>5. The American School of Bombay</p> <p>6. PT Map Boga Adiperkasa Tbk</p> <p>7. Indiaideas.Com Limited</p> <p>8. MuSigma, Inc</p> <p>9. Krishna Institute of Medical Sciences Limited</p> <p>10. Karvy Fintech Private Limited</p> <p>11. Rubicon Research Private Limited</p> <p>12. GAP (Bermuda) Limited</p> <p>13. General Atlantic LLC</p>

Name, DIN, age, designation, occupation, term and current period of Directorship	Date of birth	Address	Directorship in other companies
<b>Shantanu Rastogi</b>  DIN: 06732021  Age: 40  Designation: Nominee Director  Occupation: Professional  Term: Liable to retire by rotation  Current period of directorship: Since February 25, 2016	March 26, 1979	Flat No. 2101, 21 <sup>st</sup> floor, Beau Monde, B Wing, New Prabhadevi, Mumbai – 400 025, Maharashtra	1. House of Anita Dongre Limited 2. Krishna Institute of Medical Sciences Limited 3. Capital Foods Private Limited 4. Karvy Fintech Private Limited 5. IIT Bombay Development and Relations Foundation 6. Absolute Barbeque Private Limited 7. IIFL Wealth Finance Limited 8. Rubicon Research Private Limited 9. Nobroker Technologies Solutions Private Limited 10. Swasth Foundation 11. IIT Bombay Society for Innovation and Entrepreneurship 12. General Atlantic LLC
<b>Subbaraman Narayan</b>  DIN: 00094081  Age: 76  Designation: Independent Director (additional)  Occupation: Professional  Term: Till the date of the next annual general meeting of our Company  Current period of directorship: Since June 25, 2019	June 20, 1943	Flat No. 2B Nithyasree Apartments, No. 51, Chamiers Road, Raja Annamalaipuram, Chennai – 600028, Tamil Nadu	1. Seshasayee Paper and Boards Limited 2. Dabur India Limited 3. Apollo Tyres Limited 4. Artemis Global Life Sciences Limited 5. Rudransh Trading Private Limited 6. Andhra Pradesh Urban Infrastructure Asset Management Limited 7. Artemis Medicare Services Limited 8. Shanti Narayan Foundation 9. Castlewood Trading Private Limited 10. IIFL Wealth Finance Limited

### Brief profile of our Directors

**Nirmal Jain** is a Non-executive Director on the Board of our Company. He holds a bachelor's degree in commerce from the University of Mumbai and a post graduate diploma in management from the Indian Institute of Management, Ahmedabad, and is a qualified chartered accountant. He is also a qualified cost accountant and obtained the all India second rank in an examination conducted by the Institute of Cost Accountants of India in 1987. He has experience in the financial services sector and the fast-moving consumer goods sector. He founded IIFL Finance Limited in 1995 and is the current chairman of its board. Prior to this, he worked with Hindustan Unilever Limited (previously Hindustan Lever Limited), where he was responsible for, among others, export and trading in agro-commodities. He was conferred the CA Entrepreneur Leader award by the ICAI in the year 2018 in the financial services category, Entrepreneur of the Year award at the Franchise Awards, 2012. and the Pride of India Gold Medal by the NRI Institute in the year 2009.

**Karan Bhagat** is the Managing Director of our Company. He holds a bachelor's degree in commerce from St. Xavier's College, Kolkata and a post graduate diploma in management from the Indian Institute of Management, Bangalore. He has approximately two decades of experience in the financial services sector. He is currently responsible for the strategic initiatives undertaken by our Company. He was responsible for establishing a customer-centric private wealth enterprise and was responsible for introducing new offerings such as lending and estate planning services for ultra HNIs. Further, he was responsible for the acquisitions of Wealth Advisors (India) Private Limited and Altior Advisors Private Limited by our Company. In addition, under his leadership, our Company also launched a fee-based advisory platform that aggregates all of our services into a single offering, called IIFL One. Further, he was responsible for the introduction of an innovative fee structure, which commits to a single fee being charged to the client. He has previously worked with Kotak Mahindra Wealth Management Ltd, where he served as Senior Vice President. He featured in Fortune India's '40 under 40' list in 2016 and 2017

and The Economic Times '40 under 40' list in 2017. He also received the URS Asia One Global Indian of the Year award in 2018.

**Yatin Shah** is a Whole-time Director on the Board of our Company. He holds a bachelor's degree in commerce from the University of Mumbai and a master's degree in science (finance) from Cass Business School, London. He has significant experience in the financial services sector. He has previously worked with Khandwala Securities Limited and Kotak Mahindra Bank Limited. He has previously been named the 'Best Relationship Manager' by Kotak Mahindra Bank and secured the 'Best Financial Manager' award for the best registered deal by the Asian Institute of Management, Manila.

**Venkataraman Rajamani** is a Non-executive Director on the Board of our Company. He holds a bachelor's degree in electronics and electrical communications engineering from the Indian Institute of Technology, Kharagpur and a post graduate diploma in management from the Indian Institute of Management, Bangalore. He joined IIFL Securities Limited in 1999 and is currently a promoter and the managing director of IIFL Finance Limited. He has significant experience in the financial services sector. Prior to this, he worked with ICICI Limited, ICICI Securities Limited, and Taib Capital Corporation Limited. He has also served as the assistant vice president of GE Capital Services India Limited in their private equity division. He has been accredited as 'Best CEO' by BW Businessworld in the 'large corporate' category in 2018.

**Nilesh Vikamsey** is an Independent Director and the Chairman of the Board of our Company. He holds a bachelor's degree in commerce from S.P. Mandali's R.A. Podar College of Commerce and Economics. He is a qualified chartered accountant, holds a diploma in information system audit from the ICAI, is an elected member of the Central Council of the ICAI, and was, previously, the president of the ICAI. He is a senior partner at Khimji Kunverji & Co. He has also, in the past, held the position of chairman of the Qualified Audit Report Committee of SEBI. He was also a member of the Committee on Corporate Governance and the Committee on Disclosures and Accounting Standards constituted by SEBI. He was previously an observer on the board of the International Federation of Accountants and a member of its technology advisory group. He was also a member of the Insurance Regulatory and Development Authority of India. In addition, he is currently a member of SEBI's Primary Market Advisory Committee and the Advisory Committee on Mutual Funds. Further, he is also a member of the sub-group formed by the audit committee of Coal India Limited and the disciplinary committee of the CDSL.

**Geeta Mathur** is an Independent Director on the Board of our Company. She holds a bachelor's degree in Commerce from the University of Delhi and is a qualified chartered accountant. She specialises in the areas of project, corporate, and structured finance; treasury; investor relations; and strategic planning. She started her career with ICICI, where she worked for over 10 years in the field of project, corporate and structured finance as well represented ICICI on the Board of reputed companies such as Eicher Motors, SIEL Limited etc. She then worked in various capacities in large organizations such as IBM and Emaar MGF across areas of Corporate Finance, Treasury, Risk Management and Investor relations. She is the Co-chair for the India Chapter of Woman Corporate Directors Foundation, a global organization working towards increasing the participation of woman on corporate boards and board leadership position.

**Sandeep Naik** is a Nominee Director on the Board of our Company. He is currently a managing director at General Atlantic. He holds a bachelor's degree in technology (specialising in instrumentation engineering) from the University of Mumbai, a master's degree in science (specialising in biomedical engineering) from the Virginia Commonwealth University School of Medicine and a master's degree in business administration (specialising in finance) from the Wharton School, the University of Pennsylvania. Prior to joining General Atlantic in 2012, he served as partner and co-head of India for Apax Partners India Advisers Private Limited. He was also co-founder of InfraScan Inc. He was selected as a young global leader by the World Economic Forum and has previously served on the global agenda council of the 'new order of economic thinking'.

**Shantanu Rastogi** is a Nominee Director on the Board of our Company. He is currently a managing director at General Atlantic, where he is responsible for investments in the financial services, healthcare, and retail and consumer sectors in India and Asia-Pacific. He holds a bachelor's degree and a master's degree in engineering from the Indian Institute of Technology, Mumbai and a master's degree in business administration from the Wharton School, the University of Pennsylvania. He has approximately 14 years of experience in the fields of private equity and finance. He has previously worked as a business consultant with McKinsey & Company.

**Subbaraman Narayan** is an Independent Director on the Board of our Company. He holds a bachelor's degree and a master's degree in physics from Madras University. He has 40 years of experience in the fields of economics, economic policy, and administration. He has been a senior research fellow at the Institute of South Asian Studies,

National University of Singapore since 2005. He has previously held the positions of finance and economic affairs secretary; economic advisor to the Prime Minister of India; secretary in the Department of Revenue, Ministry of Finance, Government of India; secretary, Ministry of Petroleum and Natural Gas, Government of India; and secretary, Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India.

### **Relationship between Directors**

None of our Directors are related to each other or to any of the Key Managerial Personnel.

### **Details of directorship in companies suspended or delisted**

None of our Directors is, or was, a director of any company whose shares were suspended from being traded on any stock exchange during the term of her / his directorship in such company, in the five years prior to the date of this Information Memorandum.

None of our Directors is, or was, a director of any company which was delisted from any stock exchange, during the term of her / his directorship in such company.

### **Arrangement or understanding with major Shareholders, customers, suppliers or others**

As per the terms of the SHA, the Investor, Nirmal Jain, Venkataraman Rajamani, Karan Bhagat, Yatin Shah have the rights to appoint Directors to the Board. For further details, please see “*History and Certain Corporate Matters*” on page 75.

Except pursuant to the SHA none of our Directors have been appointed to Directorship, or as a member of our senior management, pursuant to any other arrangement or understanding with our major Shareholders, customers, suppliers, or others.

### **Service contracts with Directors**

There are no service contracts entered into between any of our Directors and our Company for the provision of any benefits upon termination of employment.

### **Details of terms of appointment of our Executive Directors**

#### ***Karan Bhagat***

Karan Bhagat was appointed as our Managing Director pursuant to a Board resolution dated May 06, 2015 and a resolution passed by our Shareholders dated July 27, 2015, for a period of five years from July 27, 2015 until July 26, 2020. He received a remuneration of ₹ 50.18 million for Fiscal 2019. He is not entitled to any sitting fee for attending meetings of the Board or committees thereof. The Board of Directors are at liberty to alter, vary, and revise, the remuneration, including commission and the perquisites, from time to time, within the limits prescribed in Schedule V to the Companies Act, 2013 or any amendment or statutory modifications thereto.

#### ***Yatin Shah***

Yatin Shah was appointed as a Whole-time Director pursuant to Board resolution dated May 06, 2015 and a resolution passed by our Shareholders dated July 27, 2015, for a period of five years from July 27, 2015 until July 26, 2020. He received a remuneration of ₹ 40.08 million for Fiscal 2019. He is not entitled to any sitting fee for attending meetings of the Board or committees thereof. The Board of Directors are at liberty to alter, vary, and revise, the remuneration, including commission and the perquisites, from time to time, within the limits prescribed in Schedule V to the Companies Act, 2013 or any amendment or statutory modifications thereto.

### **Payment or Benefit to Directors**

The sitting fees / other remuneration paid to our Directors for Fiscal 2019 is as follows:

#### **a. Remuneration paid to Executive Directors**

The details of remuneration paid by our Company to our Executive Directors for Fiscal 2019 is as follows:

Name of Director	Designation	Total remuneration (in ₹ million)
Karan Bhagat	Managing Director	50.18
Yatin Shah	Whole-time Director	40.08

**b. Remuneration paid to Non-executive Directors**

Our Company pays a sitting fee of ₹ 30,000 to its Independent Directors for attending each meeting of our Board and Audit Committee and ₹ 15,000 for attending each meeting of all other committees of the Board. No remuneration is payable to our Non-executive, non-independent Directors.

Nilesh Vikamsey and Geeta Mathur were, however, paid commission of ₹ 1.00 million and ₹ 0.50 million, respectively, for Fiscal 2019.

**Bonus or profit-sharing plan for our Directors**

None of our Directors are party to any bonus or profit-sharing plan of our Company.

**Payment or benefit to the officers of our Company**

No amount or benefit has been paid, or given, within the two preceding years from the date of this Information Memorandum, or is intended to be paid, or given, to any of the officers of our Company, other than in the ordinary course of their employment or engagement with our Company.

**Shareholding of our Directors in our Company**

Our Articles of Association do not require that our Directors hold any qualification shares.

Except as disclosed in the section titled “*Capital Structure*” on page 28, none of our Directors hold any Equity Shares in our Company.

**Borrowing Powers of the Board**

In accordance with our Articles of Association and subject to the provisions of the Companies Act, 2013, the Board may, from time to time, at its discretion, by a resolution passed at its meeting on March 06, 2017, borrow any sum of money for the purpose of our Company and the Board may secure repayment of such money in such manner and upon such terms and conditions in all respects as it thinks fit. Pursuant to a resolution of the Shareholders of our Company dated March 07, 2017, in accordance with Section 180 of the Companies Act, 2013, the Board is authorised to borrow up to an amount of ₹ 30,000 million and to create charge / provide security for the sum borrowed on the assets of our Company.

**Interest of Directors**

All our Directors may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a committee thereof, and other remuneration and reimbursement of expenses, if any, payable to them by our Company. For further details, see “*Details of terms of appointment of our Executive Directors*” and “*Payment or Benefit to Directors*” above.

Our Directors may also be interested in our Company to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives. For further details, see “*Capital Structure*” on page 28.

Our Directors are also interested in the capacity of their respective directorships and shareholding in certain of our Subsidiaries and / or Group Companies, as set forth below:

S. No.	Name of the company	Subsidiary / Group Company	Name of Director	Nature of interest
1.	IIFL Finance Limited	Group Company	Nirmal Jain	Directorship and

S. No.	Name of the company	Subsidiary / Group Company	Name of Director	Nature of interest
				shareholding
2.	India Infoline Finance Limited	Group Company	Nirmal Jain	Directorship
3.	IIFL Home Finance Limited	Group Company	Nirmal Jain	Directorship
4.	IIFL Finance Limited	Group Company	Venkataraman Rajamani	Directorship and shareholding
5.	IIFL Home Finance Limited	Group Company	Venkataraman Rajamani	Directorship
6.	India Infoline Finance Limited	Group Company	Venkataraman Rajamani	Directorship
7.	IIFL Management Services Limited	Group Company	Venkataraman Rajamani	Directorship
8.	India Infoline Finance Limited	Group Company	Nilesh Vikamsey	Directorship
9.	IIFL Finance Limited	Group Company	Geeta Mathur	Directorship
10.	India Infoline Finance Limited	Group Company	Geeta Mathur	Directorship
11.	IIFL Securities Limited	Group Company	Geeta Mathur	Directorship
12.	IIFL Wealth Finance Limited	Subsidiary	Geeta Mathur	Directorship
13.	IIFL Wealth Securities IFSC Limited	Subsidiary	Yatin Shah	Directorship and shareholding
14.	IIFL Alternate Asset Advisors Limited	Subsidiary	Yatin Shah	Directorship
15.	IIFL Wealth Advisors (India) Limited	Subsidiary	Yatin Shah	Directorship and shareholding
16.	IIFL Investment Adviser and Trustee Services Limited	Subsidiary	Yatin Shah	Directorship
17.	IIFL Asset Management Limited	Subsidiary	Yatin Shah	Shareholding
18.	IIFL Distribution Services Limited	Subsidiary	Yatin Shah	Shareholding
19.	IIFL Trustee Limited	Subsidiary	Yatin Shah	Shareholding
20.	IIFL Altire Advisors Limited	Subsidiary	Yatin Shah	Shareholding
21.	IIFL Distribution Services Limited	Subsidiary	Karan Bhagat	Shareholding
22.	IIFL Wealth Advisors (India) Limited	Subsidiary	Karan Bhagat	Shareholding
23.	IIFL Wealth Securities IFSC Limited	Subsidiary	Karan Bhagat	Shareholding
24.	IIFL Altire Advisors Limited	Subsidiary	Karan Bhagat	Shareholding

Additionally, they may be deemed to be interested to the extent of the business interests that these entities have in us. For further details, see “*Related Party Transactions*” on page 123.

No sum has been paid or agreed to be paid to our Directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce him/her to become, or to qualify him/her as a Director, or otherwise for services rendered by him/her or by such firm or company, in connection with the promotion or formation of our Company.

Further, except in relation to the acquisition of the premises in which our Registered and Corporate Office is situated from IIFL Facilities Services Limited (in which our Directors, Nirmal Jain and Venkataraman Rajamani, are interested), our Directors are not interested in any property acquired by our Company or proposed to be acquired by it, or in any transaction in the acquisition of land, construction of building and supply of machinery.

Except for Nirmal Jain, Venkataraman Rajamani, Karan Bhagat, and Yatin Shah, none of our Directors have any interest in the promotion or formation of our Company.

#### **Employee stock option plan or employee stock purchase plan**

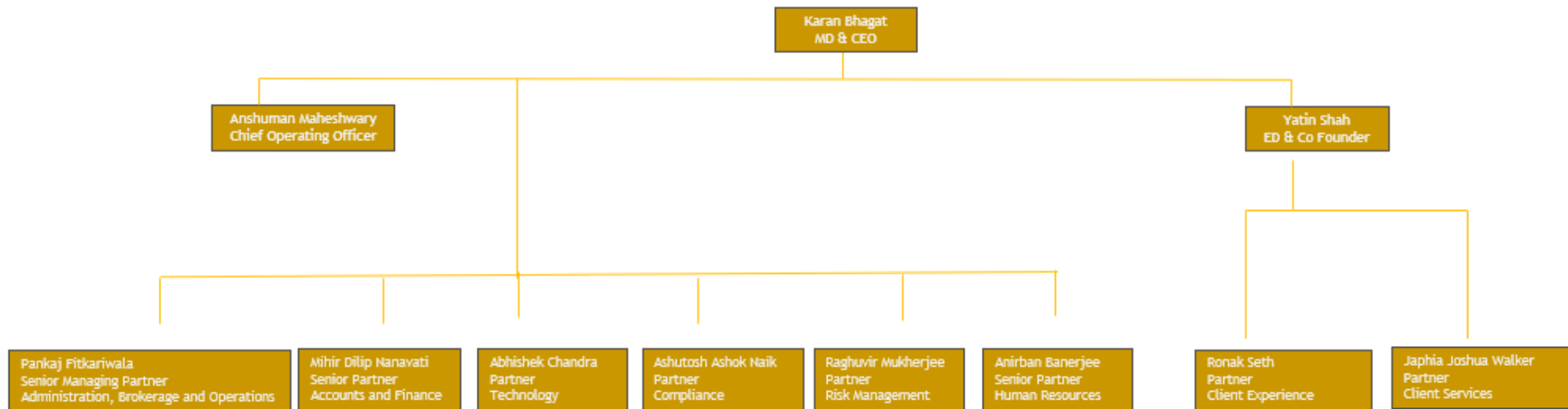
Our Company has instituted the IIFL Wealth Employee Stock Option Scheme – 2012 and the IIFL Wealth Employee Stock Option Scheme – 2015. For details, please refer to the section titled “*Capital Structure*” on page 28.

#### **Changes in our Board in the last three years:**

<b>Name</b>	<b>Designation</b>	<b>Date of appointment/cessation</b>	<b>Reason</b>
Amit Shah	Non-executive Director	January 24, 2019	Resignation
Subbaraman Narayan	Independent Director	June 25, 2019	Appointment



## Management organisation structure



## Key Managerial Personnel

In addition to Karan Bhagat and Yatin Shah, whose details are provided in “*Brief profile of our Directors*” above, the details of our Key Managerial Personnel are provided below:

**Ashutosh Naik** is the Company Secretary and Compliance Officer of our Company. He joined our Company with effect from December 1, 2011. He holds a bachelor’s degree in commerce and law from the University of Mumbai and is an associate member of the ICSI. He has 19 years of experience in the fields of compliance, law, and secretarial work. He has previously worked as the company secretary at PNB Asset Management Company Limited. His gross remuneration for Fiscal 2019 was ₹ 13.70 million. He is a permanent employee of our Company.

**Mihir Nanavati** is the CFO of our Company. He joined our Company with effect from December 5, 2016. He holds a bachelor’s degree in commerce from the University of Mumbai and a master’s degree in financial management from the University of Mumbai. He is a qualified chartered accountant. He has 25 years of experience in the field of finance. He has previously worked with the Avendus group in his capacity as group chief financial officer. His gross remuneration for Fiscal 2019 was ₹ 19.50 million. He is a permanent employee of our Company.

**Anshuman Maheshwary** is the Chief Operating Officer of our Company. He joined our Company with effect from July 18, 2019. He holds a bachelor’s degree in commerce from the University of Calcutta and a master’s degree in management from the Indian Institute of Management, Bangalore. He has 18 years of experience across industries, where he has been involved with business strategy, business planning, procurement and supply chain, large-scale organization transformation, operational / performance improvement, and commercial and strategic due diligence. He has previously worked with A.T. Kearney in his capacity as a partner. He was not paid remuneration for Fiscal 2019, since he joined our Company with effect from July 18, 2019. He is a permanent employee of our Company.

**Pankaj Fitkariwala** is the Senior Managing Partner (Administration, Brokerage and Operations) of our Company. He joined our Company with effect from June 11, 2008. He holds a bachelor’s degree in commerce from the University of Mumbai. He is a member of the Institute of Chartered Accountants of India. He has 29 years of experience. He has previously worked with Barclays Bank, Plc. in his capacity as head operations, investment services. His gross remuneration for Fiscal 2019 was ₹ 23.99 million. He is a permanent employee of our Company.

**Anirban Banerjee** is a Senior Partner (Human Resources) in our Company. He joined our Company with effect from June 23, 2008. He holds a bachelor’s degree in arts from the University of Delhi and a post graduate degree in human resource management from XLRI, Jamshedpur. He has 15 years of experience in the field of human resource management. He has previously worked with ITC Limited in his capacity as assistance manager. His gross remuneration for Fiscal 2019 was ₹ 19.46 million. He is a permanent employee of our Company.

**Abhishek Chandra** is a Partner (Technology) in our Company. He joined our Company with effect from November 10, 2016. He holds a bachelor’s degree in engineering from the University of Mumbai and a master’s degree in financial management from the University of Mumbai. He has 18 years of experience. He has previously worked with Sanctum Wealth Management Private Limited in his capacity as director – technology and transformations. His gross remuneration for Fiscal 2019 was ₹ 16.83 million. He is a permanent employee of our Company.

**Raghuvir Mukherjee** is a Partner (Risk Management) in our Company. He joined our Company with effect from December 12, 2016. He holds a bachelor’s degree in commerce from the University of Calcutta. He is a member of the Institute of Chartered Accountants of India. He has 21 years of experience. He has previously worked with Reliance Nippon Life Asset Management Limited in his capacity as Chief Risk Officer. His gross remuneration for Fiscal 2019 was ₹ 10.73 million. He is a permanent employee of our Company.

**Ronak Sheth** is a Partner (Client Experience) in our Company. He joined our Company with effect from November 23, 2009. He holds a bachelor’s degree in commerce from the University of Calcutta and a master’s degree in business administration from XLRI, Jamshedpur. He has 21 years of experience. He has previously worked with Next Link Private Limited in his capacity as Head – Marketing and Brand Development. His gross remuneration for Fiscal 2019 was ₹ 9.73 million. He is a permanent employee of our Company.

**Japhia Walker** is a Partner (Client Services) in our Company. She joined our Company with effect from May 26,

2008. She holds a bachelor's degree in commerce from the University of Mumbai and a master's degree in customer relationship management from IMSR University. She has 19 years of experience. She has previously worked with ABN Amro Bank in her capacity as service relationship manager. Her gross remuneration for Fiscal 2019 was ₹ 17.73 million. She is a permanent employee of our Company.

#### Relationship of Key Managerial Personnel

None of our Key Managerial Personnel are related to each other.

#### Arrangement or understanding with major Shareholders, customers, suppliers or others

None of our Key Managerial Personnel have been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others.

#### Shareholding of the Key Managerial Personnel

As on the date of this Information Memorandum, except as stated below, none of the Key Managerial Personnel hold any Equity Shares:

S. No.	Name of the Key Managerial Personnel	Number of Equity Shares
1.	Yatin Shah, Whole-time Director	3,314,097
2.	Karan Bhagat, Managing Director	306,569
3.	Anirban Banerjee, Senior Partner (Human Resources)	163,683
4.	Pankaj Fitkariwala, Senior Managing Partner (Administration, Brokerage and Operations)	161,522
5.	Ronak Sheth, Partner (Client Experience)	46,655
6.	Japhia Walker, Partner (Client Services)	22,121
7.	Ashutosh Naik, Company Secretary and Compliance Officer	8,000
8.	Abhishek Chandra, Partner (Technology)	5,000
9.	Anshuman Maheshwary, Chief Operating Officer	152
<b>Total</b>		<b>4,027,799</b>

#### Change in our Key Managerial Personnel in the last three years

Name	Designation	Date of appointment/cessation	Reason
Anshuman Maheshwary	Chief Operating Officer	July 18, 2019	Appointment
Mihir Nanavati	CFO	January 24, 2017	Appointment
Abhishek Chandra	Partner (Technology)	November 10, 2016	Appointment
Raghuvir Mukherjee	Partner (Risk Management)	December 12, 2016	Appointment

#### Service contracts with Key Managerial Personnel

There are no service contracts entered into between any of our Key Managerial Personnel and our Company for provision of any benefits upon termination of employment.

#### Bonus or profit-sharing plan for our Key Managerial Personnel

None of our Key Managerial Personnel are party to any bonus or profit-sharing plan of our Company.

#### Attrition rate of Key Managerial Personnel

The attrition rate of our Key Managerial Personnel is not high, as compared to the industry.

#### Corporate Governance

The provisions relating to corporate governance prescribed under the SEBI Listing Regulations will be applicable to us immediately upon listing of the Equity Shares on the Stock Exchanges. We are in compliance with the requirements of applicable regulations, including the SEBI Listing Regulations and the Companies Act, 2013, in

respect of corporate governance, including in relation to the constitution of the Board and committees thereof

### ***Committees of the Board***

In addition to the committees of our Board detailed below, our Board may, from time to time, constitute committees for various functions.

Our Company has constituted the following Board committees in terms of the SEBI Listing Regulations:

- a) Audit Committee;
- b) Nomination and Remuneration Committee;
- c) Stakeholders' Relationship Committee;
- d) Corporate Social Responsibility Committee; and
- e) Risk Management Committee.

#### ***Audit Committee***

Our Audit Committee was first constituted on September 21, 2019 and last re-constituted pursuant to a resolution of our Board dated February 25, 2016. The terms of reference of the Audit Committee were last revised pursuant to a resolution of our Board dated June 25, 2019. The current constitution of the Audit Committee is as follows:

<b>Name of the Director</b>	<b>Position on the committee</b>	<b>Designation</b>
Geeta Mathur	Chairman	Independent Director
Nilesh Vikamsey	Member	Chairman and Independent Director
Shantanu Rastogi	Member	Nominee Director

The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations and its terms of reference are as follows:

- (i) oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- (ii) recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- (iii) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (iv) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) matters required to be included in the director's responsibility statement to 76 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; and
  - (g) modified opinion(s) in the draft audit report.
- (v) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (vi) 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;
- (vii) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (viii) approval or any subsequent modification of transactions of the listed entity with related parties;
- (ix) scrutiny of inter-corporate loans and investments;
- (x) valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (xi) evaluation of internal financial controls and risk management systems;
- (xii) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

- (xiii) 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;
- (xiv) discussion with internal auditors of any significant findings and follow up there on;
- (xv) 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;
- (xvi) 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;
- (xvii) 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;
- (xviii) to review the functioning of the whistle blower mechanism;
- (xix) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (xx) to carry out any other function as is mandated by the board from time to time and / or enforced by any statutory notification, amendment or modifications as may be applicable;
- (xxi) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision; and
- (xxii) mandatorily review the following:
  - (a) management's discussion and analysis of financial condition and results of operations;
  - (b) statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - (c) management letters / letters of internal control weaknesses issued by the statutory auditors;
  - (d) internal audit reports relating to internal control weaknesses;
  - (e) the appointment, removal and terms of remuneration of the chief internal auditor; and
  - (f) statement of deviations:
    - i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchanges(s) in terms of Regulation 32(1) of the Listing Regulations; and
    - ii. annual statement of funds utilised for purpose other than those stated in the offer document / prospectus in terms of Regulation 32(7) of the Listing Regulations.

#### *Nomination and Remuneration Committee*

Our Nomination and Remuneration Committee was first constituted on February 4, 2011. It was last re-constituted pursuant to a resolution of our Board dated February 25, 2016. The terms of reference of the Nomination and Remuneration Committee were last revised pursuant to a resolution of our Board dated June 25, 2019. The current constitution of the Nomination and Remuneration Committee is as follows:

<b>Name of the Director</b>	<b>Position on the committee</b>	<b>Designation</b>
Geeta Mathur	Chairman	Independent Director
Nirmal Jain	Member	Non-executive Director
Nilesh Vikamsey	Member	Chairman and Independent Director
Sandeep Naik	Member	Nominee Director

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations and its terms of reference are as follows:

- (i) formulation of the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- (ii) formulation of the criteria for evaluation of performance of Independent Directors and the Board;
- (iii) devising a policy on Board diversity;
- (iv) identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and / or removal;

- (v) consider extension or continuation of the term of appointment of the Independent Directors on the basis of the report of performance evaluation of Independent Directors;
- (vi) specifying the manner for effective evaluation of performance of Board, its committees and individual Directors and review its implementation and compliance;
- (vii) recommend / review remuneration of the managing director(s) and whole-time director(s) based on their performance and defined assessment criteria;
- (viii) administer, monitor and formulate detailed terms and conditions of the employees' stock option scheme;
- (ix) annual performance evaluation of the committee;
- (x) review the information on recruitment and remuneration of senior officers just below the level of board of directors, including appointment or removal of Chief Financial Officer and the Company Secretary; and
- (xi) to carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modified as may be applicable.

#### *Stakeholders' Relationship Committee*

Our Stakeholders' Relationship Committee was constituted pursuant to a resolution of our Board dated May 13, 2019. The terms of reference of the Stakeholders' Relationship Committee were last revised pursuant to a resolution of our Board dated May 14, 2019. The current constitution of the Stakeholders' Relationship Committee is as follows:

<b>Name of the Director</b>	<b>Position on the committee</b>	<b>Designation</b>
Venkataraman Rajamani	Chairman	Non-executive Director
Geeta Mathur	Member	Independent Director
Yatin Shah	Member	Whole-time Director

The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178(6) of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations and its terms of reference are as follows:

- (i) Approval of transfer / transmission of shares / debentures and such other securities as may be issued by the Company from time to time;
- (ii) Approval to issue duplicate share certificates for shares / debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- (iii) Approval to issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- (iv) Approval to issue and allot right shares / bonus shares pursuant to a rights issue / bonus issue made by the Company, subject to such approvals as may be required;
- (v) To approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;
- (vi) Monitoring expeditious redressal of investors / stakeholders' grievances;
- (vii) Review of measures taken for effective exercise of voting rights by shareholders;
- (viii) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar and Share Transfer Agent;
- (ix) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and
- (x) All other matters incidental or related to shares, debentures and other securities of the Company.

#### *Corporate Social Responsibility Committee*

Our Corporate Social Responsibility Committee was last re-constituted pursuant to a resolution of our Board dated February 25, 2016. The terms of reference of the Corporate Social Responsibility Committee were last revised pursuant to a resolution of our Board dated May 7, 2014. The current constitution of the Corporate Social Responsibility Committee is as follows:

<b>Name of the Director</b>	<b>Position on the committee</b>	<b>Designation</b>
Karan Bhagat	Chairman	Managing Director
Nirmal Jain	Member	Non-executive Director
Nilesh Vikamsey	Member	Chairman and Independent Director
Sandeep Naik	Member	Nominee Director

The scope and function of the Corporate Social Responsibility Committee is in accordance with Section 135 of the Companies Act, 2013 and its terms of reference are as follows:

- (i) recommend the amount of expenditure to be incurred on CSR activities; and
- (ii) monitor that the company spends, in every financial year, at least 2% of the average net profits of the company made during the 3 immediately preceding financial years for CSR activities and review the reasons for not being able to spend such amount.

#### *Risk Management Committee*

Our Risk Management Committee was constituted pursuant to a resolution of our Board dated May 14, 2019. The terms of reference of the Risk Management Committee were formulated and approved pursuant to a resolution of our Board dated May 14, 2019. The current constitution of the Risk Management Committee is as follows:

<b>Name of the Director</b>	<b>Position on the committee</b>	<b>Designation</b>
Venkataraman Rajamani	Chairman	Non-executive Director
Shantanu Rastogi	Member	Non-executive Director
Nilesh Vikamsey	Member	Chairman and Independent Director
Karan Bhagat	Member	Managing Director
Geeta Mathur	Member	Independent Director




The scope and function of the Risk Management Committee is in accordance with Regulation 21 of the SEBI Listing Regulations and the applicable provisions of the Companies Act, 2013, and its terms of reference are as follows:

- (i) Reviewing risks including cyber security and evaluating the treatment including initiating mitigation actions;
- (ii) To monitor and review the risk management plan of the Company;
- (iii) To oversee risk management process, systems and measures implemented to mitigate the same; and
- (iv) Any other matter as may be mandated / referred by the Authority / Board.


## OUR PROMOTERS AND PROMOTER GROUP

The Promoters of our Company are Nirmal Jain, Venkataraman Rajamani, Karan Bhagat, and Yatin Shah.

### Details of our Promoters

<p style="text-align: center;"><b>Nirmal Jain</b></p> 	<p>Nirmal Jain is one of our Promoters and a Non-executive Director on the Board of our Company.</p> <p>Aadhaar card number: 9767 4146 7015  Driving license number: MH-02-92-10565  Permanent account number: ABRPJ9235G</p> <p>For the complete profile of Nirmal Jain, including details of his name, age, educational qualifications, professional experience, position/posts held in the past, directorships held, other ventures, special achievements, and business and financial activities, see the section, “<i>Our Management</i>” on page 93.</p>
<p style="text-align: center;"><b>Venkataraman Rajamani</b></p> 	<p>Venkataraman Rajamani is one of our Promoters and a Non-executive Director on the Board of our Company.</p> <p>Aadhaar card number: 6516 7886 3366  Driving license number: MH-02-19960019154  Permanent account number: ADHPR6633G</p> <p>For the complete profile of Venkataraman Rajamani, including details of his age, educational qualifications, professional experience, position/posts held in the past, directorships held, other ventures, special achievements, and business and financial activities, see the section, “<i>Our Management</i>” on page 93.</p>
<p style="text-align: center;"><b>Karan Bhagat</b></p> 	<p>Karan Bhagat is one of our Promoters and the Managing Director on the Board of our Company.</p> <p>Aadhar card number: 2706 2763 8589  Driving license number: MH0120050070027  Permanent account number: AEBPB7294B</p> <p>For the complete profile of Karan Bhagat, including details of his age, educational qualifications, professional experience, position/posts held in the past, directorships held, other ventures, special achievements, and business and financial activities, see the section, “<i>Our Management</i>” on page 93.</p>



<b>Yatin Shah</b>  	<p>Yatin Shah is one of our Promoters and a Whole-time Director on the Board of our Company.</p> <p>Aadhar card number: 8757 2008 9729  Driving license number: MH0120070027024  Permanent Account Number: AAMPS4225K</p> <p>For the complete profile of Yatin Shah, including details of his age, educational qualifications, professional experience, position/posts held in the past, directorships held, other ventures, special achievements, and business and financial activities, see the section, “<i>Our Management</i>” on page 93.</p>
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## Interest of our Promoters

### *Interest of our Promoters in the promotion of our Company*

Our Promoters are interested in our Company to the extent of their respective direct or indirect Shareholding in our Company and the dividend declared, if any and any other distributions in respect of their direct or indirect Shareholding in our Company. For further details, see “*Capital Structure*” on page 28.

### *Interest of our Promoter in the Property of our Company*

Further, except in relation to the acquisition of the premises in which our Registered and Corporate Office is situated from IIFL Facilities Services Limited (in which our Promoters, Nirmal Jain and Venkataraman Rajamani, are interested), our Promoters do not have any interest whether direct or indirect in any property acquired by our Company, within three years preceding the date of this Information Memorandum or proposed to be acquired by our Company as on the date of this Information Memorandum or in any transaction for acquisition of land, construction of buildings and supply of machinery, etc.

### *Interest of our Promoters in our Company other than as Promoter*

Further, except as stated in this section and “*Related Party Transactions*” on page 123, our Promoters do not have any interest in our Company other than as promoters.

### *Interest of our Promoters in our Company arising out of being a member of firm or company*

Our Company has not made any payments in cash or shares or otherwise to any of our Promoters or to firms or companies in which any of our Promoters are interested as members or promoters nor has any Promoter been offered any inducements to become interested in any firm or company, in connection with the promotion or formation of our Company.

### *Common Pursuits of our Promoters with our Company*

Except as disclosed in the sections “*Risk Factors*” and “*Group Companies*” on pages 14 and 112, our Promoters are not involved with any other venture which is in the same line of activity or business as that of our Company.

### *Disassociation by our Promoters in the last three years*

Except as stated below, our Promoters have not disassociated themselves from any company or firm during the last three years preceding the date of filing of this Information Memorandum:

Name of the Promoter	Name of the disassociated entity	Reasons and circumstances leading to the disassociation	Date of disassociation
Nirmal Jain	Sunder Bhanwar Holiday Home Private Limited	Sale of shares	March 4, 2018
Karan Bhagat	Probability Sports LLP	Retired as designated partner	December 5, 2017

Yatin Shah	Probability Sports LLP	Retired as designated partner	December 5, 2017
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### Payment or benefit to Promoters of our Company

No amount or benefit has been paid or given within the two preceding years from the date of this Information Memorandum or is intended to be paid or given to any of our Promoters or any member of our Promoter Group other than in the ordinary course of business.

### Confirmations

No material guarantees have been given to third parties by our Promoters with respect to Equity Shares of our Company.

None of our Promoters have been identified as a 'wilful defaulter' by the RBI, ECGC, any government/regulatory authority and/or by any bank or financial institution.

None of our Promoters are debarred from accessing the capital markets by SEBI.

None of our Promoters is a promoter or director of any Company which is debarred from accessing the capital market by SEBI.

### PROMOTER GROUP

The names of the persons and entities constituting the Promoter Group of our Company in terms of Regulation 2(I)(zb) of the SEBI ICDR Regulations are set out below:

Promoters	Nirmal Jain	Venkataraman Rajamani	Karan Bhagat	Yatin Shah
<b>Natural persons who are part of our Promoter Group</b>	1. <b>Spouse</b> - Madhu Jain 2. <b>Son</b> - Bhavya Jain 3. <b>Daughter</b> - Kalpita Jain 4. <b>Daughter</b> - Harshita Jain	1. <b>Spouse</b> - Aditi Athavankar 2. <b>Son</b> - Vihaan Venkataraman 3. <b>Son</b> - Varun Venkataraman	1. <b>Spouse</b> - Shilpa Bhagat 2. <b>Son</b> - Kush Bhagat 3. <b>Daughter</b> - Kyra Bhagat 4. <b>Mother</b> - Madhu Bhagat	1. <b>Spouse</b> - Ami Shah 2. <b>Father</b> - Prakashchandra Shah 3. <b>Mother</b> - Hansadevi Shah 4. <b>Son</b> - Kiaan Shah 5. <b>Daughter</b> - Naysa Shah
<b>Entities forming part of our Promoter Group</b>	1. Spaisa Capital Limited 2. Ardent Impex Private Limited 3. Orpheus Trading Private Limited 4. Mansukhlal Jain and Harshita Nirmal Jain (in their capacity as trustees of Nirmal Madhu Family Private Trust) 5. MNJ Consultants Private Limited 6. Sunder Bhawar Ventures Private Limited	1. Aditi Avinash Athavankar (in her capacity as a trustee of Kalki Family Private Trust)	1. Kush Family Private Trust (through its trustee, IIFL Investment Adviser and Trustee Services Limited) 2. Kyra Family Private Trust (through its trustee, IIFL Investment Adviser and Trustee Services Limited) 3. Kyrush Realty Private Limited 4. Kyrush Investments 5. Bhagat Family Private Trust 6. Kyrush Family Private Trust	1. Yatin Prakash Shah HUF 2. Yatin Investments 3. Naykia Realty Private Limited 4. Naykia Family Private Trust 5. Prakash Shah Family Private Trust 6. Naysa Shah Family Private Trust 7. Kiaan Shah Family Private Trust

Promoters	Nirmal Jain	Venkataraman Rajamani	Karan Bhagat	Yatin Shah
Other common entities forming part of the Promoter Group	1. 5paisa Capital Limited 2. 5paisa P2P Limited 3. 5paisa Insurance Brokers Limited		-	-

## GROUP COMPANIES

For the purpose of identification of group companies, our Company has considered the companies (other than the direct and indirect Subsidiaries and our corporate Promoters) with which there are related party transactions, as disclosed in the Financial Statements and such other companies considered material by the Board.

### Top five Group Companies

As on date of this Information Memorandum, of our Group Companies, the equity shares of only two Group Companies are listed on the Stock Exchanges. Following are the five largest Group Companies of our Company:

1. IIFL Finance Limited;
2. 5paisa Capital Limited;
3. India Infoline Finance Limited;
4. IIFL Home Finance Limited; and
5. IIFL Securities Limited.

Details of our top five Group Companies are provided below:

#### ***1. IIFL Finance Limited (previously known as IIFL Holdings Limited, “IFL”)***

##### *Corporate information*

IFL was originally incorporated as ‘Probity Research and Services Private Limited’, a private limited company in accordance with the Companies Act, 1956 with a certificate of incorporation dated October 18, 1995 issued by the RoC. Subsequently, IFL was converted into a public limited company and its name was changed to ‘Probity Research and Services Limited’ with a fresh certificate of incorporation dated April 28, 2000 issued by the RoC. Thereafter, the name of IFL was changed to ‘India Infoline.com Limited’ and a fresh certificate of incorporation dated May 23, 2000 was issued by the RoC. Subsequently, the name of IFL was changed to ‘India Infoline Limited’ and a fresh certificate of incorporation dated March 23, 2001 was issued by the RoC. Thereafter, the name of IFL was changed to ‘IIFL Holdings Limited’ with a fresh certificate of incorporation dated February 18, 2014 issued by the RoC. In accordance with the Scheme, the name of IFL was again changed from ‘IIFL Holdings Limited’ to ‘IIFL Finance Limited’ with a fresh certificate of incorporation dated May 24, 2019 issued by the RoC. IFL is currently engaged in the business of holding investments (earning dividend income from subsidiaries).

On October 16, 2015, FIH Mauritius Investments Limited (“**Acquirer**”) and HWIC Asia Fund (Class A Shares), I Investments Limited and FIH Private Investments Limited (“**Persons Acting in Concert**” or “**PACs**”) made an open offer to the shareholders of IFL pursuant to acquisition of up to 26% of the post offer equity share capital of IFL. In relation to the open offer, the Acquirer and the PACs gave an undertaking to SEBI, inter alia, stating that: (i) they will not exercise voting rights on resolutions placed before equity shareholders of IFL in relation to such number of equity shares held by them that represent more than 25% of the paid up equity share capital of IFL at the time of voting on the relevant resolution; and (ii) they will not acquire additional equity shares of IFL such that they exceed 39.97%, including by way of creeping acquisition of up to 5% of the equity share capital under Regulation 3(2) of the Takeover Regulations, unless the Acquirer and PACs make an open offer or obtain the prior consent of SEBI for such acquisition.

Further, the Acquirer and the PACs clarified that they are financial investors and do not intend to acquire control of IFL and appoint any additional directors on the board of directors of IFL and that IFL will continue its business operations under its present management as it has done in the past and that the acquisition of the equity shares will not have any repercussions on employment within IFL and on its place of business.

The board of directors of IFL at its meeting held on January 31, 2018 approved the draft composite scheme of arrangement amongst IFL, India Infoline Media and Research Services Limited, IIFL Securities Limited, our Company, India Infoline Finance Limited, IIFL Distribution Services Limited, and their respective shareholders, under Sections 230-232 and other applicable provisions of the Companies Act, 2013 which *inter-alia*, envisages the following:

- a. amalgamation of India Infoline Media and Research Services Limited with IFL;
- b. demerger of the Securities Business Undertaking (as defined in the Scheme) of IFL into IIFL Securities Limited;

- c. demerger of the Wealth Business Undertaking (as defined in the Scheme) of IFL into our Company;
- d. amalgamation of India Infoline Finance Limited with IFL; and
- e. transfer of the Broking and Depository Participant Business Undertaking (as defined in the Scheme) of our Company to our wholly owned subsidiary i.e., IIFL Distribution Services Limited, on a going-concern basis.

The appointed date for the amalgamation of India Infoline Media and Research Services Limited with IFL was the opening hours of April 1, 2017 and for all the other steps, the appointed date was the opening hours of April 1, 2018.

The shareholders of the respective entities have approved the Scheme. The National Company Law Tribunal, Mumbai bench approved the Scheme on March 7, 2019 under the applicable provisions of the Companies Act, 2013. Pursuant to the order, the following parts of the Scheme were made effective from May 13, 2019: (a) amalgamation of India Infoline Media and Research Services Limited with IFL; (b) demerger of the Securities Business Undertaking (as defined in the Scheme) of IFL into IIFL Securities Limited; (c) demerger of the Wealth Business Undertaking (as defined in the scheme) of IFL into our Company; and (d) transfer of the Broking and Depository Participant Business Undertaking (as defined in the Scheme) of our Company to our wholly owned subsidiary i.e., IIFL Distribution Services Limited, on a going-concern basis. However, the merger of India Infoline Finance Limited with IFL shall be made effective on receipt of the requisite licences / registrations by IFL, to carry on the lending business.

#### *Interest of our Promoters*

Our Promoters, Nirmal Jain and Venkataraman Rajamani, directly hold 47,952,000 and 10,909,432 issued, subscribed and paid up equity shares of face value of ₹ 2 each, respectively of IFL, amounting to 15.03% and 3.42% of the issued, subscribed and paid up capital of IFL, respectively. Further, Nirmal Jain is the executive chairman of IFL and Venkataraman Rajamani is the managing director of IFL.

#### *Financial Information*

The following information has been derived from the audited financial statements of IFL for the last three Fiscals:

<i>(in ₹ million, except per share values)</i>			
<b>Particulars</b>	<b>Fiscal 2019</b>	<b>Fiscal 2018</b>	<b>Fiscal 2017</b>
Equity capital	638.41	637.96	635.82
Reserves and surplus (excluding revaluation)	36,310.34	50,018.77	43,178.37
Sales/turnover	50,955.28	64,375.56	49,247.32
Profit/(loss) after tax	7,942.15	11,620.77	8,221.80
Earnings per share (₹) (basic)	21.38	28.63	21.64
Earnings per share (₹) (diluted)	21.34	28.55	21.52
Net asset value per share (₹)	115.75	158.81	137.82

*Note: Please note that the financial information for Fiscal 2019 has been prepared on the basis of Ind AS, while the financial information for Fiscal 2018 and Fiscal 2017 has been prepared on the basis of Indian GAAP.*

#### *Significant notes by auditors*

There are no significant notes of the auditors in relation to the aforementioned financial information for the last three Fiscals.

#### *Share price information*

The equity shares of IFL are listed on the NSE and the BSE.

The details of the highest and the lowest prices on the NSE during the preceding six months are as follows:

<b>Month</b>	<b>Month High</b>	<b>Month Low</b>
March, 2019	464.40	326.45
April, 2019	475.00	412.15
May, 2019	452.00	189.55*
June, 2019	180.10*	139.80*
July, 2019	168.75*	11.50*
August, 2019	129.00*	98.90*

*\* These prices are Ex-price post record date (i.e. May 31, 2019) fixed pursuant to the Scheme.*

The details of the highest and the lowest prices on BSE during the preceding six months are as follows:

Month	Month High	Month Low
March, 2019	470	325.35
April, 2019	480	411.6
May, 2019	453.95	178.70*
June, 2019	177.95*	136.00*
July, 2019	168.85*	115.80*
August, 2019	128.15*	98.85*

\* These prices are Ex-price post record date (i.e. May 31, 2019) fixed pursuant to the Scheme.

As on September 13, 2019, the closing share price of IFL on NSE was ₹ 116.80 and the market capitalization as per the closing price on NSE was ₹ 37,286.59 million.

As on September 13, 2019, the closing share price of IFL on BSE was ₹ 116.70 and the market capitalization as per the closing price on BSE was ₹ 37,354.66 million.

#### *Investor grievances*

As on the date of filing of this Information Memorandum, IFL no investor grievance pending against it.

## **2. 5paisa Capital Limited (“5PCL”)**

#### *Corporate information*

5PCL was originally incorporated as a public limited company under the Companies Act, 1956 as ‘India Infoline Finance Holdings Limited’ with a certificate of incorporation dated July 10, 2007 issued by the Registrar of Companies, Tamil Nadu at Chennai. Thereafter, 5PCL obtained the certificate for commencement of business on July 19, 2007 from the Registrar of Companies, Tamil Nadu at Chennai. The name was subsequently changed to ‘IIFL Capital Limited’ and a fresh certificate of incorporation dated November 6, 2007, consequent upon change of name, was issued by the Registrar of Companies, Tamil Nadu at Chennai. Thereafter, the name of 5PCL was changed to ‘5paisa Capital Limited’, and a fresh certificate of incorporation, consequent upon change of name, was issued by the Registrar of Companies, Tamil Nadu at Chennai, on August 12, 2015.

5PCL is a financial services company with a focus on ‘discount broking’ services, providing financial products through an online technology platform and mobile application. It provides services in capital market, futures and options, and currency derivatives segments of the BSE and the NSE. It is a depository participant of CDSL and also a trading cum clearing member of the BSE and the NSE. It distributes mutual funds and initial public offering products and is also registered as a research analyst with the SEBI.

#### *Interest of our Promoters*

Our Promoters, Nirmal Bhanwarlal Jain, Venkataraman Rajamani, Karan Bhagat, and Yatin Shah, directly hold 2,231,079, 436,377, 50,000, and 40, 619, issued, subscribed and paid up equity shares of face value of ₹10 each, of 5PCL, respectively, amounting to 17.51%, 3.42%, 0.39%, and 0.32% of the issued, subscribed and paid up capital of 5PCL, respectively.

#### *Financial Information*

The following information has been derived from the audited financial statements of 5PCL for the last three Fiscals:

<i>(in ₹ million, except per share values)</i>			
Particulars	Fiscal 2019	Fiscal 2018	Fiscal 2017
Equity capital	127.39	127.39	127.39
Reserves and surplus (excluding revaluation)	336.27	501.97	754.96
Sales/turnover	626.40	196.52	74.67
Profit/(loss) after tax	(165.70)	(252.99)	(116.90)
Earnings per share (₹) (basic)	(13.01)	(19.86)	(14.41)
Earnings per share (₹) (diluted)	(13.01)	(19.86)	(14.41)

Particulars	Fiscal 2019	Fiscal 2018	Fiscal 2017
Net asset value per share (₹)	36.40	49.40	69.26

*Note: Please note that the financial information has been prepared on the basis of Indian GAAP.*

#### *Significant notes by auditors*

There are no significant notes of the auditors in relation to the aforementioned financial information for the last three Fiscals.

#### *Share price information*

The equity shares of 5PCL are listed on the NSE and the BSE.

The details of the highest and the lowest prices on the NSE during the preceding six months are as follows:

Month	Month High	Month Low
March, 2019	247.05	209.60
April, 2019	338.45	216.7
May, 2019	250.00	204.60*
June, 2019	250.00*	193.50*
July, 2019	249.90*	168.75*
August, 2019	176.85*	120.80*

*\* These prices are ex-price post record date (i.e. May 29, 2019) fixed pursuant to the rights issue of shares of 5paisa Capital Limited.*

The details of the highest and the lowest prices on the BSE during the preceding six months are as follows:

Month	Month High	Month Low
March, 2019	250.00	209.80
April, 2019	337.10	210.00
May, 2019	386.00	233.85*
June, 2019	249.90*	195.00*
July, 2019	252.00*	168.80*
August, 2019	175.45*	120.95*

*\* These prices are ex-price post record date (i.e. May 29, 2019) fixed pursuant to the rights issue of shares of 5paisa Capital Limited.*

As on September 13, 2019, the closing share price of 5PCL on NSE was ₹ 139.95 and the market capitalization as per the closing price on NSE was ₹ 3,565.60 million.

As on September 13, 2019, the closing share price of 5PCL on BSE was ₹ 139.85 and the market capitalization as per the closing price on the BSE was ₹ 3,563.05 million.

#### *Investor grievances*

As on the date of filing of this Information Memorandum, 5PCL has no investor grievances pending against it.

### **3. India Infoline Finance Limited (“IIFL”)**

#### *Corporate information*

IIFL was originally incorporated as ‘India Infoline Investment Services Private Limited’, a private limited company, in accordance with the provisions of the Companies Act, 1956 with a certificate of incorporation dated July 7, 2004 issued by the RoC. Subsequently, IIFL was converted into a public limited company and its name was changed to ‘India Infoline Investment Services Limited’ and a fresh certificate of incorporation dated July 10, 2007 was issued by the RoC. Subsequently, the name of IIFL was changed to ‘India Infoline Finance Limited’, and a fresh certificate of incorporation dated November 18, 2011 was issued by the RoC.

IIFL is registered with the RBI as a systemically important non-deposit taking non-banking financial company and focuses on mortgage loans, commercial vehicle finance, gold loan, capital market finance and healthcare finance.

#### *Interest of our Promoters*

Our Promoters do not hold directly any equity shares in IIFL. Further, Nirmal Bhanwarlal Jain is a whole-time director and Venkataraman Rajamani is non-executive director of IIFL.

#### *Financial Information*

The following information has been derived from the audited financial statements of IIFL for the last three Fiscals:

<i>(in ₹ million, except per share values)</i>			
<b>Particulars</b>	<b>Fiscal 2019</b>	<b>Fiscal 2018</b>	<b>Fiscal 2017</b>
Equity capital	2,809.20	2,807.42	2,371.65
Reserves and surplus (excluding revaluation)	40,321.40	36,478.37	31,893.52
Sales/Turnover	50161.97	38,569.63	31,680.07
Profit/(Loss) after tax	7184.66	5,543.01	4,231.96
Earnings per share (₹) (Basic)	30.20	23.10	17.29
Earnings per share (₹) (Diluted)	30.08	19.54	15.79
Net asset value per share (₹)	153.53	139.94	123.70

*Note: Please note that the financial information for Fiscal 2019 has been prepared on the basis of Ind AS, while the financial information for Fiscal 2018 and Fiscal 2017 has been prepared on the basis of Indian GAAP.*

#### *Significant notes by auditors*

There are no significant notes of the auditors in relation to the aforementioned financial information for the last three Fiscals.

#### *Investor grievances*

As on the date of filing of this Information Memorandum, IIFL has no investor grievances pending against it.

### **4. IIFL Home Finance Limited (“IIHFL”)**

#### *Corporate information*

IIHFL was originally incorporated as ‘India Infoline Housing Finance Limited’ in accordance with the provisions of Companies Act, 1956 on December 26, 2006. Subsequently, the name was changed to ‘IIFL Home Finance Limited’ and a fresh certificate of incorporation dated May 2, 2018 was issued by the RoC. It is registered with the National Housing Bank as a housing finance company pursuant to a registration (No. 02.0070.09) dated February 3, 2009 and notified as a financial institution under SARFAESI Act vide Government notification dated June 23, 2010.

#### *Interest of our Promoters*

Our Promoters do not directly hold any equity shares in IIHFL. Further, Nirmal Jain and Venkataraman Rajamani are directors of IIHFL.

#### *Financial Information*

The following information has been derived from the audited financial statements of IIHFL for the last three Fiscals:

<i>(in ₹ million, except per share values)</i>			
<b>Particulars</b>	<b>Fiscal 2018</b>	<b>Fiscal 2017</b>	<b>Fiscal 2016</b>
Equity capital	209.68	199.68	199.68
Reserves and surplus (excluding revaluation)	15,757.14	11,309.41	9,335.32
Sales/turnover	18,457.36	12,686.66	9,063.13
Profit/(loss) after tax	3063.93	1,974.09	835.58
Earnings per share (₹) (basic)	150.91	98.86	49.78
Earnings per share (₹) (diluted)	150.91	98.86	49.78
Net asset value per share (₹)	750.50	571.51	472.65

*Note: Please note that the financial information for Fiscal 2019 has been prepared on the basis of Ind AS, while the financial information for Fiscal 2018 and Fiscal 2017 has been prepared on the basis of Indian GAAP.*



### *Significant notes by auditors*

There are no significant notes of the auditors in relation to the aforementioned financial information for the last three Fiscals.

### *Investor grievances*

As on the date of filing of this Information Memorandum, IIHFL has no investor grievance pending against it.

## **5. IIFL Securities Limited (“ISL”)**

### *Corporate information*

ISL was originally incorporated as ‘Agri Marketing Services India Private Limited’ under the provisions of the Companies Act, 1956 with a certificate of incorporation dated March 21, 1996 issued by the Registrar of Companies, Tamil Nadu at Madras. Subsequently, the name was changed to ‘India Infoline.com Distribution Company Private Limited’ and a fresh certificate of incorporation dated May 8, 2000 was issued by Registrar of Companies, Tamil Nadu at Madras. Thereafter, ISL was converted into a public limited company and its name was changed to ‘India Infoline.com Distribution Company Limited’ pursuant to which, a fresh certificate of incorporation dated December 2, 2005 was issued by the RoC. Subsequently, the name was changed to ‘India Infoline Distribution Company Limited’ with a fresh certificate of incorporation dated April 13, 2006 issued by the RoC. Thereafter, the name of ISL was changed to ‘India Infoline Limited’, pursuant to which, a fresh certificate of incorporation dated February 27, 2014 was issued by the RoC. Subsequently, the name was changed to ‘IIFL Securities Limited’, and a fresh certificate of incorporation dated March 7, 2018 was issued by the RoC.

The registered office of ISL is situated at IIFL House, Sun Infotech Park, Road No. Plot No. B-23, Thane Industrial Area, Wagle Estate, Thane, Maharashtra – 400 604. It is currently engaged in the business of being a depository participant; currency broking; portfolio management; and the distribution of mutual funds, bonds, and other financial products.

### *Interest of our Promoters*

Our Promoters Nirmal Jain, Venkataraman Rajamani, Karan Bhagat, and Yatin Shah directly hold 46,402,000, 10,984,432, 141,885, and 25,000 issued, subscribed and paid up equity shares of face value of ₹ 2 each, of ISL, amounting to 14.54%, 3.44%, 0.04%, 0.01% of the issued, subscribed and paid up capital of ISL, respectively. Additionally, Venkataraman Rajamani is the managing director of ISL.

### *Financial Information*

The following information has been derived from the audited financial statements of ISL for the last three Fiscals:

<i>(in ₹ million, except per share values)</i>			
<b>Particulars</b>	<b>Fiscal 2019</b>	<b>Fiscal 2018</b>	<b>Fiscal 2017</b>
Equity capital	638.41	637.96	635.82
Reserves and surplus (excluding revaluation)	6,671.03	5,595.93	3,509.23
Sales/turnover	8,755.65	9,471.93	7,317.43
Profit/(loss) after tax	1,721.01	1,797.63	1,144.53
Earnings per share (₹) (basic)	5.37	5.67	3.61
Earnings per share (₹) (diluted)	5.37	5.67	3.61
Net asset value per share (₹)	22.90	19.54	13.04

*Note: Please note that the financial information has been prepared on the basis of Ind AS.*

### *Significant notes by auditors*

There are no significant notes of the auditors in relation to the aforementioned financial information for the last three Fiscals.

### *Investor grievances*

As on the date of filing of this Information Memorandum, ISL has no investor grievances pending against it.

The details of our other Group Companies are set out below:

S. No.	Name of the Group Company	Corporate information	Brief description of activities	Interest of our Promoters
1.	India Infoline Foundation	<p>India Infoline Foundation was incorporated as a company under section 25 of the provisions of the Companies Act, 1956 with a certificate of incorporation dated February 18, 2014 issued by the registrar of companies.</p> <p>The registered office of India Infoline Foundation is situated at IIFL Centre, Kamala City, S B Marg, Lower Parel, Mumbai – 400 013, Maharashtra.</p>	India Infoline Foundation is a not for profit company and engages in charitable / social activities.	Our Promoters do not hold any shares or directorship in India Infoline Foundation.
2.	IIFL Management Services Limited	<p>IIFL Management Services Limited was originally incorporated as ‘India Infoline Insurance Services Limited’, a public limited Company under the provisions of the Companies Act, 1956, with a certificate of incorporation dated November 30, 2011 issued by the registrar of companies. Subsequently, its name was changed to ‘IIFL Management Services Limited’ and a fresh certificate of incorporation dated October 19, 2017 was issued by the registrar of companies.</p> <p>The registered office of IIFL Management Services Limited is situated at IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, Thane Industrial Area, Wagle Estate, Thane – 400 604, Maharashtra.</p>	IIFL Management Services Limited is engaged in the business of providing real estate advisory services.	Except in the case of Venkataraman Rajamani, who is an additional director on the board of IIFL Management Services Limited, our Promoters do not directly hold any shares or directorship in IIFL Management Services Limited.
3.	IIFL Commodities Limited	<p>IIFL Commodities Limited was originally incorporated as ‘India Infoline Commodities Private Limited’, a private limited company under the provisions of the Companies Act, 1956 and a certificate of incorporation dated March 29, 2004 was issued by the registrar of companies. Subsequently, IIFL Commodities Limited was converted into a public limited company and its name was changed to ‘India Infoline Commodities Limited’ and a certificate of incorporation dated July 25, 2007 was issued by the registrar of companies. Thereafter, the name of IIFL Commodities Limited was changed to from ‘India Infoline Commodities Limited’ to ‘IIFL Commodities Limited’ and a fresh certificate of incorporation dated March 28, 2018 was issued by the registrar of companies.</p> <p>The registered office of IIFL Commodities Limited is situated at</p>	IIFL Commodities Limited is engaged in the business of commodities broking.	Our Promoters do not directly hold any shares or directorship in IIFL Commodities Limited.

S. No.	Name of the Group Company	Corporate information	Brief description of activities	Interest of our Promoters
		143 MGR Road, Perungudi, Chennai – 600 096, Tamil Nadu.		
4.	India Alternatives Investment Advisors Private Limited	<p>India Alternative Investment Advisors Private Limited was incorporated as private limited company under the Companies Act, 1956 with a certificate of incorporation issued by the Registrar of Companies, Mumbai at Maharashtra on January 13, 2010.</p> <p>The registered office of India Alternative Investment Advisors Private Limited is situated at 301, 3<sup>rd</sup> Floor, Pinnacle House, 604 TPS III, Off Linking Road, Bandra West, Mumbai – 400 050, Maharashtra.</p> <p>India Alternatives Investment Advisors Private Limited ceased to be a subsidiary of our Company with effect from March 30, 2017</p>	India Alternatives Investment Advisors Private Limited is engaged in the business of managing of private equity funds in India.	Except in the case of Yatin Shah, who is a non-executive director on the board of India Alternatives Investment Advisors Private Limited And holds equity shares in it, our Promoters do not hold any shares or directorship in India Alternative Investment Advisors Private Limited.
5.	IIFL Facilities Services Limited	<p>IIFL Facilities Services Limited was originally incorporated as ‘IIFL Realty Limited’ as a public limited company under the provisions of the Companies Act, 1956 with a certificate of incorporation dated December 12, 2007 being issued by the registrar of companies. Subsequently, the name was changed to ‘IIFL Facilities Services Limited’ and a fresh certificate of incorporation dated September 15, 2015 was issued by the registrar of companies. Thereafter, the name was changed to ‘IIFL Real Estate Limited’ and a fresh certificate of incorporation dated April 28, 2017 was issued by the registrar of companies. Subsequently, the name was changed to IIFL Facilities Services Limited and a fresh certificate of incorporation dated August 23, 2017 was issued by the registrar of companies.</p> <p>The registered office of IFSL is situated at IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, Thane Industrial Area, Wagle Estate, Thane – 400 604, Maharashtra.</p>	IIFL Facilities Services Limited is currently engaged in the business of providing office space to companies in the IIFL group.	Our Promoters do not directly hold any equity shares or directorship in IIFL Facilities Services Limited
6.	Samasta Microfinance Limited	Samasta Microfinance Limited was originally incorporated as ‘Colanac Finance Limited’, a public limited company under the Companies Act, 1956 with a certificate of incorporation dated August 9, 1995 issued by the registrar of companies. Subsequently, the name was changed to ‘Samasta Microfinance Limited’ and a fresh certificate of incorporation dated July 25, 2008 was issued by the registrar of companies.	Samasta Microfinance Limited carries on the business of providing micro finance as an RBI registered microfinance company.	None of our Promoters directly hold any equity shares in Samasta Microfinance Limited. However, Venkataraman Rajamani is one of the directors of Samasta Microfinance Limited.

S. No.	Name of the Group Company	Corporate information	Brief description of activities	Interest of our Promoters
		The registered office of Samasta Microfinance Limited is situated at 418, 1/2A, 4th Cross, 6th Main, Wilson Garden, Bangalore – 560 027, Karnataka.		
7.	Orpheus Trading Private Limited	<p>Orpheus Trading Private Limited is a private limited company incorporated under the Companies Act, 1956 with a certificate of incorporation dated May 24, 2004 issued by the RoC.</p> <p>The registered office of Orpheus Trading Private Limited is situated at 511, Sai Chambers, next to Syndicate Bank, Near Railway Station, Santacruz-East Mumbai – 400 055, Maharashtra.</p>	Orpheus Trading Private Limited is engaged in the business of investing in securities.	Our Promoters Nirmal Bhanwarlal Jain and Venkataraman Rajamani, directly hold 9,316 and 125,644 issued, subscribed and paid up equity shares of ₹ 10 each, amounting to 2.74% and 36.95% of the issued, subscribed and paid up capital, respectively, of Orpheus Trading Private Limited. None of our Promoters is a director in this company.
8.	IIFL Wealth (UK) Limited	<p>IIFL Wealth (UK) Limited was originally incorporated as ‘Richmond Company 225 Limited’, a private limited company under the Companies Act, 1985 with a certificate of incorporation dated February 18, 2008 issued by the Registrar of Companies for England and Wales. Subsequently, the name of the company was change to ‘IIFL Wealth (UK) Limited’ with a fresh certificate of incorporation dated May 9, 2008 issued by the Registrar of Companies for England and Wales.</p> <p>The registered office for IIFL Wealth (UK) Limited is situated at 68, St.Margarets Road, Edgware, Middlesex, HA8 9UU, United Kingdom.</p>	IIFL Wealth (UK) Limited is engaged in the business of advising on financial products and arranging deals in investments in the United Kingdom.	Our Promoters neither directly hold any equity shares nor are directors in IIFL Wealth (UK) Limited.
9.	IIFL Insurance Brokers Limited	<p>IIFL Insurance Brokers Limited was originally incorporated as ‘India Infoline Insurance Brokers Limited’, a public limited company under the provisions of the Companies Act, 1956 with a certificate of incorporation dated July 5, 2005 issued by the registrar of companies. Subsequently, the name was changed to ‘IIFL Insurance Brokers Limited’, pursuant to which, a fresh certificate of incorporation dated March 29, 2018 was issued by the registrar of companies.</p> <p>The registered office of IIFL Insurance Brokers Limited is situated at IIFL House, Sun Infotech Park, road no. 16V, plot no. B-23, Thane Industrial Area, Wagle Estate, Thane – 400 604, Maharashtra.</p>	IIFL Insurance Brokers Limited is engaged in the business of carrying on insurance broking and is registered with Insurance Regulatory and Development Authority of India.	Our Promoters namely Nirmal Jain and Venkataraman Rajamani hold equity shares in IIFL Facilities Services Limited as nominees of IIFL Securities Limited.

S. No.	Name of the Group Company	Corporate information	Brief description of activities	Interest of our Promoters
10.	IIFL Asset Reconstruction Limited	<p>IIFL Assets Reconstruction Limited was incorporated as a public limited company under the provisions of the Companies Act, 2013 with a certificate of incorporation dated December 7, 2014 was issued by the registrar of companies.</p> <p>The registered office of IIFL Asset Reconstruction Limited is situated at IIFL House, Sun Infotech Park, road no. 16V, plot no. B-23, Thane Industrial Area, Wagle Estate, Thane – 400 604, Maharashtra.</p>	IIFL Asset Reconstruction Limited proposes to carry on the business of asset reconstruction.	Our Promoters namely Nirmal Jain and Venkataraman Rajamani hold equity shares in IIFL Asset Reconstruction Limited as nominees of IIFL Securities Limited.
11.	IIFL Capital Inc.	<p>IIFL Capital Inc. was incorporated under Section 402 of the Business Corporation Law of New York in United States of America.</p> <p>The registered office of IIFL Capital Inc. is situated at 1120, Avenue of the Americas, Suite 1506 New York – 100 36, United States of America.</p>	IIFL Capital Inc. is a registered as a broker dealer with the Financial Industry Regulatory Authority and Securities and Exchange Commission, United States of America.	Our Promoters do not directly hold any shares or directorship in IIFL Capital Inc.
12.	General Atlantic Singapore Pte. Limited	<p>General Atlantic Singapore Fund Pte. Limited was incorporated as a private limited company under the provisions of the Companies Act (Singapore) with a certificate of incorporation dated March 15, 2011 issued by the Accounting and Corporate Regulatory Authority, Singapore.</p> <p>The registered office of General Atlantic Singapore Fund Pte. Limited is situated at 80 Robinson Road, #02-00, Singapore (068898).</p>	General Atlantic Singapore Fund Pte. Limited manages third party capital for private equity investment and is in the business of investing in other companies.	Our Promoters do not directly hold any shares or directorship in General Atlantic Singapore Fund Pte. Limited.

### Our loss-making Group Companies

The following table sets forth the details of our Group Companies which have incurred a loss in the last Fiscal and profit/loss made by them in the last three Fiscals:

*(in ₹ million)*

S. No.	Name of the Group Company	Profit/(Loss)		
		Fiscal 2019	Fiscal 2018	Fiscal 2017
1.	IIFL Management Services Limited	27.68	(16.30)	42.01

### Other confirmations

Except as disclosed below, none of our Group Companies have made a public issue or a rights issue in the three years preceding the date of this Information Memorandum:

- The board of directors of 5paisa Capital Limited, at its meetings held on July 17, 2018 and September 12, 2018 approved the proposal of issue of equity shares by way of a rights issue to the existing shareholders of our Company in the ratio of one equity share of ₹ 10 each for every one equity share of ₹ 10 each held in our Company at a premium of ₹ 70 per equity share, i.e. at an issue price of ₹ 80 each aggregating to ₹ 101.91 crore, in accordance with the erstwhile Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended. 5paisa Capital Limited allotted 12,738,646 equity shares having face value of ₹ 10 each at a premium of ₹ 80 per share aggregating to ₹ 1,019.10 million. 5paisa

Capital Limited received the listing approval for the equity shares from the NSE and the BSE on August 21, 2019 and August 20, 2019 respectively and the trading commenced on those shares from August 22, 2019.

None of our Group Companies fall under the definition of sick industrial companies under Sick Industrial Companies (Special Provisions) Act, 1985, or declared insolvent or bankrupt under the Insolvency and Bankruptcy Code, 2016. Further no winding up, insolvency or bankruptcy proceedings have been initiated against any Group Company.

As on date of this Information Memorandum, none of our Group Companies is a defunct company nor has there been an application made to the registrar of companies for striking off its name.

Except as disclosed in the section *“Risk Factors - Nirmal Bhanwarlal Jain and Venkataraman Rajamani, our Promoters and Directors, are involved with ventures which have been in the same line of activity as those undertaken by our Company, which may result in conflict of interest”* on page 18, none of the business activities of our Group Companies are similar to that of our Company, and accordingly, there are no conflicts of interest or common pursuits. Our Company shall adopt necessary procedures and practices as permitted by law to address any conflict situations, as and when they arise.

Except in relation to the acquisition of the premises in which our Registered and Corporate Office is situated from IIFL Facilities Services Limited, none of our Group Companies are interested in any property acquired by our Company within the last three years or proposed to be acquired by our Company.

Our Group Companies do not have any interest in any transaction in acquisition of land, construction of building and supply of machinery, etc. in relation to our Company.

Except as disclosed in the section *“Related Party Transactions”* on page 123, none of our Group Companies have provided any unsecured loans to our Company which are outstanding as of date.

None of our Group Companies have any interest in the promotion of our Company.

Except as disclosed in the section *“Related Party Transactions”* on page 123, no Group Company has any business interests in our Company.

Except as disclosed in the financial statements, there are no business transactions between our Group Companies and our Company which have a significance on our financial statements. For further details, see *“Related Party Transactions”* on page 123.

## **RELATED PARTY TRANSACTIONS**

For details of related party transactions of our Company, see Note 42 of the Financial Statements starting on page 125.

## DIVIDEND POLICY

As on the date of this Information Memorandum, our Company has a formal dividend policy approved by our Board of Directors at their meeting held on October 25, 2016. The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, in accordance with provisions of our Articles of Association and applicable law, including the Companies Act, 2013 and will depend on a number of factors, including but not limited to our profits, capital requirements, contractual obligations and the overall financial condition of our Company. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deem relevant, including among others, our results of operations, financial condition, revenues, profits, cash flow, cash requirements, capital requirements, business prospects and any other financing arrangements. The Board may also declare interim dividend.

Except as disclosed below, our Company has not declared any dividend during the last three Fiscals on the Equity Shares:

Particulars	Financial performance (For the Financial Year)		
	2019	2018	2017
Face value per share (in ₹)	2.00	2.00	2.00
Rate of dividend (%)	500.00	450.00	300.00
Dividend per Equity Share (in ₹)	10.00	9.00	6.00
Dividend paid (₹ in millions)	845.09	712.91	443.75
Dividend tax (₹ in millions)	2.81	72.07	90.34

*Note: Dividend per Equity Share is calculated as dividend paid divided by total number of Equity Shares outstanding on the dividend payment dates*



## SECTION VI- FINANCIAL INFORMATION

### FINANCIAL STATEMENTS

Financial Statements	Page No
Auditors Report and the Audited Restated Ind AS Consolidated Financial Statements for the Fiscals ended March 31, 2017, 2018 and 2019	F-1 – F-101

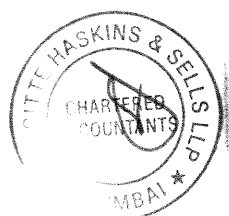
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## INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors  
IIFL Wealth Management Limited

Dear Sirs,

1. We have examined the attached Restated Consolidated Financial Information of IIFL Wealth Management Limited (the "Company") and its subsidiaries (the Company and its subsidiaries together referred to as the "Group"), comprising the Restated Consolidated Statement of Assets and Liabilities as at 31 March 2019, 2018 and 2017, the Restated Consolidated Statements of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Cash Flow Statement for the years ended 31 March 2019, 2018 and 2017, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "Restated Consolidated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on 25 June 2019 for the purpose of inclusion in the Draft Information Memorandum ("IM") prepared by the Company in connection with the proposed listing of its equity shares ("Proposed Listing") prepared in terms of the requirements of:
  - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
  - c) The Guidance Note on Reports in Company Prospectuses (Revised 2018) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").
2. The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the IM to be filed with Securities and Exchange Board of India, BSE Limited and National Stock Exchange of India Limited (together the "Stock Exchanges"), and Registrar of Companies, Maharashtra in connection with the Proposed Listing. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Note 3 to the Restated Consolidated Financial Information. The respective Board of Directors of the companies included in the Group responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The respective Board of Directors are also responsible for identifying and ensuring that the Group complies with the Act, ICDR Regulations and the Guidance Note.
3. We have examined such Restated Consolidated Financial Information taking into consideration:
  - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 13 May, 2019 in connection with the Proposed Listing of equity shares of the Company;
  - b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and
  - d) The requirements of Section 26 of the Act and the ICDR Regulations.



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Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the Proposed Listing.

4. These Restated Consolidated Financial Information have been compiled by the management from the Audited Consolidated Ind AS financial statements of the Group as at and for the year ended 31 March 2019, prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 13 May 2019. The comparative information for the year ended 31 March 2018 included in such financial statements have been prepared by making Ind AS adjustments to the audited consolidated financial statements of the Group as at and for the year ended 31 March 2018, prepared in accordance with the accounting standards notified under the section 133 of the Act read with Companies Accounting Standards Rules, 2006 ("Indian GAAP") which was approved by the Board of directors at their meeting held on 03 May 2018 and by giving effect of the special purpose carve-out financial statements of Wealth Business Undertaking for the year ended 31 March 2018 referred to in the basis of preparation stated in Note 3 considering the demerger of Wealth Business Undertaking from IIFL Holding Limited to the Company as common control transaction and accounted accordingly.

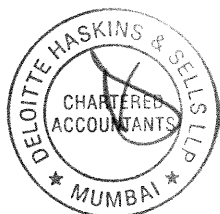
The Restated Consolidated Financial Information also contains the proforma consolidated Ind AS financial information as at and for the year ended 31 March 2017. The proforma consolidated Ind AS financial information have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended 31 March 2017, which was approved by the Board of Directors at their meeting held on 3 May 2017 as described in Note 3 to the Restated Consolidated Financial Information and by giving effect of the special purpose carve-out financial statements of Wealth Business Undertaking for the year ended 31 March 2017 as mentioned above.

5. For the purpose of our examination, we have relied on:
- a) Auditors' reports issued by us dated 13 May 2019, 03 May 2018 and 03 May 2017 on the consolidated financial statements of the Group as at and for the years ended 31 March 2019, 31 March 2018 and 31 March 2017 as referred in Paragraph 4 above;
  - b) Auditors' report issued by us 13 May 2019 on the special purpose carve-out financial statements of Wealth Business Undertaking of IIFL Holding Limited as at and for the year ended 31 March 2019 and 31 March 2018 referred to in the basis of preparation stated in Note 3, as referred in Paragraph 4 above.
  - c) Auditors' report issued by Other Auditors dated 21 June 2019 on the special purpose carve-out financial statements of Wealth Business Undertaking for the year ended 31 March 2017 referred to in the basis of preparation stated in Note 3, as referred in Paragraph 4 above.

The audit of the Wealth Business Undertaking as at and for the financial year ended 31 March 2017 was conducted by the Other Auditors, and accordingly reliance has been placed on the restated financial information of the Wealth Business Undertaking for the year ended 31 March 2017 examined by them. The examination report included for the said year is based solely on the report submitted by the Other auditor.

They have also confirmed that the restated financial information for the Wealth Business Undertaking as at and for the financial year ended 31 March 2017:

- a) have been prepared after incorporating proforma Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended 31 March 2017 as described in Note 1.2 to the restated financial information as at and for the year ended 31 March 2017 of the Wealth Business Undertaking;
- b) do not require any adjustment for modifications as there is no modification in the underlying audit report; and
- c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.



6. As indicated in our audit reports referred above:

- a) we did not audit financial statements of certain subsidiaries whose share of total assets, total revenues, net cash inflows / (outflows) included in the consolidated financial statements, for the relevant years is tabulated below, which have been audited by other auditors, and whose reports have been furnished to us by the Company's 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 components, is based solely on the reports of the other auditors:

(Rs in million)

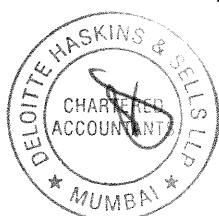
Particulars	As at/ for the year ended 31 March 31, 2019	As at/ for the year ended 31 March 31, 2018	As at/ for the year ended 31 March 31, 2017
<b>No. of subsidiaries consolidated</b>	Seven	Ten	Nine
Total assets	1,358.54	1,736.57	1369.69
Total revenue	1,323.43	1728.28	1151.00
Net cash inflows / (outflows)	243.02	243.54	(206.69)

- b) Five (nine and eight) subsidiaries as on 31 March 2019 (31 March 2018 and 31 March 2017 respectively) are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of these subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's Management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the Management of the Company and audited by us.

Our opinion on the consolidated Ind AS financial statements is not modified in respect of these matters.

7. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the examination report submitted by the other auditors for the year ended 31 March 2017 on the special purpose carve-out financial statements, we report that the Restated Consolidated Financial Information:

- a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended 31 March 2018 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended 31 March 2019;
- b) have been prepared after incorporating proforma Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended 31 March 2017 as described in Note 3 to the Restated Consolidated Financial Information;
- c) do not require any adjustment for modifications as there is no modification in the underlying audit report; and



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d) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

8. 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.
9. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited consolidated financial statements and carve out financial statements mentioned in paragraph 4 above.
10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. Our report is intended solely for use of the Board of Directors for inclusion in the IM to be filed with Securities and Exchange Board of India, the Stock Exchanges and Registrar of Companies, Maharashtra in connection with the Proposed Listing. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing.

Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

Firm's Registration Number (117366W/W-100018)



Pallavi A. Gorakshakar

Partner

Membership Number 105035

Place of Signature: Mumbai

Date: 25 June 2019

**IIFL WEALTH MANAGEMENT LIMITED**  
**RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2019, MARCH 31, 2018 AND MARCH 31, 2017**

(₹ in Mn)

	Particulars	Note No.	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017 (Proforma)
	<b>ASSETS</b>				
<b>1</b>	<b>Financial Assets</b>				
(a)	Cash and cash equivalents	4	1,646.23	5,262.56	9,629.17
(b)	Bank balance other than (a) above	5	1,127.95	2,189.46	3,189.23
(c)	Derivative financial instruments	6	960.95	49.75	10.76
(d)	Receivables				
	(I) Trade receivables	7	2,960.74	1,951.96	1,593.98
	(II) Other receivables	7	4,244.56	3,106.72	3,888.78
(e)	Loans	8	49,664.60	70,561.18	36,519.68
(f)	Investments	9	30,525.66	11,112.02	20,068.73
(g)	Other financial assets	10	524.06	422.68	373.00
<b>2</b>	<b>Non-Financial Assets</b>				
(a)	Inventories	11	197.51	-	-
(b)	Current tax assets (net)		265.40	125.66	92.70
(c)	Deferred tax assets (net)	12	174.33	170.31	205.93
(d)	Property, plant and equipment	13	616.30	266.76	214.10
(e)	Capital work-in-progress	14	1,734.33	217.34	35.65
(f)	Goodwill on acquisition	15	1,878.51	-	-
(g)	Other intangible assets	16	871.23	39.16	41.12
(h)	Other non-financial assets	17	409.86	190.22	101.43
	<b>Total Assets</b>		<b>97,802.22</b>	<b>95,665.78</b>	<b>75,964.26</b>
	<b>LIABILITIES AND EQUITY</b>				
	<b>LIABILITIES</b>				
<b>1</b>	<b>Financial Liabilities</b>				
(a)	Derivative financial instruments	6	2,516.09	814.25	254.01
(b)	Payables				
	(I) Trade payables				
	(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	18	514.73	1,246.30	921.55
	(II) Other payables				
	(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	18	846.42	3,425.94	2,341.08
(c)	Debt securities	19	39,782.59	18,562.29	17,838.60
(d)	Borrowings (other than debt securities)	20	15,660.81	45,483.01	33,987.28
(e)	Subordinated liabilities	21	5,701.34	5,617.98	4,435.00
(f)	Other financial liabilities	22	2,760.11	1,442.00	543.20
<b>2</b>	<b>Non-Financial Liabilities</b>				
(a)	Current tax liabilities (net)		292.18	36.77	176.11
(b)	Provisions	23	85.64	117.24	91.80
(c)	Deferred tax liabilities (net)	12	278.10	-	-
(d)	Other non-financial liabilities	24	260.06	291.07	177.20
<b>3</b>	<b>EQUITY</b>				
(a)	Equity share capital	25	168.97	159.50	155.93
(b)	Incremental equity shares pending issuance	25	1.20	1.14	0.83
(c)	Other equity	26	28,933.98	18,468.29	15,041.67
	<b>Total Liabilities and Equity</b>		<b>97,802.22</b>	<b>95,665.78</b>	<b>75,964.26</b>

See accompanying Notes to the Restated Consolidated Financial Information

In terms of our report attached

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants

For and on behalf of the Board of Directors

**Pallavi A. Gorakshakar**  
Partner

**Karan Bhagat**  
Managing Director  
(DIN: 03247753)

**R. Venkataraman**  
Director  
(DIN: 00011919)

Place : Mumbai  
Dated : June 25, 2019

**Mihir Nanavati**  
Chief Financial Officer

**Ashutosh Naik**  
Company Secretary

**IIFL WEALTH MANAGEMENT LIMITED**  
**RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019, MARCH 31, 2018 AND MARCH 31, 2017**


(₹ in Mn)

	Particulars	Note No.	2018-19	2017-18	2016-17 (Proforma)
<b>1</b>	<b>Revenue from operations</b>				
(a)	Interest income	27	6,537.90	6,590.82	3,283.03
(b)	Dividend & Distribution income on investments	28	293.83	485.73	288.68
(c)	Fees and commission income	28A	8,081.37	8,831.73	6,348.60
(d)	Net gain on fair value changes	29	572.88	677.22	973.18
(e)	Sale of products		4.10	-	87.06
	<b>Total revenue from operations</b>		<b>15,490.08</b>	<b>16,585.50</b>	<b>10,980.55</b>
<b>2</b>	<b>Other income</b>	30	281.80	562.60	579.39
<b>3</b>	<b>Total income (1+2)</b>		<b>15,771.88</b>	<b>17,148.10</b>	<b>11,559.94</b>
	<b>Expenses</b>				
(a)	Finance costs	31	4,270.59	5,587.63	2,484.43
(b)	Fees and commission expenses		662.18	669.03	500.63
(c)	Net loss on derecognition of financial instruments under amortised cost category		-	-	-
(c)	Impairment on financial instruments	32	(76.64)	126.06	161.92
(d)	Purchases of Stock-in-trade		205.62	-	87.28
(e)	Changes in Inventories of stock-in-trade		(197.51)	-	-
(f)	Employee benefits expenses	33	3,311.71	3,895.78	2,674.98
(g)	Depreciation, amortization and impairment	13,16	215.06	136.10	95.18
(h)	Others expenses	34	2,001.56	1,832.74	1,259.36
<b>4</b>	<b>Total expenses</b>		<b>10,392.57</b>	<b>12,247.34</b>	<b>7,263.78</b>
<b>5</b>	<b>Restated Profit before tax (3-4)</b>		<b>5,379.31</b>	<b>4,900.76</b>	<b>4,296.16</b>
<b>6</b>	<b>Tax expense:</b>				
(a)	Current tax	35	1,642.20	1,134.04	1,207.32
(b)	Deferred tax	35	(8.36)	(34.97)	(45.96)
<b>7</b>	<b>Restated Profit for the year (5-6)</b>		<b>3,745.47</b>	<b>3,801.69</b>	<b>3,134.80</b>
<b>8</b>	<b>Restated Other comprehensive income</b>				
(a)	(i) Items that will not be reclassified to profit or loss				
	- Remeasurements of Employee Benefits		(4.66)	(26.36)	(13.99)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		2.42	8.82	4.72
	<b>Subtotal (a)</b>		<b>(2.24)</b>	<b>(17.54)</b>	<b>(9.27)</b>
(b)	(i) Items that will be reclassified to profit or loss				
	- Foreign currency translation reserve		100.34	24.25	(32.25)
	(ii) Income tax relating to items that will be reclassified to profit or loss				
	<b>Subtotal (b)</b>		<b>100.34</b>	<b>24.25</b>	<b>(32.25)</b>
	<b>Restated Other comprehensive income (a+b)</b>		<b>98.10</b>	<b>6.71</b>	<b>(41.52)</b>
<b>9</b>	<b>Restated Total comprehensive income for the year (7+8)</b> (Comprising restated profit and restated other comprehensive income for the year)		<b>3,843.57</b>	<b>3,808.40</b>	<b>3,093.28</b>
<b>10</b>	<b>Earnings per equity share</b>				
	Basic (Rs.)	36	44.63	48.06	42.20
	Diluted (Rs.)	36	43.37	46.51	41.88

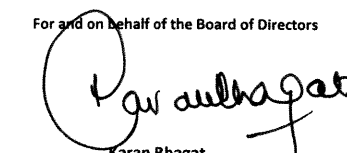
See accompanying Notes to the Restated Consolidated Financial Information

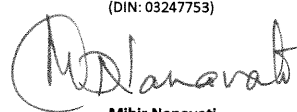
In terms of our report attached

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants

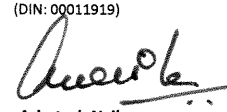
  
**Pallavi A. Gorakshakar**  
Partner

For and on behalf of the Board of Directors

  
**Karan Bhagat**  
Managing Director  
(DIN: 03247753)

  
**Mihir Nanavati**  
Chief Financial Officer

  
**R. Venkataraman**  
Director  
(DIN: 00011919)

  
**Ashutosh Naik**  
Company Secretary

Place : Mumbai  
Dated: June 25, 2019


IIFL WEALTH MANAGEMENT LIMITED  
RESTATED CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019, MARCH 31, 2018 AND MARCH 31, 2017

(₹ in Mn)

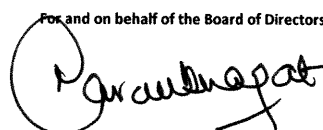
Particulars	2018-19	2017-18	2016-17 (Proforma)
<b>A. Cash flows from operating activities</b>			
Restated Net profit before tax and other comprehensive income	5,379.31	4,900.76	4,296.16
Adjustments for:			
Depreciation, amortization and impairment	215.06	136.10	95.18
Provisions for Employee benefits	(17.35)	31.79	37.07
Net changes in Fair value through Profit and loss of Investments - Realised	(586.33)	(768.33)	(1,410.03)
Net changes in Fair value through Profit and loss of Investments - Unrealised	(303.92)	426.02	(38.03)
Impairment on financial instruments	(76.64)	126.06	161.92
Net change in fair value of Derivative Financial Instruments	62.71	(24.64)	12.32
Share based payments to employees	28.38	37.48	34.80
Interest Income	(6,636.61)	(6,779.56)	(3,415.10)
Interest expenses	4,219.23	5,521.74	2,425.58
Dividend Income from Investments	(14.02)	(670.79)	(8.23)
Distribution income from investments	(273.90)	(205.81)	(144.99)
Loss on sale of subsidiary	-	-	35.87
Net Gain on Sale of Property, plant and equipment	0.75	(0.53)	0.91
Interest Paid	(3,527.09)	(3,910.03)	(1,485.59)
Interest received	6,442.18	6,036.27	2,252.29
<b>Restated Operating profit before working capital changes</b>	<b>4,911.76</b>	<b>4,856.53</b>	<b>2,850.13</b>
<b>Changes in working Capital :</b>			
(Increase)/ Decrease in Financial/Non-financial Assets	(3,699.70)	1,107.03	(3,558.45)
Increase/ (Decrease) in Financial/Non-financial Liabilities	(2,238.56)	1,790.71	1,533.24
<b>Cash (used in)/generated from operations</b>	<b>(1,026.50)</b>	<b>7,754.27</b>	<b>824.92</b>
(Increase)/ Decrease in Loans	21,038.24	(34,167.56)	(35,657.75)
<b>Cash generated from/(used in) operating activities</b>	<b>20,011.74</b>	<b>(26,413.29)</b>	<b>(34,832.83)</b>
Net income tax(paid) / refunds	(1,526.52)	(1,306.35)	(1,073.15)
<b>Net cash generated from/(used in) operating activities (A)</b>	<b>18,485.22</b>	<b>(27,719.64)</b>	<b>(35,905.98)</b>
<b>B. Cash flows from investing activities</b>			
Purchase of Investments	(1,316,941.27)	(1,354,691.62)	(1,101,171.58)
Sale of Investments	1,299,237.06	1,363,928.18	1,093,029.78
Sale of Subsidiary	3.40	-	0.11
Interest Received	100.89	185.62	111.64
Acquisition of subsidiaries	(2,613.54)	-	-
Fixed Deposit (placed)/matured	1,061.50	999.78	(2,269.03)
Inter-Corporate Deposits given	(65.00)	(1,350.00)	-
Inter-Corporate Deposits returned back	-	1,350.00	-
Dividend Income	14.02	670.79	8.23
Purchase/sale of Property, plant and equipment (includes intangible assets and CWIP)	(2,094.31)	(367.49)	(223.70)
<b>Net cash generated from/(used in) investing activities (B)</b>	<b>(21,297.25)</b>	<b>10,725.26</b>	<b>(10,514.55)</b>
<b>C. Cash flows from financing activities</b>			
Issuance of Share Capital	9.54	3.57	8.01
Securities Premium received	7,536.65	472.72	1,002.13
Issue of share warrants	-	-	(0.09)
Dividend Paid (including Dividend Distribution Tax)	(847.66)	(784.98)	(533.43)
Treasury stock	(34.58)	(0.78)	(0.11)
Borrowings - raised	279,374.22	555,707.32	328,303.04
Borrowings - repaid	(309,287.74)	(544,603.13)	(296,010.32)
Debt Securities and Subordinated Liabilities- taken	29,016.97	13,460.90	22,460.20
Debt Securities and Subordinated Liabilities - repaid	(6,343.79)	(11,125.80)	-
Inter-Corporate Deposits taken	-	165.00	12,685.35
Inter-Corporate Deposits repaid	-	(165.00)	(13,049.15)
Others	2.02	(0.10)	-
Share issue expenses paid	(79.62)	-	-
Shares pending issuance	0.06	0.31	0.39
Interest Paid	(150.37)	(502.26)	(104.29)
<b>Net cash (used in)/generated from financing activities (C)</b>	<b>(804.30)</b>	<b>12,627.77</b>	<b>54,761.73</b>
<b>Net (decrease)/increase in cash and cash equivalents (A+B+C)</b>	<b>(3,616.33)</b>	<b>(4,366.61)</b>	<b>8,341.20</b>
Opening Cash & cash equivalents	5,262.56	9,629.17	1,287.97
<b>Closing Cash &amp; cash equivalents</b>	<b>1,646.23</b>	<b>5,262.56</b>	<b>9,629.17</b>
See accompanying notes forming part of the Restated Consolidated Financial Information			

In terms of our report attached

For Deloitte Haskins & Sells LLP  
Chartered Accountants

  
**Pallavi A. Gorakshakar**  
Partner

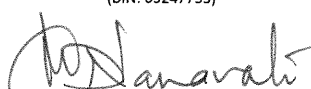
For and on behalf of the Board of Directors



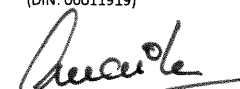
**Karan Bhagat**  
Managing Director  
(DIN: 03247753)



**R. Venkataraman**  
Director  
(DIN: 00011919)



**Mihir Nanavati**  
Chief Financial Officer



**Ashutosh Naik**  
Company Secretary

Place : Mumbai  
Dated: June 25, 2019



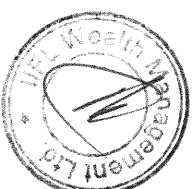
RESTATED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
As at March 31, 2019

As at March 31, 2019													(₹ in Mn)
Particulars	Equity attributable to owners of the Company											Total	
	Equity Share Capital	Equity Share pending Issuance	Other Equity										
			Securities Premium Account	General Reserve	Special Reserve Pursuant to Section 45 IC of Reserve Bank of India Act, 1934	Capital Reserve	Debenture Redemption Reserve (DRR)	ESOP Reserve	Retained Earnings	Foreign currency translation reserve	Total Other Equity		
Balance at the beginning of the period April 01, 2018	159.50	1.14	10,692.33	133.50	516.29	97.25	-	74.68	6,921.44	32.80	18,468.29	18,628.93	
Shares issued during the year	9.54	-	7,536.65	-	-	-	-	-	-	-	7,536.65	7,546.19	
Share issue expenses	-	-	(79.62)	-	-	-	-	-	-	-	(79.62)	(79.62)	
Restated Profit for the year	-	-	-	-	-	-	-	-	3,745.47	-	3,745.47	3,745.47	
Restated Other comprehensive income	-	-	-	-	-	-	-	-	(2.24)	100.34	98.10	98.10	
Dividends (including dividend distribution tax)	-	-	-	-	-	-	-	-	(847.66)	-	(847.66)	(847.66)	
Transfer to Debenture redemption reserve	-	-	-	-	-	-	62.50	-	(62.50)	-	-	-	
Transfer (to)/from other reserves	-	-	9.17	50.00	362.96	-	(50.00)	(9.17)	(362.96)	-	-	-	
Addition/(deletion) during the year pursuant to the Composite scheme of arrangement (Refer Note 3)	-	0.06	-	-	-	13.75	-	3.12	-	-	16.87	16.93	
Treasury stock	(0.07)	-	(34.51)	-	-	-	-	-	-	-	(34.51)	(34.58)	
Employee share based payment	-	-	-	-	-	-	-	28.39	-	-	28.39	28.39	
Others	-	-	-	-	-	-	-	-	2.00	-	2.00	2.00	
Balance at the end of the March 31, 2019	168.97	1.20	18,124.02	183.50	879.25	111.00	12.50	97.02	9,393.55	133.14	28,933.98	29,104.15	



RESTATED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)  
As at March 31, 2018

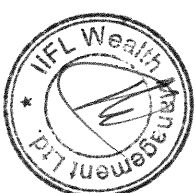
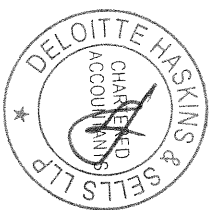
As at March 31, 2018													(₹ in Mn)
Particulars	Equity Share Capital	Equity Share pending issuance	Equity attributable to owners of the Company								Total		
			Other Equity							Total Other Equity			
			Securities Premium Account	General Reserve	Special Reserve Pursuant to Section 45 IC of Reserve Bank of India Act, 1934	Capital Reserve	Debtenture Redemption Reserve (DRR)	ESOP Reserve	Retained Earnings			Foreign currency translation reserve	
Balance at the beginning of the period April 01, 2017	155.93	0.83	10,202.20	133.50	204.25	84.70	-	55.29	4,353.18	8.55	15,041.67	15,198.43	
Shares issued during the year	3.57	-	472.72	-	-	-	-	-	-	-	472.72	476.29	
Restated Profit for the year	-	-	-	-	-	-	-	-	3,801.69	-	3,801.69	3,801.69	
Restated Other comprehensive income	-	-	-	-	-	-	-	-	(17.54)	24.25	6.71	6.71	
Dividends (including dividend distribution tax)	-	-	-	-	-	-	-	-	(784.98)	-	(784.98)	(784.98)	
Transfer (to)/from other reserves	-	-	18.19	-	312.04	-	-	(18.19)	(312.04)	-	-	-	
Addition/(deletion) during the year pursuant to the Composite scheme of arrangement (Refer Note 3)	-	0.31	-	-	-	12.55	-	-	(115.27)	-	(102.72)	(102.41)	
Treasury stock	-	-	(0.78)	-	-	-	-	-	-	-	(0.78)	(0.78)	
Employee share based payment	-	-	-	-	-	-	-	37.58	-	-	37.58	37.58	
Others	-	-	-	-	-	-	-	-	(3.60)	-	(3.60)	(3.60)	
Balance at the end of the March 31, 2018	159.50	1.14	10,692.33	133.50	516.29	97.25	-	74.68	6,921.44	32.80	18,468.29	18,628.93	



RESTATED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)  
As at March 31, 2017 (Proforma)

As at March 31, 2017 (Proforma)												(₹ in Mn)
Particulars	Equity attributable to owners of the Company											Total
	Equity Share Capital	Equity Share pending issuance	Other Equity									
			Securities Premium Account	General Reserve	Special Reserve Pursuant to Section 45 IC of Reserve Bank of India Act, 1934	Capital Reserve	Debt Redemption Reserve (DRR)	ESOP Reserve	Retained Earnings	Foreign currency translation reserve	Total Other Equity	
Balance at the beginning of the period April 01, 2016 (Proforma)	147.92	0.44	9,200.18	71.00	3.48	(394.73)	44.86	21.45	2,431.76	40.80	11,418.80	11,567.16
Shares issued during the year	8.01	-	1,002.13	-	-	-	-	-	-	-	1,002.13	1,010.14
Restated Profit for the year	-	-	-	-	-	-	-	-	3,134.80	-	3,134.80	3,134.80
Restated Other comprehensive income	-	-	-	-	-	-	-	-	(9.27)	(32.25)	(41.52)	(41.52)
Dividends (including Dividend distribution tax)	-	-	-	-	-	-	-	-	(533.43)	-	(533.43)	(533.43)
Transfer to Debt redemption reserve	-	-	-	-	-	-	17.64	-	(17.64)	-	-	-
Transfer (to)/from other reserves	-	-	-	62.50	200.77	-	(62.50)	-	(200.77)	-	(0.00)	(0.00)
Addition/(deletion) during the year pursuant to the Composite scheme of arrangement (Refer Note 3)	-	0.39	-	-	-	479.43	-	-	(452.27)	-	27.16	27.55
Treasury stock	-	-	(0.11)	-	-	-	-	-	-	-	(0.11)	(0.11)
Employee share based payment	-	-	-	-	-	-	-	33.84	-	-	33.84	33.84
Balance at the end of the March 31, 2017 (Proforma)	155.93	0.83	10,202.20	133.50	204.25	84.70	-	55.29	4,353.18	8.55	15,041.67	15,198.43

(₹ in Mn)



## RESTATED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

### Securities Premium Account

Securities premium account includes the difference between face value of equity shares and consideration in respect of shares issued. The issue expenses of securities which qualify as equity instruments are written off against securities premium account. Further, fair value of exercised stock options are transferred from "ESOP Reserves" to securities premium account.

### General Reserve

General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in General Reserve will not be reclassified subsequently to Statement of profit or loss.

### Special Reserve Pursuant to Section 45 IC of Reserve Bank of India Act, 1934

As per Section 45-IC of the Reserve Bank of India Act, 1934, a subsidiary company registered with Reserve Bank of India as Non-Banking Finance company is required to transfer at least 20% of its net profits each year before declaration of dividend.

### Capital Reserve

This reserve is created pursuant to the transfer of "Wealth Business Undertaking" in accordance with the composite scheme of arrangement amongst India Infoline Finance Limited ("IIFL Finance"), IIFL Holdings Limited ("IIFL Holdings"), India Infoline Media and Research Services Limited ("IIFL M&R"), IIFL Securities Limited ("IIFL Securities"), IIFL Wealth Management Limited ("IIFL Wealth") and IIFL Distribution Services Limited ("IIFL Distribution"), and their respective shareholders. (Refer Note 3)

### Debt Redemption Reserve (DRR)

One of the subsidiary of the group has issued Non-convertible debentures and created DRR in terms of the Companies (Share capital and Debt Redemption) Rules, 2014 (as amended). The amounts credited to DRR may not be utilised except to redeem the debentures. The subsidiary has created debt redemption reserve for the Listed Secured Non-Convertible Debentures for ₹ 12.5 Mn out of Surplus in Statement of Profit & Loss.

### ESOP Reserve

It relates to share options granted to the employees by the Holding Company under its employee stock option plan. It will be transferred to Share Capital and Securities Premium (if any) on exercise of options by the employees.

### Retained Earnings

The balance in Retained Earnings primarily represents surplus after payment of dividend (including tax on dividend) and transfer to reserves.

### Foreign currency translation reserve

This reserve represents exchange difference arising from translation of assets and liabilities of the foreign subsidiaries from their respective reporting currency into Indian rupees for the purpose of consolidation.

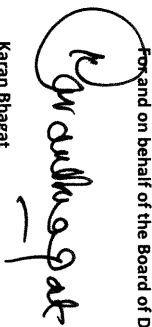
In terms of our report attached

For Deloitte Haskins & Sells LLP  
Chartered Accountants




Pallavi A. Gorakshakar  
Partner

For and on behalf of the Board of Directors

  
Karan Bhagat  
Managing Director  
(DIN: 03247753)

  
Mihir Nanavati  
Chief Financial Officer

  
R. Venkataraman  
Director  
(DIN: 00011919)

  
Ashutosh Naik  
Company Secretary

Place : Mumbai  
Dated: June 25, 2019

## RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019; March 31, 2018 and March 31, 2017

### Note 1. Corporate Information:

The Restated Consolidated Financial Information of IIFL Wealth Management Limited (the Holding Company/Company) consist of IIFL Wealth Management Limited including Wealth Business Undertaking transferred from IIFL Holdings Limited under the Composite Scheme of Arrangement (refer Note 3) and its subsidiaries namely: IIFL Distribution Services Limited, IIFL Investment Advisers and Trustee Services Limited, IIFL Alternate Asset Advisors Limited, IIFL Asset Management Limited, IIFL Trustee Limited, IIFL Wealth Finance Ltd, IIFL Wealth Securities IFSC Limited (w.e.f June 22, 2018), IIFL Wealth Advisors (India) Limited (Formerly known as Wealth Advisors (India) Private Limited) (w.e.f November 22, 2018), IIFL Altior Advisors Private Limited (Formerly known as Altior Advisors Private Limited) (w.e.f November 05, 2018), IIFL Wealth Employee Welfare Benefit Trust (w.e.f August 01, 2018), IIFL Wealth Employee Benefit Trust (upto March 31, 2018), IIFL Private Wealth (Suisse) SA (upto February 27, 2019), IIFL (Asia) Pte. Ltd, IIFL Securities Pte. Ltd, IIFL Capital Pte. Ltd, IIFL Private Wealth Management (Dubai) Ltd, IIFL Private Wealth Hongkong Ltd, IIFL Inc., IIFL Capital (Canada) Ltd. and IIFL Asset Management (Mauritius) Limited (Formerly known as IIFL Private Wealth (Mauritius) Ltd) (the Holding Company including Wealth Business Undertaking and its subsidiaries, collectively referred to as "the Group"). The Group mainly acts as wealth manager and provides financial products distribution, advisory, asset management, portfolio management, lending; credit and investment, trustee services by mobilizing funds and assets of various classes of investors including High Networth Individuals.

### Note 2 – Summary Statement of Significant Accounting Policies

#### a) Statement of Compliance:

The Group's financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and amendments thereof issued by Ministry of Corporate Affairs in exercise of the powers conferred by section 133 of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment. These financials statements have been approved for issue by the Board of Directors of IIFL Wealth Management at their meeting held on June 25, 2019.

Upto the year ended March 31, 2018, the Group prepared its financial statements in accordance with the requirements of Indian GAAP (IGAAP), as per standards notified under the Companies (Accounting Standards) Rules, 2006.

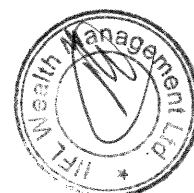
#### b) Basis of Consolidation

The Restated Consolidated Financial Statements comprise the financial statements of the Holding Company (including the Wealth Business Undertaking) and its subsidiaries. Control is achieved when the company has:

- Power over the investee
- Is exposed or has rights to variable returns from its involvement with the investee, and
- Has the ability to use its power over investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Holding Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Holding Company's voting rights and potential voting rights
- The size of the Company's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders



## RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED

### Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019; March 31, 2018 and March 31, 2017

The Holding Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Holding Company obtains control over the subsidiary and ceases when the Holding Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Restated Consolidated financial statements from the date the Holding Company gains control until the date the Holding Company ceases to control the subsidiary.

Restated Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Restated Consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the Restated Consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent Company, i.e., year ended on March 31. When the end of the reporting period of the Parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the Parent to enable the Parent to Consolidated the financial information of the subsidiary, unless it is impracticable to do so.

#### Consolidation procedure:

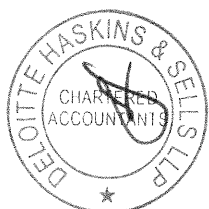
- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the Restated Consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the Parent's investment in each subsidiary and the Parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full.
- Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Holding Company and to the non-controlling interests, if any.

#### c) Revenue recognition

Revenue is recognised when the promised goods and services are transferred to the customer i.e. when performance obligations are satisfied. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

The following is a description of principal activities from which the Group generates its revenue.

- **Distribution Services and Commissions:** Fees and commissions with respect to distribution services are recognised at a point in time when the service obligations are completed and when the terms of contracts are fulfilled.
- **Investment/Fund Management and Trustee fees:** The fees are a series of a similar services and a single performance obligation satisfied over a period of time. These are billed on a monthly / quarterly basis.
- **Advisory fees:** Revenue is recognised over time or when the outcome of a transaction can be estimated reliably by reference to the stage of completion of the transaction in accordance with the underlying arrangements.



## RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019; March 31, 2018 and March 31, 2017

- Lending / Investments related Income
  - Interest income on investments and loans is accrued on a time basis by reference to the principal outstanding and the effective interest rate including interest on investments classified as fair value through profit or loss or fair value through other comprehensive income. Interest receivable on customer dues is recognised as income in the Statement of Profit and Loss on accrual basis provided there is no uncertainty towards its realisation.
  - Dividend income is accounted in the period in which the right to receive the same is established.
- Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow and the amount of income can be measured reliably.

### d) Business Combinations

Business combinations are accounted for using the acquisition method. At the acquisition date, identifiable assets acquired and liabilities assumed are measured at fair value. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. The consideration transferred is measured at fair value at acquisition date and includes the fair value of any contingent consideration. However, deferred tax asset or liability and any liability or asset relating to employee benefit arrangements arising from a business combination are measured and recognised in accordance with the requirements of Ind AS 12, Income Taxes and Ind AS 19, Employee Benefits, respectively. Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of a bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets acquired and liabilities assumed, the difference is recorded as a gain in other comprehensive income and accumulated in equity as capital reserve. The costs of acquisition excluding those relating to issue of equity or debt securities are charged to the Statement of Profit and Loss in the period in which they are incurred. Business combinations involving entities under common control are accounted for using the pooling of interests method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonise accounting policies. Any excess or shortfall of the consideration paid over the share capital of transferor entity or business is recognised as capital reserve under equity.

### e) Goodwill on acquisition

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognised. Goodwill is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed, measured in accordance with Ind AS 103 – Business Combinations.

Goodwill is considered to have indefinite useful life and hence is not subject to amortization but tested for impairment at least annually. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination, is from the acquisition date, allocated to each of the Group's cash generating units (CGUs) that are expected to benefit from the combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Each CGU or a combination of CGUs to which goodwill is so allocated represents the lowest level at which goodwill is monitored for internal management purpose and it is not larger than an operating segment of the Group.



## RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED

### Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019; March 31, 2018 and March 31, 2017

A CGU to which goodwill is allocated is tested for impairment annually, and whenever there is an indication that the CGU may be impaired, by comparing the carrying amount of the CGU, including the goodwill, with the recoverable amount of the CGU. If the recoverable amount of the CGU exceeds the carrying amount of the CGU, the CGU and the goodwill allocated to that CGU is regarded as not impaired. If the carrying amount of the CGU exceeds the recoverable amount of the CGU, the Group recognises an impairment loss by first reducing the carrying amount of any goodwill allocated to the CGU and then to other assets of the CGU pro-rata based on the carrying amount of each asset in the CGU. Any impairment loss on goodwill is recognised in the Statement of Profit and Loss. An impairment loss recognised on goodwill is not reversed in subsequent periods. On disposal of a CGU to which goodwill is allocated, the goodwill associated with the disposed CGU is included in the carrying amount of the CGU when determining the gain or loss on disposal.

#### f) Property, plant and equipment

##### Measurement at recognition:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The Group identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item. The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met.

**Capital work in progress and Capital advances:** Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Financial Assets.

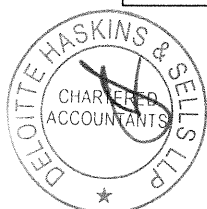
##### Depreciation:

Depreciation on each item of property, plant and equipment is provided using the Straight-Line Method based on the useful lives of the assets as estimated by the management and is charged to the Consolidated Statement of Profit and Loss. Significant components of assets identified separately pursuant to the requirements under Schedule II of the Companies Act, 2013 are depreciated separately over their useful life.

Freehold land is not depreciated. Leasehold land and Leasehold improvements are amortized over the period of lease. Individual assets / group of similar assets costing up to Rs.5,000 has been depreciated in full in the year of purchase. Lease hold land is depreciated on a straight line basis over the lease hold period.

##### Estimated useful life of the assets is as under:

Class of assets	Useful life in years
Computers*	3
Electrical Equipment*	5
Office equipment	5
Furniture and fixtures* #	5
Vehicles*	5
Air conditioners*	5





## RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019; March 31, 2018 and March 31, 2017

\* For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

# Furniture and fixtures includes leasehold improvements, which is depreciated on a straight-line basis over the period of lease.

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

### Derecognition:

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the Consolidated Statement of Profit and Loss when the item is derecognised.

### g) Intangible assets

#### Measurement at recognition:

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. . Following initial recognition, intangible assets with finite useful life are carried at cost less accumulated amortization and accumulated impairment loss, if any. Intangible assets with indefinite useful lives, that are acquired separately, are carried at cost/fair value at the date of acquisition less accumulated impairment loss, if any.

#### Amortization:

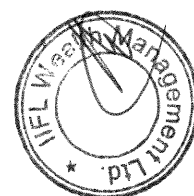
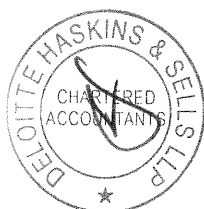
Intangible Assets with finite lives are amortized on a Straight Line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognised in the Consolidated Statement of Profit and Loss. The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

#### Estimated useful economic life of the assets is as under:

Class of assets	Useful life in years
Software	3-5
Customer relationships	20
Asset Management Rights	10

### Derecognition:

The carrying amount of an intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognised in the Consolidated Statement of Profit and Loss when the asset is derecognised.



## RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019; March 31, 2018 and March 31, 2017

### h) Impairment

Assets that have an indefinite useful life, such as goodwill, are not subject to amortization and are tested for impairment annually and whenever there is an indication that the asset may be impaired. Assets that are subject to depreciation and amortization are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal. Impairment losses, if any, are recognised in the Consolidated Statement of Profit and Loss and included in depreciation and amortization expenses.

Impairment losses are reversed in the Consolidated Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

### i) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### • Financial assets

##### Initial recognition and measurement:

The Group recognises a financial asset in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial assets. However, trade receivables that do not contain a significant financing component are measured at transaction price.

##### Subsequent measurement:

For subsequent measurement, the Group classifies a financial asset in accordance with the Group's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Group classifies its financial assets into the following categories:

- i. Financial assets measured at amortized cost
- ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)
- iii. Financial assets measured at fair value through profit or loss (FVTPL)

##### i. Financial assets measured at amortized cost:

A financial asset is measured at the amortized cost if both the following conditions are met:

- The Group's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments



## RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED

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of principal and interest on the principal amount outstanding.

This category applies to Cash and Bank balances, Trade receivables, Loans and Other financial assets of the Group. Such financial assets are subsequently measured at amortized cost using the effective interest method.

### ii. Financial assets measured at FVTOCI:

A financial asset is measured at FVTOCI if both of the following conditions are met:

- The Group's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the above category, income by way of interest and dividend, provision for impairment are recognised in the Consolidated statement of profit and loss and changes in fair value (other than on account of above income or expense) are recognised in other comprehensive income and accumulated in other equity. On disposal of such debt instruments at FVTOCI financial assets, the cumulative gain or loss previously accumulated in other equity is reclassified to Consolidated Statement of Profit and Loss.

### iii. Financial assets measured at FVTPL:

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as mentioned above. This is a residual category applied to all other investments of the Group excluding investments in associate. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognised in the Consolidated Statement of Profit and Loss.

### Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised (i.e. removed from the Group's Balance Sheet) when any of the following occurs:

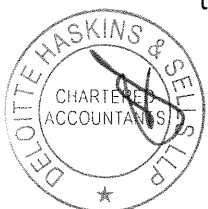
- The contractual rights to cash flows from the financial asset expires;
- The Group transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
- The Group retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- The Group neither transfers nor retains, substantially all risk and rewards of ownership, and does not retain control over the financial asset.

On Derecognition of a financial asset, (except as mentioned in ii above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognised in the Consolidated Statement of Profit and Loss.

### Impairment of financial assets:

The Group recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not measured at FVTPL. Expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

- Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all



## RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019; March 31, 2018 and March 31, 2017

cash shortfalls), discounted at the original effective interest rate. The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

- The Group measures the loss allowance on financial assets at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Group measures the loss allowance for that financial asset at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the lifetime expected credit losses and represent cash shortfalls that will result if default occurs within the 12 months weighted by the probability of default after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.
- When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables and financial assets arising from transactions with in the scope of Ind AS 115 the Group measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and forward-looking information.

The Group writes off a financial asset when there is information indicating that the obligor is in severe financial difficulty and there is no realistic prospect of recovery.

### • Financial Liabilities

#### Initial recognition and measurement:

The Group recognises a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. Having regards to the terms and structure of issuance, Financial Liabilities are categorized as follows:

- recognised at amortised costs
- recognised at fair value through profit and loss (FVTPL) including the embedded derivative component if any, which is not separated.
- where there is an embedded derivative as part of the financial liability, such embedded derivative is separated and recorded at fair value and the remaining component is categorized as on amortised costs.

#### Subsequent measurement:

(i) All financial liabilities of the Group are categorized as subsequently measured at amortized cost are subsequently measured using the effective interest method.

(ii) All financial liabilities of the group categorized at fair value are subsequently measured at fair value through



## RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019; March 31, 2018 and March 31, 2017

profit and loss statement.

(iii) For derivatives embedded in the liability, the embedded derivative is subsequently measured at fair value through profit and loss and the liability is subsequently measured at amortised cost using the effective interest method.

**Derecognition:** A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

### j) Derivative financial instruments

The Group enters into derivative financial contracts, which are initially recognised at fair value at the date the contracts are entered into and subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss unless the derivative is designated and effective as a hedging instrument,

In a financial instrument involving embedded derivative, which is separated from the host contract, such embedded derivative component is accounted separately from the underlying host contract and is initially recognised at fair value and is subsequently measured at fair value at the each reporting period and the resulting gain or loss is recognised in the Statement of profit and loss unless the derivative is designated and effective as a hedging instrument.

### k) Fair Value

The Group measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability. (

All assets and liabilities for which fair value is measured or disclosed in the Restated Consolidated financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows:

. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 — inputs that are unobservable for the asset or liability

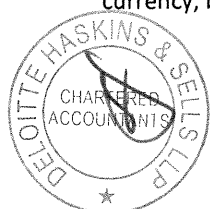
For assets and liabilities that are recognised in the Restated Consolidated financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

### l) Foreign Currency Translation

These Restated Consolidated financial statements are presented in Indian Rupees, which is the Group's functional currency.

#### Initial Recognition:

On initial recognition, transactions in foreign currencies entered into by the Group are recorded in the functional currency, by applying to the foreign currency amount, the spot exchange rate between the functional currency and



## RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED

### Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019; March 31, 2018 and March 31, 2017

the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Consolidated Statement of Profit and Loss.

#### Measurement of foreign currency items at reporting date:

Foreign currency monetary items of the Group are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Nonmonetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

Exchange differences arising out of these translations are recognised in the Consolidated Statement of Profit and Loss.

#### Translation of financial statements of foreign entities

On consolidation, the assets and liabilities of foreign operations are translated into Indian Rupees at the exchange rate prevailing at the reporting date and their statements of profit and loss are translated at average exchange rates for the period unless the exchange rates fluctuate significantly during the period, in which case the exchange rates at the dates of the transactions are used. The exchange differences arising, if any, on translation are recognised in Other Comprehensive Income and accumulated equity. On disposal of a foreign operation, all of the exchange differences accumulated in equity in respect of that foreign operation is reclassified to Consolidated Statement of Profit and Loss.

#### m) Income Taxes

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

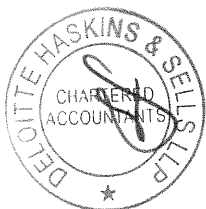
##### Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Consolidated Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible in accordance with applicable tax laws. Current tax is measured using tax rates that have been enacted or substantively enacted by the end of reporting period.

##### Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Restated Consolidated financial statements and the corresponding tax bases used in the computation of taxable profit under Income tax Act, 1961. Deferred tax liabilities are generally recognised for all taxable temporary differences. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognised. Also, for temporary differences that arise from initial recognition of goodwill, deferred tax liabilities are not recognised.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business



## RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED

### Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019; March 31, 2018 and March 31, 2017

combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The deferred tax assets (net) and deferred tax liabilities (net) are determined separately for the Parent and each subsidiary company, as per their applicable laws and then aggregated.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the respective group company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

#### Presentation of current and deferred tax:

Current and deferred tax are recognised as income or an expense in the Consolidated Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognised in Other Comprehensive Income. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Group has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Group. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

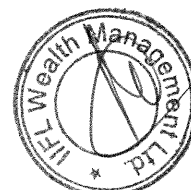
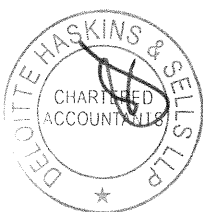
#### n) Provisions and Contingencies

The Group recognises provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

#### o) Cash and Cash Equivalents

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less.



## RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019; March 31, 2018 and March 31, 2017

### p) Employee Benefits

#### Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognised in the period in which the employee renders the related service. The Group recognises the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

#### Post-Employment Benefits:

##### i. Defined contribution plans:

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into state managed retirement benefit schemes and will have no legal or constructive obligation to pay further contributions, if any, if the state managed funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. The Group's contributions to defined contribution plans are recognised in the Consolidated Statement of Profit and Loss in the financial year to which they relate. The Holding Company and its Indian subsidiaries operate defined contribution plans pertaining to Employee State Insurance Scheme and Government administered Pension Fund Scheme for all applicable employees. A few Indian Subsidiaries also operate Defined Contribution Plans pertaining to Provident Fund Scheme.

##### Recognition and measurement of defined contribution plans:

The Group recognises contribution payable to a defined contribution plan as an expense in the Consolidated Statement of Profit and Loss when the employees render services to the Group during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognised as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

##### ii. Defined benefit plans:

Gratuity scheme: The Holding Company, an Indian subsidiary and its foreign subsidiary operates a gratuity scheme for employees. The contribution is paid to a separate entity (a fund) or to a financial institution, towards meeting the Gratuity obligations.

##### Recognition and measurement of defined benefit plans:

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognised in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognised representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost if any and net interest on the defined benefit liability (asset) are recognised in the Consolidated Statement of Profit and Loss. Remeasurements of the net defined benefit liability (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognised in Other





## RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED

### Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019; March 31, 2018 and March 31, 2017

Comprehensive Income. Such remeasurements are not reclassified to the Consolidated Statement of Profit and Loss in the subsequent periods.

#### q) Lease accounting

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets taken on lease:

In respect of operating leases, lease rentals are recognised as an expense in the Consolidated Statement of Profit and Loss on straight line basis over the lease term unless

- i. Another systematic basis is more representative of the time pattern in which the benefit is derived from leased asset; or
- ii. The payments to the lessor are structured to increase in line with the expected general inflation to compensate the lessor's expected inflationary cost increases.

In respect of assets obtained on finance leases, assets are recognised at lower of the fair value at the date of acquisition and present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. The excess of lease payments over the recorded lease obligations are treated as 'finance charges' which are allocated to each lease term so as to produce a constant rate of charge on the remaining balance of the obligations.

#### r) Borrowing Cost

Borrowing cost includes interest, amortization of transaction costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

#### s) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) of the Holding Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group.

#### t) Share-based Compensation

The Company recognises compensation expense relating to share-based payments in the net profit using fair value in accordance with Ind AS 102, Share-Based Payment. The estimated fair value of awards is charged to income on a straight line basis over the requisite service period for each separately vesting portion of the award as if the award was in substance, multiple awards with a corresponding increase to ESOP Reserve.

#### u) Earnings Per Share:

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) and the weighted average number of equity shares outstanding during the year are adjusted for the effects 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



## RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED

### Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019; March 31, 2018 and March 31, 2017

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.

#### v) Recent Accounting pronouncements

The Ministry of Corporate Affairs has notified the Indian Accounting Standard (Ind AS) - 116, Leases effective April 1, 2019. The Group is in the process of studying the impact on the financial statements.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit /loss, tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments that the companies have to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit / tax loss, tax bases, unused tax losses, unused tax credits and tax rates. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company is evaluating impact of the above amendment.

Amendment of Ind AS 12 – Income taxes in connection with accounting of dividend distribution - The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensives income or equity according to where the entity originally recognised those past transactions or events. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Group is evaluating the impact of the above.

#### w) Key Accounting Estimates and Judgements

The preparation of the Group's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

##### - Property, Plant and Equipment

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The lives are based on historical experience with similar assets and are based on changes in technical or commercial obsolescence.

##### - Defined Benefit Obligation

The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates.

##### - Fair value measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.



## RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019; March 31, 2018 and March 31, 2017

### - Expected Credit Loss

The provision for expected credit loss involves estimating the probability of default and loss given default based on the past experience and other factors.

### 3. Basis of Preparation and Presentation

#### 3.1 Transfer of "Wealth Business Undertaking" under Composite Scheme of Arrangement

The Board of Directors of the Holding Company at its meeting held on January 31, 2018, had approved the Composite Scheme of Arrangement amongst IIFL Holdings Limited ("IIFL Holdings"), India Infoline Finance Limited ("IIFL Finance"), India Infoline Media and Research Services Limited ("IIFL M&R"), IIFL Securities Limited ("IIFL Securities"), Holding Company ("IIFL Wealth") and IIFL Distribution Services Limited ("IIFL Distribution"), and their respective shareholders, under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 ("Scheme") which inter-alia, envisages the following:

- i. amalgamation of IIFL M&R with IIFL Holdings;
- ii. demerger of the Securities Business Undertaking (as defined in the Scheme) of IIFL Holdings into IIFL Securities;
- iii. demerger of the Wealth Business Undertaking (as defined in the Scheme) of IIFL Holdings into IIFL Wealth;
- iv. transfer of the Broking and Depository Participant Business Undertaking (as defined in the Scheme) of IIFL Wealth to its wholly owned subsidiary i.e., IIFL Distribution, on a going-concern basis; and
- v. amalgamation of IIFL Finance with IIFL Holdings

The Appointed Date for the amalgamation of IIFL M&R with the IIFL Holdings is opening hours of April 01, 2017 and for all the other steps, the Appointed Date is opening hours of April 01, 2018.

The shareholders of the Holding Company have approved the Scheme on December 12, 2018.

The National Company Law Tribunal Bench at Mumbai (Tribunal) has approved the aforementioned Scheme on March 07, 2019 under the applicable provisions of the Companies Act, 2013.

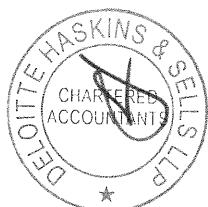
Certified copy of the said order of the Tribunal was received by IIFL Holdings on March 15, 2019 and filed with the Registrar of Companies on April 11, 2019.

Clause 56.2.4 of the Scheme states that Part V of the Scheme dealing with the merger of IIFL Finance with IIFL Holdings shall be made effective upon receipt of Non-Banking Finance Company (NBFC) registration by IIFL Holdings from the Reserve Bank of India (RBI). Pending the receipt of NBFC registration from RBI and based on the legal opinion obtained by IIFL Holdings, the Board of Directors of IIFL Holdings at their meeting held on May 13, 2019 have decided to give effect to the Scheme in the following manner:

- a) Merger of IIFL M&R with IIFL Holdings with effect from the Appointed Date 1 i.e. April 01, 2017;
- b) Demerger of Securities Business Undertaking and the Wealth Business Undertaking from IIFL Holdings with effect from the Appointed Date 2 i.e. April 01, 2018; and
- c) Transfer of the Broking and Depository Participant Business Undertaking from IIFL Wealth to its wholly owned subsidiary, IIFL Distribution Services Limited with effect from the Appointed Date 2 i.e. April 01, 2018.
- d) Merger of the IIFL Finance with IIFL Holdings to be given effect after receipt of necessary registration from the RBI.

On the record date each shareholder of IIFL Holdings will be entitled to:

- a) additional 1 fully paid up equity share of Rs. 2 each in IIFL Securities for every 1 share held in IIFL Holdings for the demerger of Securities Business Undertaking;
- b) additional 1 fully paid up equity share of Rs. 2 each in IIFL Wealth for every 7 shares held in IIFL Holdings for the demerger of Wealth Business Undertaking;



## RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED

### Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019; March 31, 2018 and March 31, 2017

After aforesaid merger of IIFL Finance with IIFL Holdings, each shareholder of IIFL Finance whose name is recorded in the register of members of IIFL Finance on the record date will be entitled to 135 fully paid up equity shares of Rs. 2 each in IIFL Holdings for every 100 shares held in IIFL Finance.

The assets and liabilities as at April 01, 2018, transferred in IIFL Wealth in respect of the Wealth Business Undertaking of IIFL Holdings in terms of the Composite Scheme of Arrangement at book values are summarized below:

(₹ in Mn)		
Particulars	As on April 1, 2018	As on March 31, 2017*(Proforma)
Total Assets	137.56	214.14
Total Liabilities	40.51	128.61
Net Assets	97.05	85.53

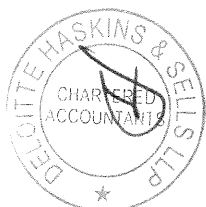
\*Pursuant to Appendix C of IND AS 103 applicable to Business combinations for entities under common control, the effect of the above has been given in the restated financial statements as at and for the year ended March 31, 2018 and restated proforma financial statements as at and for the year ended March 31, 2017. The corresponding effects of the same have been given in Note no 25 for equity and Note no 26 for Other equity.

### 3.2 Restated Consolidated Financial Information

The Restated Consolidated Statement of Assets and Liabilities as at 31 March 2019, 2018 and 2017, the Restated Consolidated Statements of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Cash Flow Statement for the years ended 31 March 2019, 2018 and 2017, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "Restated Consolidated Financial Information") have been prepared by the Company in connection with the proposed listing of its equity shares ("Proposed Listing") prepared in terms of the requirements of:

- Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
- The Guidance Note on Reports in Company Prospectuses (Revised 2018) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

These Restated Consolidated Financial Information have been compiled by the management from the audited consolidated Ind AS financial statements of the Company and its subsidiaries (collectively, the "Group") as at and for the year ended 31 March 2019, prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 13 May 2019. The comparative information for the year ended 31 March 2018 included in such financial statements have been prepared by making Ind AS adjustments to the audited consolidated financial statements of the Group as at and for the year ended 31 March 2018, prepared in accordance with the accounting standards notified under the section 133 of the Act read with Companies Accounting Standards Rules, 2006 ("Indian GAAP") which was approved by the Board of directors at their meeting held on 03 May 2018 and by giving effect of the special purpose carve-out financial statements of Wealth Business Undertaking for the year ended 31 March 2018 considering the demerger of Wealth Business Undertaking from IIFL Holdings Limited to the Company as common control transaction in accordance with Appendix C of IND AS 103 "Business Combinations" and accounted accordingly.



## RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED

### Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019; March 31, 2018 and March 31, 2017

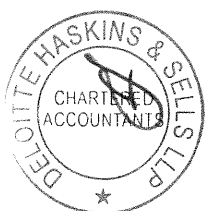
The Restated Consolidated Financial Information also contains the proforma consolidated Ind AS financial information as at and for the year ended 31 March 2017. The proforma consolidated Ind AS financial information have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended 31 March 2017, which have been approved by the Board of Directors at their meeting held on 03 May 2017 and by giving effect of the special purpose carve-out financial statements of Wealth Business Undertaking for the year ended 31 March 2017 as mentioned above.

#### Basis of Preparation of Special Purpose Carved-out Ind AS Financial Statements

The special purpose carved-out Ind AS financial statements of the Wealth Business Undertaking, comprise the carved-out balance sheets as at 31 March 2019, 31 March 2018 and 31 March 2017, the carved-out statement of profit and loss (including other comprehensive income), the carved-out statement of changes in equity and the carved-out statement of cash flows for the years ended 31 March 2019, 31 March 2018 and 31 March 2017 and notes to the special purpose carved-out financial statements, including a summary of significant accounting policies and other explanatory information.

These special purpose carved-out Ind AS financial statements were approved by the Committee constituted by the Board of Directors of IIFL Holdings Limited in their meeting held on 21 June 2019 for the year ended 31 March 2017, by the Board of Directors of Holding Company on 13 May 2019 for the year ended 31 March 2018 and 31 March 2019.

The special purpose carved-out Ind AS financial statements are special purpose financial statements and have been prepared by IIFL Holding Limited for the purpose of preparation of the restated consolidated financial information of IIFL Wealth Management Limited ("IIFL Wealth") as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("ICDR Regulations") in relation to the proposed listing of equity shares of IIFL Wealth. As a result, the Special Purpose Carved-out Ind AS Financial Statements may not be suitable for any another purpose. Also the resulting financial position may not be that which might have existed if the carved-out business had been a stand-alone business.



Note 4. Cash and Cash Equivalents

(₹ in Mn)

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017 (Proforma)
<b>Cash and Cash Equivalents (As per Ind AS 7 Statement of Cashflows)</b>			
Cash on hand	0.40	1.17	0.66
Cheques in hand	5.14	-	8.43
Balance with banks			
- In client account	404.65	1,288.41	497.65
- Others	835.58	1,268.01	6,190.03
In Deposit accounts (with original maturity of three months or less)	400.46	2,704.97	2,932.40
<b>Cash and cash equivalents (As per Ind AS 7 Statement of Cashflows)</b>	<b>1,646.23</b>	<b>5,262.56</b>	<b>9,629.17</b>

Out of the Fixed Deposits shown above:

(₹ in Mn)

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017 (Proforma)
Lien marked against overdraft facility	-	10.04	10.03
Other deposits	400.46	2,694.93	2,922.37
<b>Total</b>	<b>400.46</b>	<b>2,704.97</b>	<b>2,932.40</b>

Note 5. Bank Balance other than 4 above:

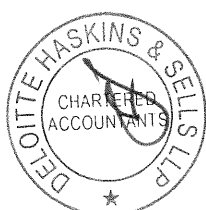
(₹ in Mn)

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017 (Proforma)
<b>Other Bank Balances</b>			
In Deposit accounts (with original maturity of more than 3 months)	1,127.95	2,189.46	3,189.23
<b>Total</b>	<b>1,127.95</b>	<b>2,189.46</b>	<b>3,189.23</b>

Out of the Fixed Deposits shown above:

(₹ in Mn)

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017 (Proforma)
Lien marked against bank guarantee	740.20	584.31	383.72
Lien marked against overdraft facility	50.01	1,316.82	2,518.97
Collateral with exchange	186.66	278.23	276.51
Other deposits	151.08	10.10	10.03
<b>Total</b>	<b>1,127.95</b>	<b>2,189.46</b>	<b>3,189.23</b>

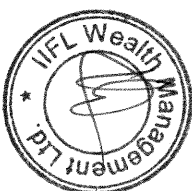
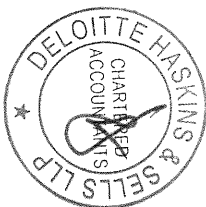


RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED  
Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

Note 6. Derivative Financial Instruments (Refer Note 37)

Part I	Notional amounts	As at March 31, 2019		As at March 31, 2018		As at March 31, 2017 (proforma)		(₹ in Mn)
		Fair value - Assets	Fair value - Liabilities	Fair value - Assets	Fair value - Liabilities	Fair value - Assets	Fair value - Liabilities	
(i) Interest rate derivatives								
Interest rate swaps	11,000.00	-	46.85	-	-	-	-	-
Subtotal(i)	11,000.00	-	46.85	-	-	-	-	-
(ii) Equity linked derivatives (Nifty Linked)								
Option premium paid	3,851.54	883.27	-	49.75	-	501.60	10.76	-
Option premium received	1,616.54	-	90.49	-	-	570.00	-	10.81
Derivative component of liabilities	2,456.43	77.68	2,378.75	-	814.25	243.21	-	243.20
Subtotal(ii)	7,924.51	960.95	2,469.24	49.75	814.25	1,314.81	10.76	254.01
Total Derivative Financial Instruments (i) + (ii)	18,924.51	960.95	2,516.09	49.75	814.25	1,314.81	10.76	254.01

Part II	Notional amounts	As at March 31, 2019		As at March 31, 2018		As at March 31, 2017 (proforma)		(₹ in Mn)
		Fair value - Assets	Fair value - Liabilities	Fair value - Assets	Fair value - Liabilities	Fair value - Assets	Fair value - Liabilities	
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:								
(i) Fair value hedging	-	-	-	-	-	-	-	-
(ii) Cash flow hedging	-	-	-	-	-	-	-	-
(iii) Net investment hedging	-	-	-	-	-	-	-	-
(iv) Undesignated derivatives	18,924.51	960.95	2,516.09	49.75	814.25	1,314.81	10.76	254.01
Total Derivative Financial Instruments (i) + (ii) + (iii) + (iv)	18,924.51	960.95	2,516.09	49.75	814.25	1,314.81	10.76	254.01



RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED

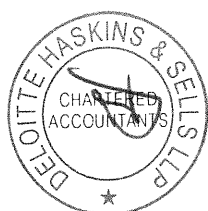
Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

Note 7. Receivables (Refer Note 37)

(₹ in Mn)

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017 (Proforma)
<b>(i) Trade receivables</b>			
Receivables considered good - Unsecured	2,963.93	1,956.23	1,607.96
<b>Total (i)- Gross</b>	<b>2,963.93</b>	<b>1,956.23</b>	<b>1,607.96</b>
Less: Impairment loss allowance	3.19	4.27	13.98
<b>Total (i)- Net</b>	<b>2,960.74</b>	<b>1,951.96</b>	<b>1,593.98</b>
<b>(ii) Other receivables</b>			
Receivables considered good - Secured	407.10	2,772.11	2,180.33
Receivables considered good - Unsecured	3,837.46	334.61	1,708.45
<b>Total (ii)- Gross</b>	<b>4,244.56</b>	<b>3,106.72</b>	<b>3,888.78</b>
Less: Impairment loss allowance	-	-	-
<b>Total (ii)- Net</b>	<b>4,244.56</b>	<b>3,106.72</b>	<b>3,888.78</b>

- a) No trade or other receivables are due from directors or from other officers of the Company either severally or jointly with any other person nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, director or a member as at 31st March 2019, 31st March 2018, 31st March 2017 (Proforma).
- b) There are no trade receivables with significant increase in credit risk (SICR) as at 31st March 2019, 31st March 2018, 31st March 2017 (Proforma).
- c) There are no credit impaired receivables as at 31st March 2019, 31st March 2018, 31st March 2017 (Proforma).
- d) Other receivables include receivables on sale of Investments aggregating to ₹ 3,785.78 Mn (As at 31st March 2018- Nil, As at 31st March 2017 (Proforma)- ₹ 1,000.69 Mn)
- e) Other receivables are generally secured by margin money received from clients and/or securities held on behalf of the clients pending settlement.
- f) No trade receivables and other receivables are interest bearing.





RESTATED CONSOLIDATED FINANCIAL INFORMATION OF JFL WEALTH MANAGEMENT LIMITED  
Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

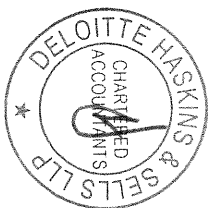
Note 8. Loans (Refer Note 37)

(₹ in Mn)

Loans	As at March 31, 2019						As at March 31, 2018						As at March 31, 2017 (Proforma)					
	Amortised cost	At Fair value			Subtotal	Total	Amortised cost	At Fair value			Subtotal	Total	Amortised cost	At Fair value			Subtotal	Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss				Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss				Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss		
(A)																		
(i) Term loans*	49,885.56	-	-	-	-	49,885.56	70,857.35	-	-	-	-	70,857.35	36,679.04	-	-	-	-	36,679.04
(ii) Others - Staff loan	7.04	-	-	-	-	7.04	7.39	-	-	-	-	7.39	8.42	-	-	-	-	8.42
<b>Total (A) - Gross</b>	<b>49,892.60</b>	-	-	-	-	<b>49,892.60</b>	<b>70,864.74</b>	-	-	-	-	<b>70,864.74</b>	<b>36,687.46</b>	-	-	-	-	<b>36,687.46</b>
Less: Impairment loss allowance	(228.00)	-	-	-	-	(228.00)	(303.56)	-	-	-	-	(303.56)	(167.78)	-	-	-	-	(167.78)
<b>Total (A) - Net</b>	<b>49,664.60</b>	-	-	-	-	<b>49,664.60</b>	<b>70,561.18</b>	-	-	-	-	<b>70,561.18</b>	<b>36,519.68</b>	-	-	-	-	<b>36,519.68</b>
(B)																		
(i) Secured by tangible assets	47,755.41	-	-	-	-	47,755.41	67,585.72	-	-	-	-	67,585.72	33,941.98	-	-	-	-	33,941.98
(ii) Unsecured	2,137.19	-	-	-	-	2,137.19	3,279.02	-	-	-	-	3,279.02	2,745.48	-	-	-	-	2,745.48
Less: Impairment loss allowance	(228.00)	-	-	-	-	(228.00)	(303.56)	-	-	-	-	(303.56)	(167.78)	-	-	-	-	(167.78)
<b>Total (B) - Gross</b>	<b>49,664.60</b>	-	-	-	-	<b>49,664.60</b>	<b>70,561.18</b>	-	-	-	-	<b>70,561.18</b>	<b>36,519.68</b>	-	-	-	-	<b>36,519.68</b>
(C)																		
(i) Loans in India																		
(ii) Public Sector	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Others	49,892.60	-	-	-	-	49,892.60	70,864.74	-	-	-	-	70,864.74	36,687.46	-	-	-	-	36,687.46
Less: Impairment loss allowance	(228.00)	-	-	-	-	(228.00)	(303.56)	-	-	-	-	(303.56)	(167.78)	-	-	-	-	(167.78)
<b>Total (C) (i) - Net</b>	<b>49,664.60</b>	-	-	-	-	<b>49,664.60</b>	<b>70,561.18</b>	-	-	-	-	<b>70,561.18</b>	<b>36,519.68</b>	-	-	-	-	<b>36,519.68</b>
(ii) Loans outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total (C) (ii) - Net</b>	<b>-</b>	-	-	-	-	<b>-</b>	<b>-</b>	-	-	-	-	<b>-</b>	<b>-</b>	-	-	-	-	<b>-</b>
<b>Total (C) (i) and (ii)</b>	<b>49,664.60</b>	-	-	-	-	<b>49,664.60</b>	<b>70,561.18</b>	-	-	-	-	<b>70,561.18</b>	<b>36,519.68</b>	-	-	-	-	<b>36,519.68</b>

Secured loan & Other Credit Facilities given to customer are secured by :-

- Pledge of Shares / Bonds / Mutual Fund & AIF Units
- Equitable/Registered Mortgage on Property
- Personal Guarantee
- Includes loan to related parties- Refer Note 42

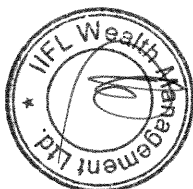


RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IFL WEALTH MANAGEMENT LIMITED  
Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

Note 9. Investments

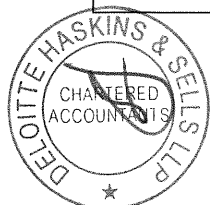
As at March 31, 2019													As at March 31, 2018													As at March 31, 2017 (proforma)													₹ in Mn
Investments	Amortised cost	At Fair value					Subtotal	Others	Total	Amortised cost	At Fair value					Subtotal	Others	Total	Amortised cost	At Fair value					Subtotal	Others	Total												
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Through Other Comprehensive Income	Through profit or loss					Designated at fair value through profit or loss	Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Through Other Comprehensive Income					Through profit or loss	Designated at fair value through profit or loss																		
8	9	10	11	12=9+10+11	13	14=8+12+13	8	9	10	11	12=9+10+11	13	14=8+12+13	15	16	17	18	19=16+17+18	20	21=15+19+20																			
(A)	-	-	1,566.65	-	1,566.65	-	1,566.65	-	-	2,284.99	-	2,284.99	-	2,284.99	-	-	613.82	-	613.82	-	613.82	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Mutual funds	-	-	13,014.87	-	13,014.87	-	13,014.87	-	-	3,383.07	-	3,383.07	-	3,383.07	-	-	10,589.74	-	10,589.74	-	10,589.74	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Debt securities	-	-	10,352.03	-	10,352.03	-	10,352.03	-	-	0.60	-	0.60	-	0.60	-	-	23.04	-	23.04	-	23.04	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Equity instruments	-	-	5,004.38	-	5,004.38	-	5,004.38	-	-	3,782.96	-	3,782.96	-	3,782.96	-	-	8,842.13	-	8,842.13	-	8,842.13	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Alternate investment funds	-	-	585.05	-	585.05	-	585.05	-	-	1,660.40	-	1,660.40	-	1,660.40	-	-	20,068.73	-	20,068.73	-	20,068.73	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Others	-	-	30,525.66	-	30,525.66	-	30,525.66	-	-	11,112.02	-	11,112.02	-	11,112.02	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Total (A)	-	-	82.35	-	82.35	-	82.35	-	-	400.27	-	400.27	-	400.27	-	-	565.36	-	565.36	-	565.36	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
(B)	-	-	30,443.30	-	30,443.30	-	30,443.30	-	-	10,711.75	-	10,711.75	-	10,711.75	-	-	19,503.37	-	19,503.37	-	19,503.37	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
(C)	-	-	30,525.65	-	30,525.65	-	30,525.65	-	-	11,112.02	-	11,112.02	-	11,112.02	-	-	20,068.73	-	20,068.73	-	20,068.73	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Less: Allowance for impairment loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
Total Net (D) = A-C	-	-	30,525.66	-	30,525.66	-	30,525.66	-	-	11,112.02	-	11,112.02	-	11,112.02	-	-	20,068.73	-	20,068.73	-	20,068.73	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			

Note:  
Out of the above investments ₹ 578.44 Mn (As at 31st March 2018 - ₹ 451.11 Mn; As at 31st March 2017 (Proforma) Nil) are kept as collateral



Note 9. Investments (continued)

Name of Investment	As at March 31, 2019		As at March 31, 2018		As at March 31, 2017 (Proforma)	
	No. of Units	Total Amount (₹ in Mn)	No. of Units	Total Amount (₹ in Mn)	No. of Units	Total Amount (₹ in Mn)
<b>Investment in Mutual Funds include :</b>						
ADITYA BIRLA SUN LIFE LIQUID FUND - G	186,487.92	55.76	-	-	-	-
AXIS LIQUID FUND -G	54,941.52	113.46	-	-	-	-
BHARTI AXA TREASURY ADVANTAGE FUND- RETAIL GROWTH PLAN	-	-	381,089.41	800.00	-	-
DSP BLACKROCK MUTUAL FUND LIQUIDITY FUND INSTI PLAN GROWTH OPEN END	-	-	19,070.79	47.39	-	-
HDFC DEBT FUND FOR CANCER CURE - 50% REGULAR OPTION-2014 - DIVIDEND DONATION	1,000,000.00	10.03	1,000,000.00	10.03	1,000,000.00	10.03
HDFC LIQUID FUND - GROWTH (REGULAR)	77,201.46	282.78	17,459.00	59.54	8,806.00	28.26
HDFC MUTUAL FUND EOF II 1126D MAY 17(1)REG DIVPAY 14JL20	18,100,000.00	195.28	-	-	-	-
HDFC MUTUAL FUND FMP 1302D SEP 16 (1)SR 37 REG GROWTH 21AP20	7,605,013.00	92.31	-	-	-	-
HDFC MUTUAL FUND FMP 3360D MAR2014(1)SR30 REG QTLYDIVPY 06JU23	5,000,000.00	50.02	-	-	-	-
HDFC MUTUAL FUND LIQUID FUND DIRECT GROWTH OPEN ENDED	68,363.00	251.46	-	-	-	-
HDFC MUTUAL FUND LIQUID FUND RG GROWTH OPEN ENDED	5,815.00	21.28	-	-	-	-
HDFC MUTUAL FUND SHORT TERM DBT FD DIRECT GROWTH OPEN ENDED	14,675,072.00	305.69	-	-	-	-
ICICI PRUDENTIAL FLEXIBLE INCOME - GROWTH	-	-	-	-	8,029.83	2.50
ICICI PRUDENTIAL MUTUAL FUND VALUE FD SR 4 DIV PAY 08MY19	2,100,000.00	21.55	-	-	-	-
ICICI PRULIQUID -G	42,488.57	11.70	-	-	-	-
IDFC CASH FUND -G	22,533.66	50.87	-	-	-	-
IDFC MUTUAL FUND EQ OPR SR 5 REGULAR PLAN GROWTH 15MR21	7,563,345.00	74.73	-	-	-	-
IIFL CAPITAL ENCHANCER FUND - SERIES 1 - DIRECT - GROWTH	500,000.00	5.27	-	-	-	-
IIFL DYNAMIC BOND FUND - GROWTH (REGULAR)	-	-	3,107,375.36	43.25	3,107,375.36	40.28
IIFL DYNAMIC BOND FUND DIRECT PLAN - GROWTH	563,624.61	8.58	563,624.61	8.04	563,624.61	7.45
IIFL FOCUSED EQUITY FUND - DIRECT PLAN - GROWTH	533,063.45	8.89	-	-	-	-
IIFL INDIA GROWTH FUND - DIRECT PLAN - GROWTH	-	-	811,091.45	11.73	533,063.45	7.23
IIFL INDIA GROWTH FUND - REGULAR PLAN - GROWTH	-	-	7,013,458.83	97.52	38,656,839.95	511.92
IIFL LIQUID FUND - DIRECT PLAN - GROWTH	4,769.07	6.98	4,769.07	6.53	4,769.07	6.14
IIFL LIQUID FUND - REGULAR PLAN - GROWTH	8.08	0.01	8.08	0.01	8.08	0.01
INDIABULLS BLUE CHIP FUND - EXISTING PLAN - DIVIDEND - PAYOUT	-	-	63,996,492.28	706.52	-	-
L&T FLOATING RATE FUND DIRECT PLAN - GROWTH	-	-	2,475,038.00	43.32	-	-
RELANCE LIQUID FUND-CASH PLAN-GROWTH PLAN - GROWTH OPTION	-	-	167,394.59	451.11	-	-
		1,566.65		2,284.99		613.82
<b>Investment in Government Securities include :</b>						
7.32% GOVERNMENT OF INDIA FVRS100 28JAN2024	72,500,000.00	7,455.23	-	-	-	-
7.37% GOVERNMENT OF INDIA FVRS100 16APR2023	13,000,000.00	1,367.44	-	-	-	-
8.24% GOVERNMENT OF INDIA GOVT. STOCK 2027	14,500,000.00	1,529.36	-	-	-	-
		10,352.03		-		-
<b>Investment in Debt Securities include :</b>						
0.00% TATA CAPITAL FINANCE 26-JUNE-20	15.00	15.62	-	-	-	-
10.50% INDUSIND BANK LIMITED SERIES III-2019 NCD PERPEUAL FVRS10LAC	1,000.00	992.09	-	-	-	-
11% BANK OF INDIA SR-1 PERPETUAL BOND FVRS10LACS	-	-	1,073.00	1,248.83	1,336.00	1,406.30
15.75% MANIPAL HEALTHCARE PRIVATE LIMITED SERIES A NCD 25MR24 FVRS10LAC	1,170.00	1,175.03	-	-	-	-
8.55% IIFCL TRANCHE III SERIES 2A 15YRS	-	0.50	-	-	-	-
8.90% RELIANCE HOME FINANCE LTD SR-I CAT III & IV 3YRS FV RS 1000	6,605.00	6.61	-	-	-	-
9.08% UNION BANK OF INDIA SR-XXIV BD PERPETUAL FVRS10LAC	95.00	99.33	-	-	-	-
9.37% STATE BANK OF INDIA SERIES II BD PERPETUAL FVRS10LAC	1,421.00	1,463.48	-	-	-	-
9.56% STATE BANK OF INDIA SERIES I NCD PERPETUAL FVRS10LAC	160.00	166.64	-	-	-	-
9.90% ICICI BANK LIMITED SR DDE18AT 9.90 BD PERPETUAL FVRS10LAC	1,082.00	1,118.32	-	-	-	-
ALLAHABAD BANK SR-I 11.15 LOA PERPETUAL FVRS10LAC	-	-	-	-	275.00	274.98
AMRI HOSPITALS LIMITED LOA 02AP21 FVRS10LAC	1,500.00	1,628.47	-	-	-	-
ANDHRA BANK SR-III 10.99 LOA PERPETUAL FVRS10LAC	-	-	-	-	1,385.00	1,421.62
ARCH AGRO INDUSTRIES PRIVATE LIMITED 19 LOA 17AP20 FVRS10000	10,814.00	-	7,221.00	-	3,596.00	-
BANK OF INDIA SR-III 11.5 BD PERPETUAL FVRS10LAC	-	-	-	-	12.00	12.89
CORPORATION BANK SR-II 10.28 LOA PERPETUAL FVRS10LAC	-	-	-	-	1,500.00	1,458.60
ECL FINANCE LIMITED SR-89C603C BR NCD 10AP17 FVRS11LAC	-	-	-	-	100.00	465.98
ECL FINANCE LIMITED SR-19I603A BR NCD 05F20 FVRS11LAC	1.00	0.16	-	-	-	-
EDELWEISS FINANCE & INVESTMENTS LTD G7K503B 04-APRIL-19	150.00	20.05	-	-	-	-
EDELWEISS FINVEST PRIVATE LIMITED SR-ADA702A NCD 26MAY20 FVRS11LAC	500.00	65.40	-	-	-	-
EMAMI INFRASTRUCTURE LIMITED NCD 25MR21 FVRS10LAC	500.00	540.53	-	-	-	-
HDB FINANCIAL SERVICES LIMITED SR-A/0/104 OP 3 NCD 08JL20 FVRS10LAC	15.00	17.20	-	-	-	-
HINDUJA LEYLAND FINANCE LIMITED SR 001 BR NCD 17SP24 FVRS10LAC	347.00	368.55	-	-	-	-
ICICI BANK LIMITED SR-DMR17AT 9.2 BD PERPETUAL FVRS10LAC	9.00	8.95	-	-	-	-
IDBI BANK LIMITED SR-II 10.75 BD PERPETUAL FVRS10LAC	-	-	-	-	1,417.00	1,395.11
INDIA REIT FUND SCHEME V	45.75	6.86	162.07	22.70	46.51	5.79
KOTAK MAHINDRA INVESTMENTS LIMITED SR-030 NCD 05AG20 FVRS10LAC	100.00	89.75	-	-	-	-
ORIENTAL BANK OF COMMERCE SR-2 10.95 BD PERPETUAL FVRS10LAC	-	-	-	-	1,400.00	1,447.65
PUNJAB NATIONAL BANK SR-IX9.21BDPERPETUALFVRS10LACLOAUAUPT027AP17	348.00	336.37	-	-	-	-
PUNJAB NATIONAL BANK SR-VII 9.15 LOA PERPETUAL FVRS10LAC	784.00	737.72	-	-	500.00	499.09
PUNJAB NATIONAL BANK SR-VIII 8.95 LOA PERPETUAL FVRS10LAC	85.00	82.69	100.00	212.47	-	-
PUNJAB NATIONAL BANK SR-XI 8.98 BD PERPETUALFVRS10LACLOAUAUPT0035P17	859.00	872.82	-	-	-	-
RELIANCE CAPITAL LIMITED RCL MLD SERIES B/367-A 28-NOV-19	137.00	23.83	137.00	13.70	137.00	70.31
RELIANCE CAPITAL LIMITED RCL MLD SERIES B/369-A TYPE II 02-DEC-19	60.00	10.42	60.00	6.00	60.00	6.00
RELIANCE CAPITAL LIMITED SR-B/359A TYPE III BR NCD 21OT19 FVRS11LAC	629.00	111.99	629.00	62.90	629.00	62.90
RELIANCE CAPITAL LIMITED SR-B/359A TYPE IV BR NCD 24OT19 FVRS11LAC	704.00	125.25	704.00	70.40	704.00	70.40
RELIANCE CAPITAL LIMITED SR-B/364A TYPE I BR NCD 04NV19 FVRS11LAC	336.00	59.59	336.00	33.60	336.00	33.60
RELIANCE CAPITAL LIMITED SR-B/433A BR NCD 09AG21 FVRS11LAC	4,241.00	459.19	3,321.00	333.62	-	-
RELIANCE FINANCIAL LIMITED SR B/190328N BR NCD 11JN22 FVRS11LAC	2,692.00	289.34	-	-	-	-
RELIANCE CAPITAL LIMITED MLD SERIES B/435A 25OCT21 FVRS11LAC	2,243.00	233.96	1,805.00	180.50	-	-
STATE BANK OF INDIA SR-1 9 BD PERPETUAL FVRS10LAC	779.00	815.54	215.00	217.41	203.00	205.61
STATE BANK OF INDIA SR-III 8.39 BD PERPETUAL FVRS10LAC	300.00	305.61	938.00	931.74	730.00	723.42
STATE BANK OF INDIA SR-IV 8.15 BD PERPETUAL FVRS10LAC	-	-	50.00	49.20	-	-
SYNDICATE BANK SR-III 11.25 LOA PERPETUAL FVRS10LAC	-	-	-	-	20.00	19.94
SYNDICATE BANK SR-III 11.25 LOA PERPETUAL FVRS10LAC	-	-	-	-	683.00	714.01
SYNDICATE BANK SR-V 9.8 LOA PERPETUAL FVRS10LAC	383.00	398.98	-	-	-	-
UNION BANK OF INDIA SR-XXIII TR-2 9.1 BD PERPETUAL FVRS10LAC	381.00	368.03	-	-	-	-
VIJAYA BANK SR-IV 10.49 LOA PERPETUAL FVRS10LAC	-	-	-	-	300.00	295.54
		13,014.87		3,383.07		10,589.74

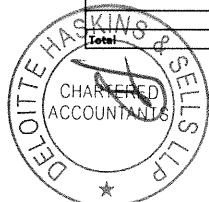


RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

Note 9. Investments (continued)

Name of Investment	As at March 31, 2019		As at March 31, 2018		As at March 31, 2017(Proforma)	
	No. of Units	Total Amount (₹ in Mn)	No. of Units	Total Amount (₹ in Mn)	No. of Units	Total Amount (₹ in Mn)
<b>Investment in Equity Instrument include :</b>						
FINETHORITY SOFTWARE SOLUTION PRIVATE LIMITED	10,000.00	2.18	10,000.00	0.10	10,000.00	0.10
INDIA INFOLINE LTD (FORMERLY KNOWN AS INDIA INFOLINE DIST. CO. LTD.)	-	-	-	-	20.00	-
MF UTILITIES INDIA PRIVATE LIMITED	500,000.00	0.50	500,000.00	0.50	500,000.00	0.50
SHANKARA BUILDING PRODUCTS LIMITED	-	-	-	-	48,769.00	22.44
INDIA ALTERNATIVE ADVISORS PVT. LTD.	1.00	-	1.00	-	-	-
		2.68		0.60		23.04
<b>Investment in Alternate investment funds include :</b>						
ABAKUS GROWTH FUND - 1	10,000.00	10.64	-	-	-	-
ASK SELECT FOCUS FUND	10,597.22	10.04	5,000.00	4.76	-	-
BLUME VENTURES (OPPORTUNITIES) FUND II	260,000.00	25.60	-	-	-	-
BLUME VENTURES FUND I	910.00	25.98	1,487.50	27.01	1,487.50	27.54
BOV CAPITAL FUND	500,000.00	45.02	-	-	-	-
DSP AIF PHARMA FUND	100,000.00	9.62	100,000.00	9.62	-	-
GLOBAL DYNAMIC OPPORTUNITIES FUND LTD. CELL 74	-	-	-	-	82,800.00	565.36
GLOBAL DYNAMIC OPPORTUNITIES FUND LTD. CELL 99	-	-	59,120.89	397.86	-	-
GREENLAND SUB-FUND A	500.00	37.33	-	-	-	-
IA ALL CAP FUND	10,356,188.09	93.91	5,645,048.00	54.52	-	-
IA BALANCE FUND	4,666,205.00	49.19	-	-	-	-
IA BLENDED FUND - SERIES 2	3,052,890.54	30.24	-	-	-	-
IA DIVERSIFIED FUND	2,514,771.62	26.49	7,500,000.00	75.85	-	-
IA OPPORTUNITIES FUND - SERIES 1	1,604,462.70	15.83	-	-	-	-
IA OPPORTUNITIES FUND - SERIES 2	2,162,210.48	21.33	-	-	-	-
IA OPPORTUNITIES FUND - SERIES 6	350,000.00	3.57	-	-	-	-
IA OPPORTUNITIES FUND - SERIES 8	1,001,500.59	10.52	-	-	-	-
IA OPPORTUNITIES FUND - SERIES 9	1,000,000.00	10.50	-	-	-	-
ICICI PRUDENTIAL REAL ESTATE AIF II	728,195.63	72.60	728,195.63	80.96	-	-
IIFL ASSET REVIVAL FUND SERIES 2	-	-	10,002,500.00	141.17	10,002,500.00	131.94
IIFL ASSET REVIVAL FUND SERIES 3	-	-	2,943,914.09	38.13	4,716,692.09	57.50
IIFL BEST OF CLASS FUND 1	-	-	10,002,500.00	118.97	5,002,500.00	58.42
IIFL BEST OF CLASS FUND II	-	-	2,500.00	0.03	5,002,500.00	64.19
IIFL BLENDED FUND - SERIES A	7,840,215.00	79.62	2,552,091.07	24.24	-	-
IIFL BLENDED FUND - SERIES B	1,657,151.16	15.15	-	-	-	-
IIFL BLENDED FUND - SERIES C	3,012,500.00	31.61	3,012,500.00	29.53	-	-
IIFL CASH OPPORTUNITIES FUND	-	-	40,058,229.67	483.98	384,525,183.43	4,377.86
IIFL FOCUSED EQUITY STRATEGIES FUND	8,012,711.12	109.59	6,581,767.51	82.76	2,500,000.00	28.48
IIFL FUND	-	-	300.00	2.41	-	-
IIFL HIGH GROWTH COMPANIES FUND	5,000,000.00	56.51	-	-	-	-
IIFL INCOME OPPORTUNITIES FUND	-	-	-	-	57,057,308.75	37.47
IIFL INCOME OPPORTUNITIES FUND - SERIES 2	17,500,000.00	177.51	-	-	-	-
IIFL INCOME OPPORTUNITIES FUND SERIES - SPECIAL SITUATIONS	1,684.61	0.01	1,684.61	0.01	934,607.75	9.04
IIFL INCOME OPPORTUNITIES SERIES DEBT ADVANTAGE	8,102,978.66	71.83	18,867,792.09	201.66	46,180,362.87	473.96
IIFL INCOME OPPORTUNITIES SERIES REGULAR INCOME	-	-	-	-	200,000,000.00	2,001.52
IIFL INDIA PRIVATE EQUITY FUND	11,670,000.00	116.70	-	-	-	-
IIFL INVESTMENT OPPORTUNITIES FUND - SPECIAL SERIES 1	-	-	-	-	7,638,211.44	86.58
IIFL LONG TERM EQUITY GROWTH FUND	1,000,000.00	11.05	1,000,000.00	10.54	-	-
IIFL LONG TERM GROWTH FUND I	10,002,500.00	115.86	10,002,500.00	103.26	-	-
IIFL MULTI-STRATEGY FUND	10,000,000.00	108.38	-	-	-	-
IIFL NATIONAL DEVELOPMENT AGENDA FUND	-	-	-	-	9,466.56	0.09
IIFL PHOENIX CASH OPPORTUNITIES FUND	-	-	2,897,648.43	31.67	1,002,500.00	10.26
IIFL RE ORGANIZE INDIA EQUITY FUND	11,440,326.99	92.18	4,984,299.23	44.95	2,500,000.00	25.09
IIFL REAL ESTATE FUND DOMESTIC SERIES 1	-	-	-	-	2,161,355.00	34.63
IIFL REAL ESTATE FUND DOMESTIC SERIES 2	11,756,552.81	93.75	2,370.00	0.02	2,370.00	0.02
IIFL REAL ESTATE FUND DOMESTIC SERIES 3	47,938,266.05	477.83	30,633,224.76	310.27	29,650,964.38	310.36
IIFL REAL ESTATE FUND DOMESTIC SERIES 4	43,664,218.26	428.96	34,329,178.87	354.09	10,002,500.00	102.44
IIFL SEED VENTURES FUND 1	18,586,993.69	356.47	18,586,993.69	302.13	13,451,908.87	208.63
IIFL SELECT EQUITY FUND	7,195,906.69	72.88	2,038,086.15	19.92	2,000,000.00	20.00
IIFL SELECT SERIES 1	1,680,799.34	22.31	1,680,799.34	21.06	1,676,041.10	18.43
IIFL SELECT SERIES II	5,000,000.00	49.65	-	-	-	-
IIFL SPECIAL OPPORTUNITIES FUND	12,806,375.48	145.09	6,404,414.27	72.29	1,250,000.00	12.52
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 2	6,986,122.90	75.48	6,460,272.53	71.46	-	-
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 3	12,066,347.19	129.36	6,507,038.40	71.18	-	-
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 4	14,105,131.65	140.63	11,625,136.50	116.29	-	-
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 5	8,174,401.54	80.61	5,130,473.10	50.92	-	-
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 6	5,000,000.00	51.17	-	-	-	-
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 7	5,002,500.00	51.61	5,002,500.00	50.30	-	-
IIFL YIELD ENHANCER FUND	60,882,728.78	170.81	31,457,114.09	130.33	12,502,500.00	127.83
INDIA ALTERNATIVES PRIVATE EQUITY FUND II	1,373.56	120.36	-	-	-	-
INDIA HOUSING FUND	30,393,275.90	316.58	5,002,500.00	50.27	-	-
INDIAREIT FUND SCHEME I	188.91	0.81	-	-	-	-
IRON PILLAR INDIA FUND I	2,116,131.54	248.92	291,118.00	29.11	-	-
KAE CAPITAL FUND IIA	2,100.00	210.00	-	-	-	-
MALABAR VALUE FUND	855,837.93	99.43	855,837.93	110.30	386,785.95	41.81
MOTILAL OSWAL FOCUSED GROWTH OPPORTUNITIES FUND	743,825.58	10.99	882,448.76	12.45	624,802.18	7.69
PEGASUS INDIA EVOLVING OPPORTUNITIES FUND	123.53	11.30	-	-	-	-
SUNDARAM ALTERNATIVE OPPORTUNITIES FUND - NANO CAP SERIES I	147.02	14.39	147.02	16.90	25.05	2.47
SUNDARAM ALTERNATIVE OPPORTUNITIES FUND - NANO CAP SERIES II	154.74	13.88	154.74	16.52	-	-
WHITE OAK INDIA EQUITY FUND	3,206,133.56	36.22	1,293,392.79	13.26	-	-
WHITE OAK INDIA EQUITY FUND II	1,000,000.00	10.48	-	-	-	-
XPONENTIAL OPPORTUNITIES FUND I	800.00	80.00	-	-	-	-
YOURNEST ANGEL FUND	1,575.00	-	1,575.00	-	-	-
		5,004.38		3,782.96		8,842.13
<b>Investment in Others include :</b>						
IRB INVIT FUND	8,815,000.00	585.05	20,240,000.00	1,660.40	-	-
		585.05		1,660.40		-
<b>Total</b>		<b>30,525.66</b>		<b>11,112.02</b>		<b>20,068.73</b>



RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

Note 10. Other financial assets

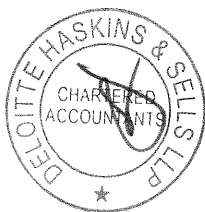
(₹ in Mn)

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017 (Proforma)
Deposit with exchange	67.20	284.15	228.70
Deposit with Clearing Corporation of India Limited (CCIL)	143.90	22.20	-
Other deposits	86.67	76.03	103.86
Income accrued & due	0.14	0.82	0.11
Fees income accrued & not due	23.41	-	-
Advances to companies under common promoters	20.50	13.59	11.29
Receivable from Employees	1.88	1.47	6.00
Advance for purchase of Investments in units of AIF	175.00	-	-
Others	5.36	24.42	23.04
<b>Total</b>	<b>524.06</b>	<b>422.68</b>	<b>373.00</b>

Note 11. Inventories - (At lower of cost and net realisable value)

(₹ in Mn)

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017 (Proforma)
Stock in trade	197.51	-	-
<b>Total</b>	<b>197.51</b>	<b>-</b>	<b>-</b>
<b>Aggregate Market Value- Stock in hand – Quoted</b>	<b>197.51</b>	<b>-</b>	<b>-</b>



RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

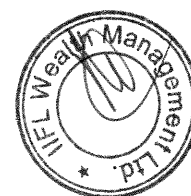
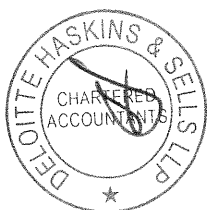
Note 12. Deferred Taxes

Significant components of deferred tax assets and liabilities for the year ended March 31, 2019 are as follows:

	Opening balance	Addition on acquisition/ merger	Recognised in profit or loss	Foreign exchange difference	MAT Credit utilised/ Created	Recognised in/reclassified from OCI	Closing balance
<b>Deferred tax assets:</b>							
Difference between book base and tax base of property, plant & equipment and intangible assets	26.57	(0.22)	31.89	-	-	-	58.24
Carried forward tax losses	10.09	-	(3.49)	0.66	-	-	7.26
Expenses deductible in future years:							
Impairment of Assets	107.55	-	(26.94)	-	-	-	80.61
Retirement benefits for employees	24.98	0.38	(3.03)	-	-	2.42	24.75
Unutilised MAT credit	14.79	-	-	-	1.72	-	16.51
Unrealised profit on investments etc.	0.89	-	(0.89)	-	-	-	-
<b>Total deferred tax assets (A)</b>	<b>184.87</b>	<b>0.16</b>	<b>(2.46)</b>	<b>0.66</b>	<b>1.72</b>	<b>2.42</b>	<b>187.37</b>
Offsetting of deferred tax (assets) with deferred tax liabilities	(14.56)						(13.04)
<b>Net Deferred tax (assets)</b>	<b>170.31</b>						<b>174.33</b>
<b>Deferred tax liabilities:</b>							
Difference between book base and tax base of property, plant & equipment, investment property and intangible assets	0.23	-	(0.23)	-	-	-	-
Unrealised profit on investments etc.	14.33	0.83	(3.48)	-	-	-	11.68
Goodwill on acquisition	-	286.58	(7.12)	-	-	-	279.46
<b>Total deferred tax liabilities (B)</b>	<b>14.56</b>	<b>287.41</b>	<b>(10.83)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>291.14</b>
Offsetting of deferred tax liabilities with deferred tax (assets)	(14.56)		-	-	-	-	(13.04)
<b>Net Deferred tax liabilities</b>	<b>-</b>	<b>287.41</b>	<b>(10.83)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>278.10</b>

Significant components of deferred tax assets and liabilities for the year ended March 31, 2018 are as follows:

	Opening balance	Addition on acquisition/ merger	Recognised in profit or loss	Foreign exchange difference	MAT Credit utilised/ Created	Recognised in/reclassified from OCI	Closing balance
<b>Deferred tax assets:</b>							
Difference between book base and tax base of property, plant & equipment, investment property and intangible assets	6.16	-	20.41	-	-	-	26.57
Carried forward tax losses	18.31	-	(8.28)	0.06	-	-	10.09
Expenses deductible in future years:							
Impairment of Assets	53.23	-	54.32	-	-	-	107.55
Retirement benefits for employees	16.56	-	(0.40)	-	-	8.82	24.98
Unutilised MAT credit	94.25	-	-	-	(79.46)	-	14.79
Unrealised profit on investments etc.	19.49	-	(18.60)	-	-	-	0.89
<b>Total deferred tax assets (A)</b>	<b>208.00</b>	<b>-</b>	<b>47.45</b>	<b>0.06</b>	<b>(79.46)</b>	<b>8.82</b>	<b>184.87</b>
Offsetting of deferred tax (assets) with deferred tax liabilities	(2.07)	-	-	-	-	-	(14.56)
<b>Net Deferred tax (assets)</b>	<b>205.93</b>						<b>170.31</b>
<b>Deferred tax liabilities:</b>							
Difference between book base and tax base of property, plant & equipment and intangible assets	0.74	-	(0.51)	-	-	-	0.23
Unrealised profit on investments etc.	1.33	-	13.00	-	-	-	14.33
<b>Total deferred tax liabilities (B)</b>	<b>2.07</b>	<b>-</b>	<b>12.49</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14.56</b>
Offsetting of deferred tax liabilities with deferred tax (assets)	(2.07)	-	-	-	-	-	(14.56)
<b>Net Deferred tax liabilities</b>	<b>-</b>						<b>-</b>



RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED

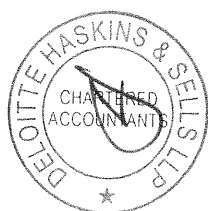
Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

Note 12. Deferred Taxes (continued)

Significant components of deferred tax assets and liabilities for the year ended March 31, 2017(Proforma) are as follows:

(₹ in Mn)

	Opening balance	Addition on acquisition/ merger	Recognised in profit or loss	Foreign exchange difference	MAT Credit utilised/ Created	Recognised in/reclassified from OCI	Closing balance
<b>Deferred tax assets:</b>							
Difference between book base and tax base of property, plant & equipment, investment property and intangible assets	6.38	-	(0.22)	-	-	-	6.16
Carried forward tax losses	17.30	-	1.22	(0.21)	-	-	18.31
Expenses deductible in future years:							
Impairment of Assets	31.88	-	21.35	-	-	-	53.23
Retirement benefits for employees	7.03	-	4.81	-	-	4.72	16.56
Unutilised MAT credit	3.59	-	-	-	90.66	-	94.25
Unrealised profit on investments etc.	(0.02)	-	19.51	-	-	-	19.49
Others	-	-	-	-	-	-	-
<b>Total deferred tax assets (A)</b>	<b>66.16</b>	<b>-</b>	<b>46.67</b>	<b>(0.21)</b>	<b>90.66</b>	<b>4.72</b>	<b>208.00</b>
Offsetting of deferred tax (assets) with deferred tax liabilities	(1.37)	-	-	-	-	-	(2.07)
<b>Net Deferred tax (assets)</b>	<b>64.79</b>	<b>-</b>	<b>46.67</b>	<b>(0.21)</b>	<b>90.66</b>	<b>4.72</b>	<b>205.93</b>
<b>Deferred tax liabilities:</b>							
Property, plant and equipment							
Depreciation	0.69	-	0.05	-	-	-	0.74
Unrealised profit on investments etc.	0.68	-	0.65	-	-	-	1.33
<b>Total deferred tax liabilities (B)</b>	<b>1.37</b>	<b>-</b>	<b>0.70</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.07</b>
Offsetting of deferred tax liabilities with deferred tax (assets)	(1.37)	-	-	-	-	-	(2.07)
<b>Net Deferred tax liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



RESTATEd CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

Note 13. Property Plant and Equipment

(₹ in Mn)

As at March 31, 2019

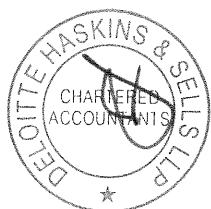
Particulars	Furniture Fixture	Vehicles	Office Equipment	Air Conditioner	Computers	Electrical Equipment	Land	Total
Gross Carrying value as on April 01, 2018	244.86	24.80	30.95	7.67	111.99	8.51	1.00	429.78
Additions	417.06	-	28.45	21.31	21.34	21.12	-	509.28
Additions related to acquisitions	6.30	1.88	3.42	-	6.48	0.84	-	18.92
Deductions/ Adjustments during the year	0.05	1.88	0.87	0.03	0.15	0.01	-	2.99
Foreign Currency Translation	(0.34)	-	(0.01)	-	(0.05)	-	-	(0.40)
As at March 31, 2019	668.51	24.80	61.96	28.95	139.71	30.46	1.00	955.39
Depreciation								
Upto April 01, 2018	80.50	10.65	7.01	1.30	61.73	1.83	-	163.02
Accumulated Depreciation On Acquisition	5.03	0.52	2.12	-	3.34	0.83	-	11.84
Depreciation for the year	99.24	6.36	11.10	2.89	40.64	4.63	-	164.86
Deductions/Adjustments during the year	0.03	0.73	(0.23)	0.02	0.11	0.01	-	0.67
Foreign Currency Translation	(0.01)	-	-	-	(0.03)	-	-	(0.04)
Upto March 31, 2019	184.75	16.80	20.46	4.17	105.63	7.28	-	339.09
Net Block as at March 31, 2019	483.76	8.00	41.50	24.78	34.08	23.18	1.00	616.30

As at March 31, 2018

Particulars	Furniture Fixture	Vehicles	Office Equipment	Air Conditioner	Computers	Electrical Equipment	Land	Total
Gross Carrying value as on April 01, 2017	150.17	22.51	13.59	2.93	85.36	7.42	1.00	282.98
Additions	102.64	5.19	17.77	6.18	27.25	3.36	-	162.39
Deductions/ Adjustments during the year	6.20	2.90	0.32	1.44	0.13	2.27	-	13.26
Foreign Currency Translation	1.75	-	0.09	-	0.49	-	-	2.33
As at March 31, 2018	244.86	24.80	30.95	7.67	111.99	8.51	1.00	429.78
Depreciation								
Upto April 01, 2017	30.48	5.88	3.06	0.66	27.05	1.75	-	68.88
Depreciation for the year	53.57	5.99	4.09	1.42	35.24	1.86	-	102.17
Deductions/Adjustments during the year	1.80	1.22	0.04	0.78	0.08	1.78	-	5.70
Foreign Currency Translation	1.75	-	0.10	-	0.48	-	-	2.33
Upto March 31, 2018	80.50	10.65	7.01	1.30	61.73	1.83	-	163.02
Net Block as at March 31, 2018	164.36	14.15	23.94	6.37	50.26	6.68	1.00	266.76

As at March 31, 2017(Proforma)

Particulars	Furniture Fixture	Vehicles	Office Equipment	Air Conditioner	Computers	Electrical Equipment	Land	Total
Gross Carrying value as on April 01, 2016 (Proforma)	36.83	22.51	4.28	0.83	22.31	4.41	-	91.17
Additions	107.20	-	5.01	0.99	62.74	1.67	1.00	178.61
Additions related to acquisitions	10.21	-	4.73	1.60	0.54	2.00	-	19.08
Deductions/ Adjustments during the year	3.93	-	0.42	0.49	0.20	0.66	-	5.70
Foreign Currency Translation	0.14	-	0.01	-	0.03	-	-	0.18
As at March 31, 2017 (Proforma)	150.17	22.51	13.59	2.93	85.36	7.42	1.00	282.98
Depreciation								
Upto April 01, 2016 (Proforma)	-	-	-	-	-	-	-	-
Depreciation for the year	31.45	5.88	3.13	0.83	27.34	1.90	-	70.53
Deductions/Adjustments during the year	0.94	-	0.07	0.17	0.28	0.15	-	1.61
Foreign Currency Translation	0.03	-	-	-	0.01	-	-	0.04
Upto March 31, 2017 (Proforma)	30.48	5.88	3.06	0.66	27.05	1.75	-	68.88
Net Block as at March 31, 2017 (Proforma)	119.69	16.63	10.53	2.27	58.31	5.67	1.00	214.10





**RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED**

Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

**Note 14. Capital Work-in-Progress:**

(₹ in Mn)

**As at March 31, 2019**

Particulars	As at March 31, 2019
As at April 01, 2018	217.34
Additions	1,714.68
Deductions	197.69
<b>As at March 31, 2019</b>	<b>1,734.33</b>

**As at March 31, 2018**

Particulars	As at March 31, 2018
As at April 01, 2017	35.65
Additions	184.64
Deductions	2.95
<b>As at March 31, 2018</b>	<b>217.34</b>

**As at March 31, 2017(Proforma)**

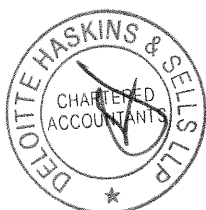
Particulars	As at March 31, 2017 (Proforma)
As at April 01, 2016	15.42
Additions	23.94
Deductions	3.71
<b>As at March 31, 2017</b>	<b>35.65</b>

**Note 15. Goodwill on acquisition**

A summary of changes in the carrying amount of goodwill is as follows:

(₹ in Mn)

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017 (Proforma)
Carrying value at the beginning of the year			
Goodwill on business acquisition (Refer Note 45)	1,878.51	-	-
<b>Carrying value at the end of the year</b>	<b>1,878.51</b>	<b>-</b>	<b>-</b>



RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED  
Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

Note 16. Other Intangible Assets

(₹ in Mn)

As at March 31, 2019

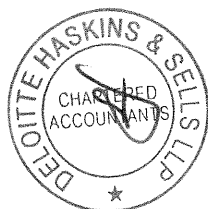
Particulars	Software	Customer Relations	Asset Management Rights	Total
<b>Softwares/Customer Relations/Asset management rights acquired</b>				
Gross Carrying value as on April 01, 2018	97.75	-	-	97.75
Additions	33.24	-	23.96	57.20
Additions related to acquisition	118.30	728.20	-	846.50
Deductions / adjustments during the year	-	-	-	-
Foreign Currency Translation	(0.02)	-	-	(0.02)
<b>As at March 31, 2019</b>	<b>249.31</b>	<b>728.20</b>	<b>23.96</b>	<b>1,001.47</b>
<b>Amortisation</b>				
Upto April 01, 2018	58.59	-	-	58.59
Accumulated Depreciation On Acquisition	21.45	-	-	21.45
Amortisation for the year	36.82	12.97	0.41	50.20
Deductions / adjustments during the year	-	-	-	-
Foreign Currency Translation	-	-	-	-
<b>Upto March 31, 2019</b>	<b>116.86</b>	<b>12.97</b>	<b>0.41</b>	<b>130.24</b>
<b>Net Block as at March 31, 2019</b>	<b>132.45</b>	<b>715.23</b>	<b>23.55</b>	<b>871.23</b>

As at March 31, 2018

Particulars	Software	Customer Relations	Asset Management Rights	Total
<b>Software/Customer Relations/Asset management rights acquired</b>				
Gross Carrying value as on April 01, 2017	65.77	-	-	65.77
Additions	31.98	-	-	31.98
Deductions / adjustments during the year	-	-	-	-
Foreign Currency Translation	-	-	-	-
<b>As at March 31, 2018</b>	<b>97.75</b>	<b>-</b>	<b>-</b>	<b>97.75</b>
<b>Amortisation</b>				
Upto April 01, 2017	24.65	-	-	24.65
Amortisation for the year	33.93	-	-	33.93
Deductions / adjustments during the year	-	-	-	-
Foreign Currency Translation	(0.01)	-	-	(0.01)
<b>Upto March 31, 2018</b>	<b>58.59</b>	<b>-</b>	<b>-</b>	<b>58.59</b>
<b>Net Block as at March 31, 2018</b>	<b>39.16</b>	<b>-</b>	<b>-</b>	<b>39.16</b>

As at March 31, 2017(Proforma)

Particulars	Software	Customer Relations	Asset Management Rights	Total
<b>Software/Intangible assets</b>				
Gross Carrying value as on April 01, 2016	34.34	-	-	34.34
Additions	31.43	-	-	31.43
Deductions / adjustments during the year	-	-	-	-
Foreign Currency Translation	-	-	-	-
<b>As at March 31, 2017</b>	<b>65.77</b>	<b>-</b>	<b>-</b>	<b>65.77</b>
<b>Amortisation</b>				
Upto April 01, 2016	-	-	-	-
Amortisation for the year	24.65	-	-	24.65
Deductions / adjustments during the year	-	-	-	-
Foreign Currency Translation	-	-	-	-
<b>Upto March 31, 2017</b>	<b>24.65</b>	<b>-</b>	<b>-</b>	<b>24.65</b>
<b>Net Block as at March 31, 2017</b>	<b>41.12</b>	<b>-</b>	<b>-</b>	<b>41.12</b>



**RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED**

Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

**Note 17. Other Non Financial Assets**

(₹ in Mn)

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017 (Proforma)
<b>Unsecured</b>			
Prepaid expenses	304.85	164.81	67.89
Amounts recoverable	101.09	23.13	31.14
Employee advance against expenses	3.20	1.08	1.48
Others	0.72	1.20	0.92
<b>Total</b>	<b>409.86</b>	<b>190.22</b>	<b>101.43</b>

**Note 18. Payables**

(Amount in ₹)

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017 (Proforma)
<b>Trade payables</b>			
-(i) Total outstanding dues of micro enterprises and small enterprises (Refer note 18.1)	-	-	-
-(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	514.73	1,246.30	921.55
<b>Total</b>	<b>514.73</b>	<b>1,246.30</b>	<b>921.55</b>
<b>Other payables</b>			
-(i) Total outstanding dues of micro enterprises and small enterprises (Refer note 18.1)	-	-	-
-(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	846.42	3,425.94	2,341.08
<b>Total</b>	<b>846.42</b>	<b>3,425.94</b>	<b>2,341.08</b>

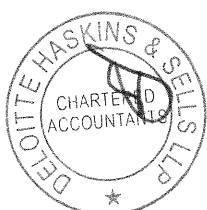
**18.1. Disclosure under The Micro, Small and Medium Enterprises Development Act, 2006**

The following disclosure is made as per the requirement under the

(₹ in Mn)

Particulars	2018-19	2017-18	2016-17
(a) Principal amount remaining unpaid to any supplier at the year end	-	-	-
(b) Interest due thereon remaining unpaid to any supplier at the year end	-	-	-
(c) Amount of interest paid and payments made to the supplier beyond the appointed day during the year	-	-	-
(d) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-	-
(e) Amount of interest accrued and remaining unpaid at the year end	-	-	-
(f) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Act	-	-	-

There are no amounts due to the suppliers covered under Micro, Small and Medium Enterprises Development Act, 2006. This information takes into account only those suppliers who have responded to the enquiries made by the Company for this purpose. This has been relied upon by the auditors. No interest is payable in respect of the same.



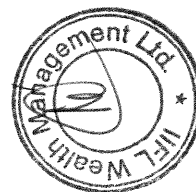
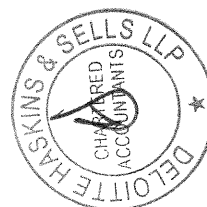
**RESTATEd CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED**

### Note 19. Debt Securities

(₹ in Mn)

Particulars	As at March 31, 2019				As at March 31, 2018				As at March 31, 2017 (Proforma)			
	At Amortised cost	At Fair value Through profit or loss	Designated at fair value through profit or loss	Total	At Amortised cost	At Fair value Through profit or loss	Designated at fair value through profit or loss	Total	At Amortised cost	At Fair value Through profit or loss	Designated at fair value through profit or loss	Total
	1	2	3	4=1+2+3	1	2	3	4=1+2+3	1	2	3	4=1+2+3
Liability component of compound financial instruments (Secured)	6,241.42	-	-	6,241.42	1,645.25	-	-	1,645.25	434.60	-	-	434.60
Bonds/ Debentures	18,188.13	15,353.04	-	33,541.17	8,355.94	8,561.10	-	16,917.04	5,239.30	12,164.70	-	17,404.00
<b>Total</b>	<b>24,429.55</b>	<b>15,353.04</b>	<b>-</b>	<b>39,782.59</b>	<b>10,001.19</b>	<b>8,561.10</b>	<b>-</b>	<b>18,562.29</b>	<b>5,673.90</b>	<b>12,164.70</b>	<b>-</b>	<b>17,838.60</b>
Debt securities in India	24,429.55	15,353.04	-	39,782.59	10,001.19	8,561.10	-	18,562.29	5,673.90	12,164.70	-	17,838.60
Debt securities outside India	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>24,429.55</b>	<b>15,353.04</b>	<b>-</b>	<b>39,782.59</b>	<b>10,001.19</b>	<b>8,561.10</b>	<b>-</b>	<b>18,562.29</b>	<b>5,673.90</b>	<b>12,164.70</b>	<b>-</b>	<b>17,838.60</b>

Residual maturity	As at March 31, 2019		As at March 31, 2018		As at March 31, 2017 (Proforma)	
	Balance outstanding	Interest rate % (p.a)	Balance outstanding	Interest rate % (p.a)	Balance outstanding	Interest rate % (p.a)
At Amortised cost						
Above 5 years	2,714.19	9.16% - 11.48%	-	-	-	-
5 - 5 years	10,180.07	7.97% - 9.75%	8,302.19	8.00% - 9.73%	3,032.30	8.00% - 9.65%
Less than 1 year	11,535.29	8.00% - 9.73%	1,699.00	8.00% - 9.60%	2,641.60	9.00% - 9.45%
At Fair value through profit or loss						
Above 5 years	13,369.64	Market linked	8,561.10	Market linked	12,164.70	Market linked
5 - 5 years	1,983.40	Market linked	-	-	-	-
Less than 1 year	-	-	-	-	-	-

[illegible]

**RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED**

Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

**Note 19. Debt Securities (continued)**

Particulars	(₹ in Mn)
<b>Debt Securities include :</b>	<b>As at March 31, 2019</b>
	<b>Issue price</b>
	<b>(₹ in Mn)</b>
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 30/04/2019	2,067.92
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 19/06/2019	106.50
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 19/06/2019	55.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 21/06/2019	280.02
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 24/06/2019	44.20
Market Linked Non Convertible Debenture of Face Value Rs. 10,00,000 Each Redeemable on 25/06/2019	750.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 26/06/2019	75.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 03/07/2019	50.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 15/07/2019	161.50
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 23/07/2019	4.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 30/07/2019	30.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 30/07/2019	300.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 06/08/2019	60.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 12/08/2019	3.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 14/08/2019	720.35
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 22/08/2019	10.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 23/08/2019	125.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 04/09/2019	54.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 11/09/2019	20.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 23/09/2019	10.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 30/09/2019	23.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 15/10/2019	63.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 21/10/2019*	209.50
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 25/10/2019*	234.50
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 29/10/2019	20.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 04/11/2019	2,584.09
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 04/11/2019*	111.80
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 14/11/2019	27.50
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 28/11/2019*	45.40
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 29/11/2019*	20.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 05/12/2019	3,406.61
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 20/12/2019	50.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 30/04/2020	128.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 14/05/2020	3,041.18
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 22/05/2020	50.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 04/08/2020	430.53
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 18/03/2021	100.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 14/05/2021	1,803.45
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 09/08/2021*	1,424.11
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 25/10/2021*	702.79
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 05/05/2022*	1,954.77
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 27/05/2022*	2,288.28
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 12/07/2023	30.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 15/12/2023	260.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 28/12/2023	10.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 04/01/2024	10.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 18/01/2024	50.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 07/02/2024	50.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 14/02/2024	1,603.40
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 24/10/2024	2,000.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 18/11/2024	2,000.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 26/06/2025	970.86
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 05/07/2025	801.80
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 05/12/2025	1,504.37
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 12/03/2026	1,700.17
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 12/03/2026	1,727.66
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 12/04/2026	2,311.66

**RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED**
**Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017**
**Note 19. Debt Securities (continued)**

Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 27/04/2026	992.89
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 10/11/2026	60.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 13/11/2026	10.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 23/11/2026	85.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 27/11/2026	45.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 04/12/2026	20.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 04/12/2026	10.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 08/12/2026	10.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 10/12/2026	10.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 16/12/2026	54.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 24/12/2026	30.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 31/12/2026	40.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 05/02/2027	20.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 29/12/2027	470.60
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 11/12/2028*	681.93
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 22/01/2029*	706.89
	<b>41,921.23</b>

\* includes Derivative component of Debt Securities

<b>Debt Securities include :</b>	<b>As at March 31, 2018</b>
	<b>Issue price</b>
	<b>(₹ in Mn)</b>
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 27/04/2018	150.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 04/05/2018	450.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 04/05/2018	194.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 06/05/2018	15.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 11/05/2018	10.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 11/05/2018	20.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 17/05/2018	100.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 16/07/2018	200.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 02/08/2018	150.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 04/08/2018	20.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 13/08/2018	10.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 17/08/2018	15.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 23/08/2018	50.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 30/08/2018	82.50
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 04/09/2018	100.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 14/09/2018	32.50
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 21/09/2018	30.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 28/09/2018	70.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 30/04/2019	2,207.47
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 19/06/2019	130.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 19/06/2019	55.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 21/06/2019	100.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 24/06/2019	140.70
Market Linked Non Convertible Debenture of Face Value Rs. 1000000 Each Redeemable on 25/06/2019	750.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 26/06/2019	75.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 03/07/2019	50.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 15/07/2019	171.50
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 23/07/2019	29.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 30/07/2019	30.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 30/07/2019	300.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 06/08/2019	60.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 12/08/2019	503.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 22/08/2019	10.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 23/08/2019	125.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 04/09/2019	54.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 11/09/2019	100.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 23/09/2019	10.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 30/09/2019	48.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 15/10/2019	63.00

**RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED**

Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

**Note 19. Debt Securities (continued)**

Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 21/10/2019*	209.50
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 25/10/2019*	234.50
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 29/10/2019	20.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 04/11/2019*	111.80
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 14/11/2019	27.50
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 28/11/2019*	45.40
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 29/11/2019*	20.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 20/12/2019	50.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 14/05/2020	991.01
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 18/03/2021	100.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 14/05/2021	456.76
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 09/08/2021*	1,110.75
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 25/10/2021*	614.02
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 15/12/2023	280.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 28/12/2023	20.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 04/01/2024	10.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 04/01/2024	250.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 18/01/2024	50.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 07/02/2024	50.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 24/10/2024	2,000.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 18/11/2024	2,000.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 06/11/2026	120.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 10/11/2026	210.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 10/11/2026	120.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 13/11/2026	130.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 23/11/2026	375.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 24/11/2026	410.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 27/11/2026	85.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 01/12/2026	355.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 04/12/2026	410.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 04/12/2026	70.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 08/12/2026	170.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 10/12/2026	141.50
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 16/12/2026	144.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 24/12/2026	150.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 31/12/2026	60.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 12/01/2027	110.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 05/02/2027	90.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 07/02/2027	20.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 13/03/2027	100.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 27/04/2027	10.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 28/06/2027	150.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 29/12/2027	470.60
	<b>19,263.01</b>

\* includes Derivative component of Debt Securities

Debt Securities include :	As at March 31, 2017 (Proforma) Issue price (₹ in Mn)
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 19/07/2017	98.50
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 24/07/2017	55.50
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 26/07/2017	100.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 02/08/2017	338.50
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 14/08/2017	42.50
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 21/08/2017	150.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 23/08/2017	40.50
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 30/08/2017	160.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 22/09/2017	30.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 04/10/2017	112.80
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 04/10/2017	50.00



**RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED**
**Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017**
**Note 19. Debt Securities (continued)**

Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 10/10/2017	100.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 20/11/2017	130.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 20/11/2017	150.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 20/11/2017	500.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 24/11/2017	100.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 01/12/2017	7.50
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 04/12/2017	37.50
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 15/12/2017	74.30
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 22/12/2017	3.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 29/12/2017	78.50
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 29/12/2017	32.50
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 16/02/2018	250.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 27/04/2018	150.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 04/05/2018	450.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 04/05/2018	194.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 06/05/2018	15.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 11/05/2018	10.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 11/05/2018	20.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 17/05/2018	100.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 16/07/2018	200.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 02/08/2018	150.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 04/08/2018	20.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 17/08/2018	15.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 23/08/2018	50.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 30/08/2018	82.50
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 14/09/2018	32.50
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 21/09/2018	30.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 28/09/2018	70.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 19/06/2019	130.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 24/06/2019	140.70
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 26/06/2019	75.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 03/07/2019	50.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 15/07/2019	171.50
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 23/07/2019	29.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 30/07/2019	30.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 22/08/2019	10.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 04/09/2019	54.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 11/09/2019	100.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 23/09/2019	10.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 30/09/2019	48.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 15/10/2019	63.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 21/10/2019*	209.50
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 25/10/2019*	234.50
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 29/10/2019	20.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 04/11/2019*	111.80
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 14/11/2019	27.50
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 28/11/2019*	45.40
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 29/11/2019*	20.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 20/12/2019	50.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 15/12/2023	345.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 19/12/2023	10.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 28/12/2023	20.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 04/01/2024	10.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 04/01/2024	250.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 12/01/2024	10.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 18/01/2024	50.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 07/02/2024	50.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 14/03/2024	200.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 06/11/2026	470.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 10/11/2026	370.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 10/11/2026	120.00



**RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED**

Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

**Note 19. Debt Securities (continued)**

Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 13/11/2026	470.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 20/11/2026	200.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 23/11/2026	1,389.70
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 24/11/2026	830.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 27/11/2026	590.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 27/11/2026	130.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 01/12/2026	1,041.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 04/12/2026	1,160.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 04/12/2026	920.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 08/12/2026	710.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 10/12/2026	426.50
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 16/12/2026	279.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 17/12/2026	60.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 24/12/2026	626.50
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 31/12/2026	270.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 12/01/2027	460.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 18/01/2027	70.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 05/02/2027	197.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 07/02/2027	80.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 05/03/2027	250.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 13/03/2027	100.00
	<b>18,025.20</b>

\* includes Derivative component of Debt Securities



Note 20. Borrowings (other than Debt securities)

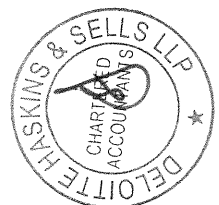
(₹ in Mn)

Particulars	As at March 31, 2019			As at March 31, 2018			As at March 31, 2017 (Proforma)		
	At Amortised Cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	At Fair Value Through profit or loss	Total
1		2	3	4=1+2+3	1	2	3	2	4=1+2+3
(a) Term loans									
- (i) from banks	-	-	-	-	-	-	-	-	-
- (ii) from other parties	4.54	-	-	4.54	9.62	-	-	-	9.62
(b) Loans repayable on demand									
- (i) from banks	1,981.36	-	-	1,981.36	1,07.45	-	-	-	1,07.45
- (ii) from other parties	-	-	-	-	-	-	-	-	-
(c) Borrowings from Collateralized Borrowing and Lending Obligation (CBLO)									
Less: Prepaid Discount	9,850.00	-	-	9,850.00	-	-	-	-	-
Less: (1.87)	(1.87)	-	-	(1.87)	-	-	-	-	-
(d) Commercial papers	3,978.50	-	-	3,978.50	45,850.00	-	-	-	45,850.00
Less: Prepaid Discount	(151.72)	-	-	(151.72)	(484.06)	-	-	-	(484.06)
<b>Total</b>	<b>15,660.81</b>	<b>-</b>	<b>-</b>	<b>15,660.81</b>	<b>45,483.01</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>45,483.01</b>

Residual maturity	As at March 31, 2019			As at March 31, 2018			As at March 31, 2017 (Proforma)		
	Balance outstanding	Interest rate % (p.a)	Balance outstanding	Interest rate % (p.a)	Balance outstanding	Interest rate % (p.a)	Balance outstanding	Interest rate % (p.a)	Balance outstanding
At Amortised cost									
Above 5 years	-	-	-	-	-	-	-	-	-
3-5 years	-	-	-	-	-	-	-	-	-
Less than 1 year	15,660.81	8.00% - 10.40%	45,478.47	7.85% - 8.70%	11.03	9.90%	33,976.25	7.20% - 9.90%	33,976.25

- Loans repayable on demand from banks. As at 31st March 2019, the loans are secured by way of pari passu charge on specific receivables. As at 31st March 2018 and 31st March 2017 (Proforma), the loans are secured by way of pari passu charge on receivables and corporate guarantees issued by the holding company. The interest rates on these loans are linked to Marginal Cost of funds based Lending Rate (MCLR) of the lending bank + Spread
- Commercial papers are unsecured short term papers issued at discount. The cost on outstanding Commercial papers ranges from 8% to 10.00% p.a.
- Borrowings from CBLO are secured against investments in Government Securities.
- Loans from other parties are secured against hypothecation of vehicles.

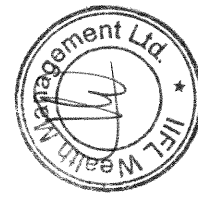
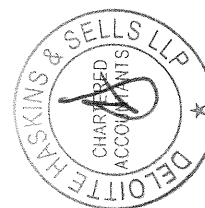
Particulars	As at March 31, 2019
Term Loan from Other parties includes	
Car Loan taken is repayable in monthly installment. Balance Tenure is of 9 months as on balance sheet date	0.54
Car Loan taken is repayable in monthly installment. Balance Tenure is of 9 months as on balance sheet date	0.64
Car Loan taken is repayable in monthly installment. Balance Tenure is of 9 months as on balance sheet date	0.64
Car Loan taken is repayable in monthly installment. Balance Tenure is of 9 months as on balance sheet date	0.91
Car Loan taken is repayable in monthly installment. Balance Tenure is of 9 months as on balance sheet date	0.53
Car Loan taken is repayable in monthly installment. Balance Tenure is of 10 months as on balance sheet date	0.74
Car Loan taken is repayable in monthly installment. Balance Tenure is of 12 months as on balance sheet date	0.26
Car Loan taken is repayable in monthly installment. Balance Tenure is of 12 months as on balance sheet date	0.28
Car Loan taken is repayable in monthly installment. Balance Tenure is of 12 months as on balance sheet date	4.54



Note 20. Borrowings (other than Debt securities) (continued)

Particulars	As at March 31, 2018
Term Loan includes	
Car Loan taken is repayable in monthly installment. Balance Tenure is of 21 months as on balance sheet date	1.21
Car Loan taken is repayable in monthly installment. Balance Tenure is of 21 months as on balance sheet date	1.41
Car Loan taken is repayable in monthly installment. Balance Tenure is of 21 months as on balance sheet date	1.41
Car Loan taken is repayable in monthly installment. Balance Tenure is of 21 months as on balance sheet date	2.02
Car Loan taken is repayable in monthly installment. Balance Tenure is of 21 months as on balance sheet date	1.12
Car Loan taken is repayable in monthly installment. Balance Tenure is of 22 months as on balance sheet date	1.41
Car Loan taken is repayable in monthly installment. Balance Tenure is of 24 months as on balance sheet date	0.49
Car Loan taken is repayable in monthly installment. Balance Tenure is of 24 months as on balance sheet date	0.55
Car Loan taken is repayable in monthly installment. Balance Tenure is of 24 months as on balance sheet date	9.62

Particulars	As at March 31, 2017 (Proforma)
Term Loan includes	
Car Loan taken is repayable in monthly installment. Balance Tenure is of 33 months as on balance sheet date	2.12
Car Loan taken is repayable in monthly installment. Balance Tenure is of 33 months as on balance sheet date	1.82
Car Loan taken is repayable in monthly installment. Balance Tenure is of 33 months as on balance sheet date	2.12
Car Loan taken is repayable in monthly installment. Balance Tenure is of 33 months as on balance sheet date	2.12
Car Loan taken is repayable in monthly installment. Balance Tenure is of 33 months as on balance sheet date	3.03
Car Loan taken is repayable in monthly installment. Balance Tenure is of 33 months as on balance sheet date	1.65
Car Loan taken is repayable in monthly installment. Balance Tenure is of 24 months as on balance sheet date	2.02
Car Loan taken is repayable in monthly installment. Balance Tenure is of 36 months as on balance sheet date	0.69
Car Loan taken is repayable in monthly installment. Balance Tenure is of 36 months as on balance sheet date	0.76
Car Loan taken is repayable in monthly installment. Balance Tenure is of 36 months as on balance sheet date	16.33



Note 21. Subordinated Liabilities:

Particulars	As at March 31, 2019			As at March 31, 2018			As at March 31, 2017 (Proforma)		
	At Amortised cost	At Fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised cost	At Fair value through profit or loss	Designated at fair value through profit or loss	At Fair value through profit or loss	Total
	1	2	3	4=1+2+3	1	2	3	2	4=1+2+3
(A)									
Perpetual Debt Instruments to the extent that do not qualify as equity (Unsecured)	1,500.00	-	-	1,500.00	1,500.00	-	-	-	1,500.00
Subordinated debt	4,201.34	-	-	4,201.34	4,117.98	-	-	-	2,935.00
<b>Total (A)</b>	<b>5,701.34</b>	<b>-</b>	<b>-</b>	<b>5,701.34</b>	<b>5,617.98</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,435.00</b>
(B)									
Subordinated liabilities in India	5,701.34	-	-	5,701.34	5,617.98	-	-	-	4,435.00
Subordinated liabilities outside India	-	-	-	-	-	-	-	-	-
<b>Total (B)</b>	<b>5,701.34</b>	<b>-</b>	<b>-</b>	<b>5,701.34</b>	<b>5,617.98</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,435.00</b>
<b>Total</b>	<b>11,402.68</b>	<b>-</b>	<b>-</b>	<b>11,402.68</b>	<b>11,235.96</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,870.00</b>
<b>Residual maturity</b>									
At Amortised cost	Balance outstanding	Interest rate % (p.a)*	Balance outstanding	Interest rate % (p.a)*	Balance outstanding	Interest rate % (p.a)*	Balance outstanding	Interest rate % (p.a)*	
At Amortised cost	1,500.00	10.00 %	2,935.00	8.80 % to 9.36 %	4,435.00	9.10 % to 9.36 %	-	-	
At Amortised cost	4,201.34	8.8 % to 9.36 %	3,055.00	9.10 % to 9.36 %	-	-	-	-	
At Amortised cost	1,500.00	10.00 %	2,935.00	8.80 % to 9.36 %	4,435.00	9.10 % to 9.36 %	-	-	
At Amortised cost	4,201.34	8.8 % to 9.36 %	3,055.00	9.10 % to 9.36 %	-	-	-	-	

\* Indicates Effective Interest Rate

Particulars	As at March 31, 2019
(I) Perpetual Debt Instruments include	
10.00% Subordinated Perpetual Debt of Face Value Rs. 5,00,000 Each Redeemable on 22/02/2027	1,000.00
10.00% Subordinated Perpetual Debt of Face Value Rs. 5,00,000 Each Redeemable on 02/09/2027	500.00
<b>Total</b>	<b>1,500.00</b>
(II) Subordinated debt include	
11.42% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 02/05/2023	2,000.00
11.42% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 13/06/2023	750.00
9.10% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 13/06/2023	25.36
9.10% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 24/06/2023	100.00
11.42% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 24/06/2023	55.00
11.42% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 30/06/2023	30.00
9.10% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 12/07/2023	10.00
9.10% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 22/07/2023	150.00
11.11% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 02/09/2023	175.00
11.18% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 02/09/2023	69.22
11.25% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 02/09/2023	10.00
11.25% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 02/09/2023	230.43
11.30% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 02/05/2023	70.05
11.33% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 02/05/2023	79.76
11.37% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 02/05/2023	111.21
11.40% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 02/05/2023	20.25
11.45% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 02/05/2023	10.25
11.62% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 02/05/2023	81.54
12.18% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 02/05/2023	49.06
12.28% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 02/05/2023	115.21
12.11% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 10/02/2024	58.00
<b>Total</b>	<b>4,201.34</b>



Note 21. Subordinated Liabilities: (continued)		As at March 31, 2013
Particulars		
<b>(i) Perpetual Debt Instruments include</b>		
10.00% Subordinated Perpetual Debt of Face Value Rs. 5,00,000 Each Redeemable on 22/02/2027		1,000.00
10.00% Subordinated Perpetual Debt of Face Value Rs. 5,00,000 Each Redeemable on 02/03/2027		500.00
		1,500.00
<b>(ii) Subordinated debt include</b>		
	Issue price	
11.42% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 06/06/2022		2,000.00
11.42% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 13/06/2022		750.00
9.10% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 24/06/2022		100.00
11.42% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 24/06/2022		55.00
11.42% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 30/06/2022		30.00
9.10% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 12/07/2022		10.00
9.10% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 22/07/2022		150.00
11.11% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 02/05/2023		175.00
11.18% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 02/05/2023		69.22
11.25% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 02/05/2023		10.00
11.25% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 02/05/2023		230.43
11.30% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 02/05/2023		70.05
11.33% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 02/05/2023		79.76
11.37% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 02/05/2023		111.21
11.40% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 02/05/2023		20.25
11.45% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 02/05/2023		10.25
11.62% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 02/05/2023		82.54
12.18% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 02/05/2023		49.05
12.28% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 02/05/2023		115.22
		4,117.98
<b>As at March 31, 2017 (Proforma)</b>		
<b>(i) Perpetual Debt Instruments include</b>		
	Issue price	
10.00% Subordinated Perpetual Debt of Face Value Rs. 5,00,000 Each Redeemable on 22/02/2027		1,000.00
10.00% Subordinated Perpetual Debt of Face Value Rs. 5,00,000 Each Redeemable on 02/03/2027		500.00
		1,500.00
<b>(ii) Subordinated debt include</b>		
	Issue price	
9.50 % Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 06/06/2022		2,000.00
9.50 % Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 13/06/2022		750.00
9.10 % Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 24/06/2022		100.00
11.42 % Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 24/06/2022		55.00
11.42 % Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 30/06/2022		30.00
		2,935.00



**RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED**

Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 3

**Note 22. Other Financial Liabilities**

(₹ in Mn)

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017 (Proforma)
Interest accrued	2,320.81	1,334.73	489.40
Margin money	-	20.95	15.44
Payable on account of purchase of investments	269.10	-	-
Payable to companies under common promoters	5.69	20.72	25.66
Security deposit	0.30	0.30	0.30
Others	164.21	65.30	12.40
<b>Total</b>	<b>2,760.11</b>	<b>1,442.00</b>	<b>543.20</b>

22.1 No amount was required to be transferred in Investor Education and Protection fund account as per Section 125 of Companies Act, 2013 on account of unclaimed dividend and unclaimed dues on account of NCDs.

**Note 23. Provisions:**

(₹ in Mn)

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017 (Proforma)
Provision for employee benefits			
- Gratuity	85.64	51.45	58.39
- Compensated absences	-	65.79	33.41
<b>Total</b>	<b>85.64</b>	<b>117.24</b>	<b>91.80</b>

**Note 24. Other Non Financial Liabilities:**

(₹ in Mn)

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017 (Proforma)
Revenue received in advance	-	0.20	21.41
Statutory remittances	259.14	288.94	155.37
Lease rental equilisation	0.92	1.93	0.42
<b>Total</b>	<b>260.06</b>	<b>291.07</b>	<b>177.20</b>



**RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED**

Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

**Note 25. Share Capital:**

(₹ in Mn)

(a) The authorised, issued, subscribed and fully paid up share capital comprises of equity shares having a par value of ₹ 2/- as follows:

Authorised :	As at March 31, 2019		As at March 31, 2018		As at March 31, 2017(Proforma)	
100,000,000 (As at March 31, 2018 - 85,000,000; As at March 31, 2017(Proforma) - 85,000,000) Equity shares of ₹ 2/- each with voting rights		200.00		170.00		170.00
<b>Issued, Subscribed and Paid Up:</b> 84,521,324 (As at March 31, 2018 - 79,753,463; As at March 31, 2017(Proforma) - 77,963,764) Equity shares of ₹ 2/- each fully paidup with voting rights	169.04		159.50		155.93	
Less: Treasury stock 35,840 (FY 18 - 1789; FY 17 - 381) Equity shares of ₹ 2/- each	(0.07)	168.97	-	159.50	-	155.93
<b>Total</b>		<b>168.97</b>		<b>159.50</b>		<b>155.93</b>

(b) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at March 31, 2019		As at March 31, 2018		As at March 31, 2017(Proforma)	
	No. of equity shares	Amount in ₹	No. of equity shares	Amount in ₹	No. of equity shares	Amount in ₹
At the beginning of the year	79,753,463	159.50	77,963,764	155.93	73,958,658	147.92
Add: Issued during the year	4,767,861	9.54	1,789,699	3.57	4,005,106	8.01
<b>Subtotal</b>	<b>84,521,324</b>	<b>169.04</b>	<b>79,753,463</b>	<b>159.50</b>	<b>77,963,764</b>	<b>155.93</b>
Less: Treasury stock						
At the beginning of the year	(1,789)	-	(381)	-	-	-
Movement during the year	(34,051)	(0.07)	(1,408)	-	(381)	-
<b>At the end of the year</b>	<b>(35,840)</b>	<b>(0.07)</b>	<b>(1,789)</b>	<b>-</b>	<b>(381)</b>	<b>-</b>
<b>Outstanding at the end of the year</b>	<b>84,485,484</b>	<b>168.97</b>	<b>79,751,674</b>	<b>159.50</b>	<b>77,963,383</b>	<b>155.93</b>

(c) Movement of shares pursuant to the composite scheme of arrangement (Refer Note 3)

Particulars	As at March 31, 2019		As at March 31, 2018		As at March 31, 2017(Proforma)	
	No. of shares	Amount in ₹ Mn	No. of shares	Amount in ₹ Mn	No. of shares	Amount in ₹ Mn
Equity Shares of ₹ 2/- pending issuance pursuant to the Composite scheme of arrangement	45,600,442	91.20	45,568,432	91.14	45,415,456	90.83
Less: Equity shares of ₹ 2/- held by IIFL Holdings Limited to be cancelled	(45,000,000)	(90.00)	(45,000,000)	(90.00)	(45,000,000)	(90.00)
<b>Incremental shares to be issued</b>	<b>600,442</b>	<b>1.20</b>	<b>568,432</b>	<b>1.14</b>	<b>415,456</b>	<b>0.83</b>

(d) Terms/rights attached to equity shares:

The Company has only one class of shares referred to as equity shares having a par value of ₹ 2/- each. Each holder of equity shares is entitled to one vote per share. The Holding Company declares and pays dividend in Indian Rupees. During the year ended March 31, 2019, interim dividend of ₹ 10/- (FY 18 - ₹ 9/-; FY 17(Proforma) - ₹ 6/-) has been paid and recognised as distribution to equity shareholders.

In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

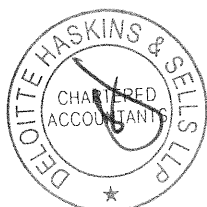
(e) Details of shareholders holding more than 5% equity shares after giving effect to the Composite scheme of arrangement (Refer note 3):

Particulars	As at March 31, 2019		As at March 31, 2018		As at March 31, 2017(Proforma)	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
General Atlantic Singapore Fund Pte Ltd	18,619,550	21.9%	18,053,050	22.5%	18,053,050	23.0%
FIH Mauritius Investments Ltd	12,091,635	14.2%	12,091,635	15.1%	12,091,635	15.4%
Nirmal Jain	6,628,857	7.8%	6,850,285	8.5%	7,321,714	9.3%
Karan Bhagat	5,991,875	7.0%	4,810,526	6.0%	4,810,526	6.1%
HWIC Asia Fund Class A Share	4,051,790	4.8%	4,051,790	5.0%	3,987,142	5.1%

(e) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Holding company, please refer note. 38

(f) During the period of 5 years immediately preceding the Balance Sheet date, the Holding company has not issued any equity shares without payment being received in cash, bonus shares and has not bought back any equity shares.



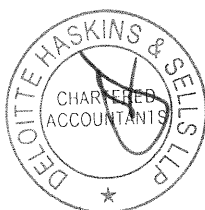
RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

Note 26. Other Equity:

(₹ in Mn)

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017 (Proforma)
Securities premium	18,124.02	10,692.33	10,202.20
General reserve	183.50	133.50	133.50
Special reserve pursuant to section 45 IC of Reserve Bank of India Act, 1934	879.25	516.29	204.25
Capital reserve	111.00	97.25	84.70
ESOP Reserve	97.02	74.68	55.29
Retained earnings	9,393.55	6,921.44	4,353.18
Debenture Redemption Reserve	12.50	-	-
Foreign exchange fluctuation reserve	133.14	32.80	8.55
<b>Total</b>	<b>28,933.98</b>	<b>18,468.29</b>	<b>15,041.67</b>

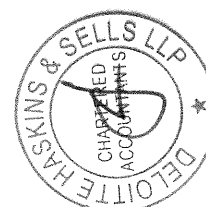




**RESTATEd CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED**

**Note 27. Interest Income**

Particulars	2018-19			2017-18			2016-17(Proforma)			Total	(₹ In Mn)
	On financial assets measured at fair value through OCI	On financial assets measured at amortised cost	Interest income on financial assets classified at fair value through profit or loss	Total	On financial assets measured at fair value through OCI	On financial assets measured at amortised cost	Interest income on financial assets classified at fair value through profit or loss	Total			
Interest on loans	-	5,909.38	-	5,909.38	-	5,279.98	-	2,585.58	-	2,585.58	
Interest income from investments	-	-	574.72	574.72	-	1,156.48	-	589.58	-	589.58	
Interest on deposits with banks	-	53.28	-	53.28	-	153.03	-	107.87	-	107.87	
Other interest income	-	0.52	-	0.52	-	1.33	-	-	-	-	
Total	-	5,963.18	574.72	6,537.90	-	5,434.34	-	2,693.45	589.58	3,283.03	



**RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED**
**Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017**
**Note 28. Dividend & Distribution income on investments**
**(₹ in Mn)**

Particulars	2018-19	2017-18	2016-17 (Proforma)
Dividend Income	13.50	10.41	8.11
Distribution income on investments	280.33	475.32	280.57
<b>TOTAL</b>	<b>293.83</b>	<b>485.73</b>	<b>288.68</b>

**Note 28A. Fee and Commission Income**

Disaggregation of fee and commission income

In the following table, fee and commission income from contracts with customers in the scope of Ind AS 115 is disaggregated by major type of services. The fees are recognised as per the terms and periodicity defined in the respective contracts. The table also includes a reconciliation of the disaggregated fee and commission income with the Group's reportable segments.

**(₹ in Mn)**

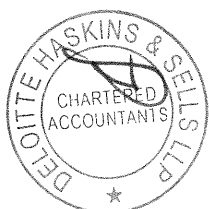
Particulars	2018-19	2017-18	2016-17 (Proforma)
Distribution fees, commission and related income	5,652.91	6,823.05	4,065.13
Brokerage income	295.46	427.34	493.87
Advisory fees and related income	328.01	6.45	-
Trustee fees	71.71	32.97	15.73
Asset and portfolio management related fees	1,733.28	1,541.92	1,773.87
<b>TOTAL</b>	<b>8,081.37</b>	<b>8,831.73</b>	<b>6,348.60</b>

**Note 29. Net Gain/Loss On Fair Value Change:-**

Particulars	2018-19	2017-18	2016-17
(A) Net gain/ (loss) on financial instruments at fair value through profit or loss			
On trading portfolio			
- Investments	716.31	702.92	985.49
- Derivatives	(143.43)	(25.70)	(12.31)
- Others			
(B) Others			
<b>Total net gain/(loss) on fair value changes (C)</b>	<b>572.88</b>	<b>677.22</b>	<b>973.18</b>
(D) Fair value changes:			
-Realised	594.33	820.41	975.40
-Unrealised	(21.45)	(143.19)	(2.22)
<b>Total net gain/(loss) on fair value changes</b>	<b>572.88</b>	<b>677.22</b>	<b>973.18</b>

**Note 30. Other Income**

Particulars	2018-19	2017-18	2016-17 (Proforma)
Interest income	98.71	188.74	132.07
Change in fair value of investments	173.91	(383.20)	426.71
Dividend income	0.52	660.38	0.12
Distribution income	0.44	-	13.92
Miscellaneous income	8.97	96.15	6.57
Profit/(loss) on sale of fixed assets	(0.75)	0.53	-
<b>Total</b>	<b>281.80</b>	<b>562.60</b>	<b>579.39</b>



**RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED**  
Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

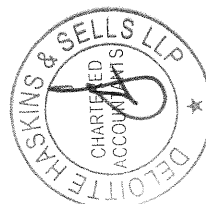
**Note 31. Finance Cost**

(₹ in Mn)

Particulars	2018-19			2017-18			2016-17(Proforma)		
	On financial liabilities measured at fair value through profit or loss	On financial liabilities measured at amortised cost	Total	On financial liabilities measured at fair value through profit or loss	On financial liabilities measured at amortised cost	Total	On financial liabilities measured at fair value through profit or loss	On financial liabilities measured at amortised cost	Total
Interest on borrowings	-	2,222.43	2,222.43	-	3,469.44	3,469.44	-	1,899.23	1,899.23
Interest on debt securities	(40.23)	1,469.51	1,429.28	933.08	642.79	1,575.87	95.16	401.44	496.60
Interest on subordinated liabilities	-	567.52	567.52	-	476.43	476.43	-	29.75	29.75
Other finance cost	-	51.36	51.36	-	65.89	65.89	-	58.85	58.85
<b>Total</b>	<b>(40.23)</b>	<b>4,310.82</b>	<b>4,270.59</b>	<b>933.08</b>	<b>4,654.55</b>	<b>5,587.63</b>	<b>95.16</b>	<b>2,389.27</b>	<b>2,484.43</b>

**Note 32. Impairment On Financial Instruments (Refer Note 37)**

Particulars	2018-19			2017-18			2016-17(Proforma)		
	On financial instruments measured at fair value through OCI	On financial instruments measured at fair value	On financial instruments measured at amortised cost	On financial instruments measured at fair value through OCI	On financial instruments measured at fair value	On financial instruments measured at amortised cost	On financial instruments measured at fair value through OCI	On financial instruments measured at fair value	On financial instruments measured at amortised cost
On loans	-	-	(75.56)	-	135.77	162.83	-	-	162.83
On Trade receivables	-	-	(1.08)	-	(9.71)	(0.91)	-	-	(0.91)
<b>Total</b>	-	-	<b>(76.64)</b>	-	<b>126.06</b>	<b>161.92</b>	-	-	<b>161.92</b>

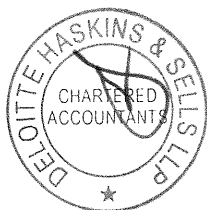


**RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED**

Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

**Note 33. Employee Benefit Expenses**

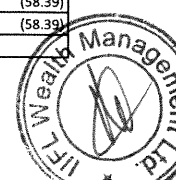
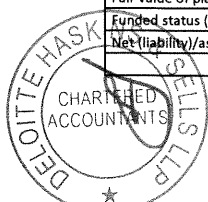
Particulars	2018-19	2017-18	(₹ in Mn)
			2016-17 (Proforma)
Salaries and wages	3,056.80	3,673.37	2,521.21
Contribution to provident and other funds	90.97	71.09	55.77
Share based payments to employees	28.38	37.48	34.80
Staff welfare expenses	152.91	82.05	26.13
Gratuity expense (Refer Note 33.1)	27.66	(2.09)	19.30
Leave encashment	(45.01)	33.88	17.77
<b>Total</b>	<b>3,311.71</b>	<b>3,895.78</b>	<b>2,674.98</b>



Note 33. Employee Benefit Expenses (continued)

33.1. Gratuity Abridged Disclosure Statement as Per Indian Accounting Standard 19 (Ind AS 19) For the year ended 31st March 2019

Particulars	2018-2019	2017-2018	2016-2017 (Proforma)
Type of benefit	Gratuity	Gratuity	Gratuity
Country	India	India	India
Reporting currency	INR	INR	INR
Reporting standard	Indian Accounting Standard 19 (Ind AS 19)	Indian Accounting Standard 19 (Ind AS 19)	Indian Accounting Standard 19 (Ind AS 19)
Funding status	Funded/Unfunded	Funded/Unfunded	Funded/Unfunded
Starting period	01-Apr-18	01-Apr-17	01-Apr-16
Date of reporting	31-Mar-19	31-Mar-18	31-Mar-17
Period of reporting	12 Months	12 Months	12 Months
<b>Assumptions (previous period)</b>			
Expected return on plan assets	6.63%- 7.78%	6.63%- 7.78%	6.63%- 7.86%
Rate of discounting	7.71%- 7.80%	6.63%- 7.78%	6.63%- 7.99%
Rate of salary increase	7%-8%	5%-8%	5%-8%
Rate of employee turnover	For service 4 years and below 15% p.a. & thereafter 7.50% p.a.	For service 4 years and below 15% p.a. & thereafter 5% p.a.	For service 4 years and below 15% p.a. & thereafter 5% p.a.
Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Mortality rate after employment	N.A.	N.A.	N.A.
<b>Assumptions (current period)</b>			
Expected return on plan assets	7.53%-7.64%	7.53%-7.71%	7.27%-7.64%
Rate of discounting	7.53%-7.70%	7.53%-7.80%	7.26%-7.70%
Rate of salary increase	5%-10%	5%-10%	5%-10%
Rate of employee turnover	For service 4 years and below 15% p.a. & thereafter 7.50% p.a.	For service 4 years and below 15% p.a. & thereafter 7.50% p.a.	For service 4 years and below 7.50% p.a. & thereafter 5% p.a.
Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Mortality rate after employment	N.A.	N.A.	N.A.
<b>Table showing change in the present value of projected benefit obligation</b>			
Present value of benefit obligation at the beginning of the period	136.13	109.82	75.82
Interest cost	10.50	7.60	5.66
Current service cost	24.05	21.87	17.67
Past service cost	-	(27.82)	-
Liability transferred in/ acquisitions	17.66	5.29	5.07
(Liability transferred out/ divestments)	(2.13)	(5.30)	(3.38)
(Gains)/ losses on curtailment	-	-	-
(Liabilities extinguished on settlement)	-	-	-
(Benefit paid directly by the employer)	(0.44)	(1.20)	(0.71)
(Benefit paid from the fund)	(8.43)	(0.54)	(3.35)
The effect of changes in foreign exchange rates	-	-	-
Actuarial (gains)/losses on obligations - due to change in demographic assumptions	0.62	3.49	-
Actuarial (gains)/losses on obligations - due to change in financial assumptions	2.28	12.00	6.74
Actuarial (gains)/losses on obligations - due to experience	4.76	10.92	6.30
Present value of benefit obligation at the end of the period	185.00	136.13	109.82
<b>Table showing change in the fair value of plan assets</b>			
Fair value of plan assets at the beginning of the period	84.68	51.43	51.30
Interest income	6.89	3.74	4.03
Contributions by the employer	-	30.00	0.40
Expected contributions by the employees	-	-	-
Assets transferred in/acquisitions	13.22	-	-
(assets transferred out/ divestments)	-	-	-
(benefit paid from the fund)	(8.43)	(0.54)	(3.35)
(assets distributed on settlements)	-	-	-
(expenses and tax for managing the benefit obligations- paid from the fund)	-	-	-
Effects of asset ceiling	-	-	-
The effect of changes in foreign exchange rates	-	-	-
Return on plan assets, excluding interest income	3.00	0.05	(0.95)
Fair value of plan assets at the end of the period	99.36	84.68	51.43
<b>Amount recognized in the balance sheet</b>			
(Present value of benefit obligation at the end of the period)	(185.00)	(136.13)	(109.82)
Fair value of plan assets at the end of the period	99.36	84.68	51.43
Funded status (surplus/ (deficit))	(85.64)	(51.45)	(58.39)
Net (liability)/asset recognized in the balance sheet	(85.64)	(51.45)	(58.39)



RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED

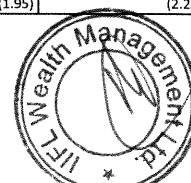
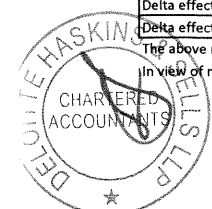
Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

Note 33. Employee Benefit Expenses (continued)

Particulars	2018-2019	2017-2018	2016-2017 (Proforma)
<b>Net interest cost for current period</b>			
Present value of benefit obligation at the beginning of the period	136.13	109.82	75.82
(fair value of plan assets at the beginning of the period)	(84.68)	(51.43)	(51.30)
Net liability/(asset) at the beginning	51.45	58.39	24.52
Interest cost	10.50	7.60	5.66
(Interest income)	(6.89)	(3.74)	(4.03)
Net interest cost for current period	3.61	3.86	1.63
<b>Expenses recognized in the statement of profit or loss for current period</b>			
Current service cost	24.05	21.87	17.67
Net interest cost	3.61	3.86	1.63
Past service cost	-	(27.82)	-
(Expected contributions by the employees)	-	-	-
(Gains)/losses on curtailments and settlements	-	-	-
Net effect of changes in foreign exchange rates	-	-	-
Expenses recognized	27.66	(2.09)	19.30
<b>Expenses recognized in the other comprehensive income (OCI) for current period</b>			
Actuarial (gains)/losses on obligation for the period	7.65	26.41	13.04
Return on plan assets, excluding interest income	(2.99)	(0.05)	0.95
Change in asset ceiling	-	-	-
Net (income)/expense for the period recognized in OCI	4.66	26.36	13.99
<b>Balance sheet reconciliation</b>			
Opening net liability	51.45	58.39	24.52
Expenses recognized in statement of profit or loss	27.66	(2.09)	19.30
Expenses recognized in OCI	4.66	26.36	13.99
Net liability/(asset) transfer in	4.44	5.29	5.07
Net (liability)/asset transfer out	(2.13)	(5.30)	(3.38)
(Benefit paid directly by the employer)	(0.44)	(1.20)	(0.71)
(Employer's contribution)	-	(30.00)	(0.40)
Net liability/(asset) recognized in the balance sheet	85.64	51.45	58.39
<b>Category of assets</b>			
Government of India assets	-	-	-
State government securities	-	-	-
Special deposits scheme	-	-	-
Debt instruments	-	-	-
Corporate bonds	-	-	-
Cash and cash equivalents	-	-	-
Insurance fund	99.36	84.68	51.43
Asset-backed securities	-	-	-
Structured debt	-	-	-
Other	-	-	-
Total	99.36	84.68	51.43
<b>Other details</b>			
No of active members	975	852	643
Per month salary for active members	87.98	72.13	53.88
Weighted average duration of pbo	69	62	76
Average expected future service	60	51	75
Projected benefit obligation (pbo)	185.00	136.13	109.82
Prescribed contribution for next year (12 months)	54.93	30.00	40.61
<b>Maturity analysis of the benefit payments</b>			
1st following year	14.59	10.62	6.35
2nd following year	13.90	10.51	6.21
3rd following year	15.14	11.17	6.49
4th following year	15.73	12.00	6.87
5th following year	17.22	11.89	7.36
Sum of years 6 to 10	73.73	57.32	38.59
Sum of years 11 and above	222.47	182.88	193.62
<b>Sensitivity analysis</b>			
PBO on current assumptions	(12.77)	134.10	106.13
Delta effect of +1% change in rate of discounting	14.67	(10.00)	(9.92)
Delta effect of -1% change in rate of discounting	8.56	11.53	11.67
Delta effect of +1% change in rate of salary increase	(8.42)	6.85	11.82
Delta effect of -1% change in rate of salary increase	2.03	(6.71)	(10.20)
Delta effect of +1% change in rate of employee turnover	(2.40)	1.63	1.92
Delta effect of -1% change in rate of employee turnover	-	(1.95)	(2.23)

The above mentioned plans are valued by independent actuaries using the projected unit credit method.

In view of non-availability of break-up of Insurer managed funds, the details could not be disclosed



RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

33.2 Defined Contribution Plans:

The Group has recognised the following amounts as an expense and included in the Employee Benefit Expenses.

(₹ in Mn)

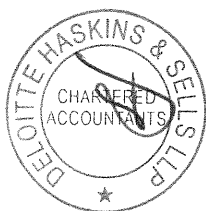
Particulars	2018-19	2018-19	2016-17 (Proforma)
Contribution to provident fund	90.52	70.95	55.69
Contribution to ESIC	0.45	0.14	0.08
Contribution to labour welfare fund	#	#	#
<b>Total</b>	<b>90.97</b>	<b>71.09</b>	<b>55.77</b>

# Amount less than ₹ 10,000

Note 34. Other Expenses:-

(₹ in Mn)

Particulars	2018-19	2017-18	2016-17 (Proforma)
Operations and fund management expenses	168.99	167.62	106.52
Rent and energy cost	446.70	414.88	293.99
Insurance	5.94	9.78	15.89
Repairs & maintenance	14.90	10.01	13.79
Marketing, advertisement and business promotion expenses	449.84	417.15	42.31
Travelling & conveyance	236.88	187.69	249.34
Legal & professional fees	266.50	230.53	252.65
Communication	43.54	44.03	37.91
Software charges / Technology cost	130.65	101.50	101.63
Office & other expenses	136.82	160.44	77.61
Directors' fees and commission	15.22	12.57	9.84
Remuneration to Auditors :			
Audit fees (net of GST input credit)	10.53	8.60	7.34
Other services (net of GST input credit)	2.40	2.40	2.40
Goods & Service tax	0.15	0.29	0.22
Certification expenses	0.13	2.10	0.69
Out Of pocket expenses	0.69	0.26	0.21
Corporate social responsibility expenses & donation (Refer Note 43)	71.68	62.89	46.11
Profit/loss on sale of assets	-	-	0.91
<b>Total</b>	<b>2,001.56</b>	<b>1,832.74</b>	<b>1,259.36</b>



**RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED**

Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

**Note 35. Income taxes**

Disclosure pursuant to Ind AS 12 "Income Taxes"

(a) Major components of tax expense/ (income)

		(₹ in Mn)		
Sr. No.	Particulars	2018-19	2017-18	2016-17 (Proforma)
(a)	Consolidated restated statement of Profit and Loss: Profit and Loss section: (i) Current Income tax : Current income tax expense Effect of previously unrecognised tax losses and tax offsets used during the current year Tax expense in respect of earlier years	1,642.21 (0.01) 1,642.20	1,138.91 (4.87) 1,134.04	1,210.37 (3.05) 1,207.32
	(ii) Deferred Tax: Tax expense on origination and reversal of temporary differences Effect of previously unrecognised tax losses and tax offsets on which deferred tax benefit is recognised Effect on deferred tax balances due to the change in income tax rate	(8.36) - (8.36)	(34.97) - (34.97)	(45.96) - (45.96)
	<b>Income tax expense reported in the consolidated restated statement of profit or loss [(i)+(ii)]</b>	<b>1,633.84</b>	<b>1,099.07</b>	<b>1,161.36</b>
(b)	Other Comprehensive Income (OCI) Section: (i) Items not to be reclassified to profit or loss in subsequent periods: (A) Current tax expense/(income): On re-measurement of defined benefit plans (B) Deferred tax expense/(income): On re-measurement of defined benefit plans	- 2.42 2.42	- 8.82 8.82	- 4.72 4.72
	<b>Income tax expense reported in the restated other comprehensive income [(i)+(ii)]</b>	<b>2.42</b>	<b>8.82</b>	<b>4.72</b>

(b) Reconciliation of Income tax expense and accounting profit multiplied by domestic tax rate applicable in India:

		(₹ in Mn)		
Sr. No.	Particulars	2018-19	2017-18	2016-17 (Proforma)
(a)	<b>Restated Profit/(loss) before tax</b>	<b>5,379.31</b>	<b>4,900.76</b>	<b>4,296.16</b>
(b)	Income tax expense at tax rates applicable to individual entities	1,986.71	1,466.89	1,310.60
(c)	(i) Tax on income subject to lower tax rate (A) Gains on investments (including fair valuation)	(125.77)	(36.76)	(51.29)
(d)	(ii) Tax on Income exempt from Tax (A) Income from Investments (Including tax suffered income on investment in AIF) (B) Income exempt on account of Merger	(95.93) - -	(250.96) (38.09) -	9.70 (156.03) -
	(iii) Tax on expense not tax deductible Expenses not allowable as tax deductible as per tax laws	12.87	28.67	29.30
	(iv) Tax effect of losses of current year on which no deferred tax benefit is recognised	30.46	10.21	2.84
	(v) Tax on Dividend earned from Offshore subsidiary	(145.26)	(62.76)	-
	(vi) Effect on deferred tax due to change in Income tax	(0.01)	(28.19)	1.86
	(vii) Tax effect on various other items	(29.23)	10.06	14.38
	<b>Total effect of tax adjustments [(i) to (vii)]</b>	<b>(352.87)</b>	<b>(367.82)</b>	<b>(149.24)</b>
(e)	<b>Tax expense recognised during the year</b>	<b>1,633.84</b>	<b>1,099.07</b>	<b>1,161.36</b>





**RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED**
**Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017**
**Note 36. Earnings Per Share:**

Basic and diluted earnings per share ["EPS"] computed in accordance with INDAS 33 'Earnings per share'.

Particulars		2018-19	2017-18	2016-17 (Proforma)
Face value of equity shares in ₹ fully paid up		2.00	2.00	2.00
<b>BASIC</b>				
Restated Profit after tax as per consolidated statement of profit and loss before Other Comprehensive Income	A	3,745.47	3,801.69	3,134.80
Weighted average number of shares subscribed*	B	83,915,167	79,105,199	74,278,027
Face value of equity shares (in ₹) fully paid		2.00	2.00	2.00
Basic EPS (₹)	A/B	44.63	48.06	42.20
<b>DILUTED</b>				
Restated Profit after tax as per consolidated statement of profit and loss before Other Comprehensive Income	A	3,745.47	3,801.69	3,134.80
Weighted average number of shares subscribed*	B	83,915,167	79,105,199	74,278,027
Add: Potential equity shares on account of conversion of employee stock option	C	2,454,209	2,634,966	568,448
Weighted average number of shares outstanding	D=B+C	86,369,376	81,740,165	74,846,475
Diluted EPS (₹)	A/D	43.37	46.51	41.88

\*including 580,199 (As at March 31, 2018 - 470,442 and As at March 31, 2017 - 297,804) weighted average no. of shares pending issuance as at the year end as per the Composite Scheme of Arrangement (Refer note 3)



Note 37. Disclosure Pursuant to Ind AS 107 "Financial Instruments: Disclosures"

Financial Risk Management

37A.1. Credit Risk

(₹ in Mn)

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk assessment on various components is described below:

1)

**Lending operations – Loans**

The Lending Operations of the Group have a well-defined framework within which credit risk is assumed, managed and monitored. Credit function closely oversees management and control of credit risks and associated operational risks. The credit proposals are evaluated having regard to specified prudent exposure limits and approved by the appropriate authority, approved by the Board of Directors (the Board) of the entity engaged in lending business. The risk management policies including exposure limits are defined and reviewed along with the Board.

The carrying amount of Loans arising from lending business which may be subject to credit risk are as per table below:

Apr 2018- Mar 2019					
Particulars	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Purchased or originated credit-impaired financial assets (POCI)	Total
Loans to Customers *	49,107.60	-	-	-	49,107.60
Total gross carrying amount	49,107.60	-	-	-	49,107.60
Loss allowance	(228.00)	-	-	-	(228.00)
Carrying amount	48,879.60	-	-	-	48,879.60

Apr 2017- Mar 2018					
Particulars	Financial assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Purchased or originated credit-impaired financial assets (POCI)	Total
Loans to Customers *	68,341.30	-	-	-	68,341.30
Total gross carrying amount	68,341.30	-	-	-	68,341.30
Loss allowance	(303.56)	-	-	-	(303.56)
Carrying amount	68,037.74	-	-	-	68,037.74

Apr 2016- Mar 2017(Proforma)					
Particulars	Financial assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Purchased or originated credit-impaired financial assets (POCI)	Total
Loans to Customers *	36,648.91	-	-	-	36,648.91
Total gross carrying amount	36,648.91	-	-	-	36,648.91
Loss allowance	(167.78)	-	-	-	(167.78)
Carrying amount	36,481.13	-	-	-	36,481.13

\* Excludes loans to staff, loans under CBLO and Inter corporate Deposits.

**Reconciliation of Expected Credit Loss/ Impairment Loss allowance with regards to lending operations for F.Y 18-19 is as follows**

Particulars	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Purchased or originated credit-impaired financial assets (POCI)	Total
Loss allowance as at 01.04.2018	303.56	-	-	-	303.56
Provision on loans originated during the year	67.12	-	-	-	67.12
Net change in provision on continuing loans	(73.59)	-	-	-	(73.59)
Provision on loans derecognised during the year	(69.09)	-	-	-	(69.09)
Loss allowance as at 31.03.2019	228.00	-	-	-	228.00

**Reconciliation of loan loss reserves with regards to lending operations for F.Y 17-18 is as follows**

Particulars	Financial assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Purchased or originated credit-impaired financial assets (POCI)	Total
Loss allowance as at 01.04.2017 (Proforma)	167.78	-	-	-	167.78
Provision on loans originated during the year	134.04	-	-	-	134.04
Net change in provision on continuing loans	14.74	-	-	-	14.74
Provision on loans derecognised during the year	(13.01)	-	-	-	(13.01)
Loss allowance as at 31.03.2018	303.55	-	-	-	303.55

**Reconciliation of loan loss reserves with regards to lending operations for F.Y 16-17 (Proforma) is as follows**

Particulars	Financial assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Purchased or originated credit-impaired financial assets (POCI)	Total
Loss allowance as at 01.04.2016 (Proforma)	4.95	-	-	-	4.95
Provision on loans originated during the year	166.59	-	-	-	166.59
Net change in provision on continuing loans	(4.65)	-	-	-	(4.65)
Provision on loans derecognised during the year	0.89	-	-	-	0.89
Loss allowance as at 31.03.2017 (Proforma)	167.78	-	-	-	167.78

The group has outstanding loans under CBLO arrangement, staff and Inter corporate deposits. The Group has not made any provision for ECL on these loans as credit risk is considered insignificant.

**Movement in the Expected Credit Loss/ Impairment Loss allowance with regards to trade receivables is as follows :**

Particulars	Year Ended 31/03/2019	Year Ended 31/03/2018	Year Ended 31/03/2017 (Proforma)
Balance at the beginning of the year	4.27	13.98	14.89
Movement in expected credit loss allowances on trade receivable	(1.08)	(9.71)	(0.91)
Balance at the end of the year	3.19	4.27	13.98

**Credit concentration and gradation**

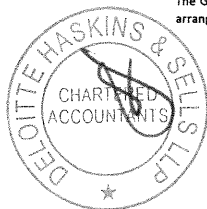
The Group provides loans mainly to High Net Worth Individuals (HNIs) against securities/collaterals in form of financial instruments (Loans against Securities - LAS). The Company does not have a significant concentration with regard to single/group borrower and industry.

The Group sanctions and monitors these loans based on underlying securities. In order to manage credit risk Loan to Value (representing value of securities/collateral against the loans outstanding) is decided/re-adjusted at the time of sanction and on ongoing basis as a part of monitoring of loans. As such the Group has not implemented the system for credit grading of borrowers since most of its loans are against collaterals in from underlying financial instruments.

2)

**Trade and other Receivables**

The Group's trade receivables primarily include receivables from mutual funds, alternative Investment funds, customers under Portfolio Management scheme and Advisory services arrangements. The Group has made lifetime expected credit loss provision based on provision matrix which takes into account historical experience in collection and credit losses.



RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

Note 37. Disclosure Pursuant to Ind AS 107 "Financial Instruments: Disclosures" (continued)

3)

Others

In addition to the above, balances and deposits with banks, investments in bonds, debt securities and in units of funds, derivative financial instruments and other financial assets also have exposure to credit risk.

Credit risk on balances and deposits with banks is considered to be insignificant.

The credit risk in respect of Derivative Financial Instruments and investments in bonds, debt securities and in units of funds classified as Fair Value through Profit or Loss is priced in the fair value of the respective instruments. Derivative transactions are transacted on exchanges with central counterparties or entered into under International Swaps and Derivatives Association (ISDA) master netting agreements. Considering the above, the credit risk on such instruments is considered to be insignificant.

Credit Risk on Other Financial assets is considered very low as the counterparty is mainly stock exchanges.

37B. Liquidity Risk

Liquidity risk refers to the risk that the Group may not be able to meet its short-term financial obligations. The Group manages liquidity risk by maintaining sufficient cash and marketable securities and by having access to funding through an adequate amount of credit lines. Further, The Group has well defined Asset Liability Management (ALM) Framework with an appropriate organizational structure to regularly monitor and manage maturity profiles of financial assets and financial liabilities including debt financing plans, cash and cash equivalent instruments to ensure liquidity. The Group seeks to maintain flexibility in funding mix by way of sourcing the funds through money markets, debt markets and banks to meet its business and liquidity requirements.

The following table shows the maturity profile of Financial liabilities:

Financial liabilities	As at 31st March 2019					
	Total	Less than 1 months	1 months to 6 months	6 months to 1 year	Between 1 to 5 years	5 years and above
Derivative financial instruments	2,516.09	-	-	331.08	2,006.79	178.22
Trade Payables	514.73	475.32	-	39.41	-	-
Other Payables	846.42	846.42	-	-	-	-
Debt Securities	39,782.59	2,067.92	2,881.57	6,585.70	12,163.57	16,083.83
Borrowings (Other than Debt Securities)	15,660.81	11,358.33	2,329.21	1,973.27	-	-
Subordinated Liabilities	5,701.34	-	-	-	4,201.34	1,500.00
Other financial liabilities	2,760.11	589.67	436.28	436.88	1,044.15	253.13
<b>Total</b>	<b>67,782.09</b>	<b>15,337.66</b>	<b>5,647.06</b>	<b>9,366.34</b>	<b>19,415.85</b>	<b>18,015.18</b>

Financial liabilities	As at 31st March 2018					
	Total	Less than 1 months	1 months to 6 months	6 months to 1 year	Between 1 to 5 years	5 years and above
Derivative financial instruments	814.25	-	-	-	814.25	-
Trade Payables	1,246.31	377.55	-	868.76	-	-
Other Payables	3,425.94	3,425.94	-	-	-	-
Debt Securities	18,562.29	150.00	1,549.00	-	8,302.19	8,561.10
Borrowings (Other than Debt Securities)	45,483.01	14,293.93	31,181.93	2.60	4.55	-
Subordinated Liabilities	5,617.98	-	-	-	3,095.00	2,522.98
Other financial liabilities	1,442.00	119.41	211.35	-	738.17	253.07
<b>Total</b>	<b>76,591.78</b>	<b>18,366.83</b>	<b>32,942.28</b>	<b>871.36</b>	<b>12,954.16</b>	<b>11,457.15</b>

Financial liabilities	As at 31st March 2017 (Proforma)					
	Total	Less than 1 months	1 months to 6 months	6 months to 1 year	Between 1 to 5 years	5 years and above
Derivative financial instruments	254.02	-	-	10.81	243.21	-
Trade Payables	921.55	324.15	-	597.40	-	-
Other Payables	2,341.08	2,341.08	-	-	-	-
Debt Securities	17,838.60	-	1,015.50	1,626.10	3,032.30	12,164.70
Borrowings (Other than Debt Securities)	33,987.28	6,468.10	27,505.43	2.72	11.03	-
Subordinated Liabilities	4,435.00	-	-	-	-	4,435.00
Other financial liabilities	543.19	53.80	72.88	120.84	170.75	124.92
<b>Total</b>	<b>60,320.72</b>	<b>9,187.13</b>	<b>28,593.81</b>	<b>2,357.87</b>	<b>3,457.29</b>	<b>16,724.62</b>

37C. Market Risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in futures cash flows that may result from a change in the price of a financial instrument.

37C.1 Currency Risk

The Group (including its foreign subsidiaries) does not run a proprietary trading position in foreign currencies and foreign currency denominated instruments. However the Group has exposure to foreign currencies on account of business operations or by maintaining cash and cash equivalents and deposits with banks in currencies other than reporting/functional currencies.

The carrying amount of Financial assets and liabilities subject to foreign exchange risk for FY 2018-2019 are as below:

Particulars	USD	MUR	Euro	CHF
Cash and Cash Equivalents	125.75	0.22	-	-
Trade Receivables	20.13	-	-	-
Other Financial Assets	0.30	-	-	-
Trade Payables	18.90	0.18	1.14	0.67

The carrying amount of Financial assets and liabilities subject to foreign exchange risk for FY 2017-2018 are as below:

Particulars	USD	MUR	Euro	CHF
Cash and Cash Equivalents	260.09	0.66	-	-
Trade Receivables	46.30	-	-	-
Other Financial Assets	0.29	-	-	-
Trade Payables	12.49	-	-	-

The carrying amount of Financial assets and liabilities subject to foreign exchange risk for FY 2016-2017 (Proforma) are as below:

Particulars	USD	MUR	Euro	CHF
Cash and Cash Equivalents	61.89	0.74	-	-
Trade Receivables	76.87	-	-	-
Other Financial Assets	0.34	-	-	-
Trade Payables	5.11	-	-	4.72

Below is the sensitivity analysis for the year considering 1% appreciation/(depreciation):

	2018-19	2017-18	2016-17 (Proforma)
<b>Increase</b>			
Impact on Restated Profit and Loss after tax	1.26	2.95	1.30
Impact on Equity	1.26	2.95	1.30
<b>Decrease</b>			
Impact on Restated Profit and Loss after tax	(1.26)	(2.95)	(1.30)
Impact on Equity	(1.26)	(2.95)	(1.30)

37C.2 Interest rate risk

The Group has considered interest rate risk on financial assets and liabilities accounted for on amortised cost basis.

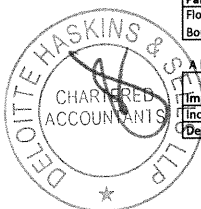
The Group's exposure to changes in interest rates relates primarily to the Company's outstanding floating rate debt included in borrowings/debt securities.

The carrying amount of floating rate liabilities and related interest rate sensitivity is as below:

Particulars	As at 31st March 2019	As at 31st March 2018	As at 31st March 2017 (Proforma)
Floating Rate Liabilities (Debt Securities and Borrowings)	5,387.98	107.45	-

A hypothetical 0.25% shift in underlying benchmark rates will have the below impact:

	2018-19	2017-18
<b>Impact on Profit and Loss after tax and equity</b>		
Increase of 0.25%	(8.76)	(0.17)
Decrease of 0.25%	8.76	0.17



Note 37. Disclosure Pursuant to Ind AS 107 "Financial Instruments: Disclosures" (continued)

The loans arising from lending operations generally provide for or reset of the interest rates based on its Prime lending Rate (PLR). The Group aims to reset PLR on its loan book on the basis of, inter-alia, actualized /expected change in its overall borrowing costs. This enables the Group to mitigate interest risk on revision/ repricing of interest bearing liabilities. As such the Group does not carry any interest rate risk on account of the above. As required under applicable accounting standard, impact of hypothetical change in PLR on its loan books by 0.25% would be as follows:

Particulars	As at 31st March 2019	As at 31st March 2018	As at 31st March 2017 (Proforma)
Loans	49,107.60	68,341.30	36,648.91

Impact on Profit and Loss after tax and equity	2018-19	2017-18
Increase of 0.25%	79.87	111.15
Decrease of 0.25%	(79.87)	(111.15)

37C3. Other Price Risk

Other price risk is related to the change in market reference price of the derivative financial instruments, investments and debt securities which are fair valued and exposes the Group to price risks.

The carrying amount of financial assets and liabilities subject to price risk is as below:

Particulars	As at 31st March 2019	As at 31st March 2018	As at 31st March 2017 (Proforma)
<b>Financial Assets</b>			
Derivative financial instruments	960.95	49.75	10.76
Investments	30,525.66	11,112.02	20,068.73
	<b>31,486.61</b>	<b>11,161.77</b>	<b>20,079.49</b>
<b>Financial Liabilities</b>			
Derivative financial instruments	2,516.09	814.25	254.01
Debt securities	15,353.04	8,561.10	12,164.70
	<b>17,869.13</b>	<b>9,375.35</b>	<b>12,418.71</b>

Sensitivity to change in prices of the above assets and liabilities are measured on the following parameters

Investments in AIFs / MFs / others	1% change in the NAV/price
Financial assets and liabilities including derivative assets and liabilities linked to equity index/ others	1% change in the underlying index or in value of the instruments as the case may be
Investments in Debt securities and Government Securities, Debt Securities issued (Liabilities), and interest rate derivatives linked to underlying interest/price movements in the interest bearing securities	0.25% change in yield over duration of the instruments considering PV(0.1) as a measure of change in value

Below is the sensitivity analysis for the year :

	2018-19	2017-18	2016-17 (Proforma)
<b>Increase</b>			
Impact on Restated Profit and Loss after tax	50.78	65.23	70.50
Impact on Equity	50.78	65.23	70.50
<b>Decrease</b>			
Impact on Restated Profit and Loss after tax	(50.78)	(65.23)	(70.50)
Impact on Equity	(50.78)	(65.23)	(70.50)

37D. Capital Management

The Group's capital management is intended to create value for shareholders. The assessment of Capital level and requirements are assessed having regard to long-and short term strategies of the Group and regulatory capital requirements of its businesses and constituent entities.

37E. Category Wise Classification for applicable Financial Assets and Liabilities

Sr No.	Particulars	As at 31st March 2019			Total
		Measure at Amortised Cost	Measured At Fair Value through Profit or Loss (P/L)	Measured At Fair Value through Other Comprehensive Income (OCI)	
	<b>Financial Assets</b>				
(a)	Cash and cash equivalents	1,646.23	-	-	1,646.23
(b)	Bank balance other than (a) above	1,127.95	-	-	1,127.95
(c)	Derivative financial instruments	-	960.95	-	960.95
(d)	Receivables	-	-	-	-
	(i) Trade receivables	2,960.74	-	-	2,960.74
	(ii) Other receivables	4,244.56	-	-	4,244.56
(e)	Loans	49,664.60	-	-	49,664.60
(f)	Investments	-	30,525.66	-	30,525.66
(g)	Other financial assets	524.06	-	-	524.06
	<b>Total</b>	<b>60,168.14</b>	<b>31,486.61</b>	-	<b>91,654.75</b>
	<b>Financial Liabilities</b>				
(a)	Derivative financial instruments	-	2,516.09	-	2,516.09
(b)	Payables	-	-	-	-
	(i) Trade payables	-	-	-	-
	(ii) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
	(iii) total outstanding dues of creditors other than micro enterprises and small enterprises	514.73	-	-	514.73
(ii)	Other payables	-	-	-	-
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	846.42	-	-	846.42
(c)	Debt securities	24,429.55	15,353.04	-	39,782.59
(d)	Borrowings (other than debt securities)	15,660.81	-	-	15,660.81
(e)	Subordinated liabilities	5,701.34	-	-	5,701.34
(f)	Other financial liabilities	2,760.11	-	-	2,760.11
	<b>Total</b>	<b>49,912.96</b>	<b>17,869.13</b>	-	<b>67,782.09</b>



Note 37. Disclosure Pursuant to Ind AS 107 "Financial Instruments: Disclosures" (continued)

Sr No.	Particulars	As at 31st March 2018			
		Measure at Amorisred Cost	Measured At Fair Value through Profit or Loss(P/L)	Measured At Fair Value through Other Comprehensive Income (OCI)	Total
	<b>Financial Assets</b>				
(a)	Cash and cash equivalents	5,262.56	-	-	5,262.56
(b)	Bank balance other than (a) above	2,189.46	-	-	2,189.46
(c)	Derivative financial instruments	-	49.75	-	49.75
(d)	Receivables	-	-	-	-
	(i) Trade receivables	1,951.96	-	-	1,951.96
	(ii) Other receivables	3,106.72	-	-	3,106.72
(e)	Loans	70,561.18	-	-	70,561.18
(f)	Investments	-	11,112.02	-	11,112.02
(g)	Other financial assets	422.68	-	-	422.68
	<b>Total</b>	<b>83,494.56</b>	<b>11,161.77</b>	<b>-</b>	<b>94,656.33</b>
	<b>Financial Liabilities</b>				
(a)	Derivative financial instruments	-	814.25	-	814.25
(b)	Payables	-	-	-	-
	(i) Trade payables	-	-	-	-
	(ii) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
	(iii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,246.30	-	-	1,246.30
	(II) Other payables	-	-	-	-
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	3,425.94	-	-	3,425.94
(c)	Debt securities	10,001.19	8,561.10	-	18,562.29
(d)	Borrowings (other than debt securities)	45,483.01	-	-	45,483.01
(e)	Subordinated liabilities	5,617.98	-	-	5,617.98
(f)	Other financial liabilities	1,442.00	-	-	1,442.00
	<b>Total</b>	<b>67,216.42</b>	<b>9,375.35</b>	<b>-</b>	<b>76,591.77</b>

Sr No.	Particulars	As at 31st March 2017 (Proforma)			
		Measure at Amorisred Cost	Measured At Fair Value through Profit or Loss(P/L)	Measured At Fair Value through Other Comprehensive Income (OCI)	Total
	<b>Financial Assets</b>				
(a)	Cash and cash equivalents	9,629.17	-	-	9,629.17
(b)	Bank balance other than (a) above	3,189.23	-	-	3,189.23
(c)	Derivative financial instruments	-	10.76	-	10.76
(d)	Receivables	-	-	-	-
	(i) Trade receivables	1,593.98	-	-	1,593.98
	(ii) Other receivables	3,888.78	-	-	3,888.78
(e)	Loans	36,519.68	-	-	36,519.68
(f)	Investments	-	20,068.73	-	20,068.73
(g)	Other financial assets	373.00	-	-	373.00
	<b>Total</b>	<b>55,193.84</b>	<b>20,079.49</b>	<b>-</b>	<b>75,273.33</b>
	<b>Financial Liabilities</b>				
(a)	Derivative financial instruments	-	254.01	-	254.01
(b)	Payables	-	-	-	-
	(i) Trade payables	-	-	-	-
	(ii) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
	(iii) total outstanding dues of creditors other than micro enterprises and small enterprises	921.55	-	-	921.55
	(II) Other payables	-	-	-	-
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	2,341.08	-	-	2,341.08
(c)	Debt securities	5,673.90	12,164.70	-	17,838.60
(d)	Borrowings (other than debt securities)	33,987.28	-	-	33,987.28
(e)	Subordinated liabilities	4,435.00	-	-	4,435.00
(f)	Other financial liabilities	543.20	-	-	543.20
	<b>Total</b>	<b>47,902.01</b>	<b>12,418.71</b>	<b>-</b>	<b>60,320.72</b>



Note 37. Disclosure Pursuant to Ind AS 107 "Financial Instruments: Disclosures" (continued)

37E.1. Fair values of financial instruments

The Group measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments. This includes NAVs of the schemes of mutual funds.
  - Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
  - Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.
- The Group uses widely recognised valuation methods to determine the fair value of common and simple financial instruments, such as interest rate swaps, options, which use only observable market data as far as practicable. Observable prices or model inputs are usually available in the market for listed debt and equity securities, exchange-traded derivatives and simple OTC derivatives such as interest rate swaps.

37E. 1a. Financial instruments measured at fair value – Fair value hierarchy

The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised.

The amounts are based on the values recognised in the statement of financial position. The fair values include any deferred differences between the transaction price and the fair value on initial recognition when the fair value is based on a valuation technique that uses unobservable inputs.

Financial instruments measured at fair value	Recurring fair value measurements at 31.03.2019			
	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investments in Mutual funds	1,566.65	-	-	1,566.65
Investments in Debt securities	-	13,014.87	-	13,014.87
Investments in Government Securities	-	10,352.03	-	10,352.03
Investments in Equity Shares *	-	-	2.68	2.68
Investments in Alternate Investment Funds #	-	-	5,004.38	5,004.38
Investments in Others	585.05	-	-	585.05
Derivatives financial Assets	-	960.95	-	960.95
<b>Total Assets</b>	<b>2,151.70</b>	<b>24,327.85</b>	<b>5,007.06</b>	<b>31,486.61</b>
<b>Financial Liabilities measured at Fair values</b>				
Bonds/ Debentures	-	15,353.04	-	15,353.04
Derivative financial liabilities	-	2,516.09	-	2,516.09
<b>Total Liabilities</b>	<b>-</b>	<b>17,869.13</b>	<b>-</b>	<b>17,869.13</b>

\* The fair values of unlisted equity are determined basis the independent third party valuations.

# The fair values of these investments are determined basis the NAV published by the funds.

Financial instruments measured at fair value	Recurring fair value measurements at 31.03.2018			
	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investments in Mutual funds	2,284.99	-	-	2,284.99
Investments in Debt securities	-	3,383.07	-	3,383.07
Investments in Equity Shares *	-	-	0.60	0.60
Investments in Alternate Investment Funds #	-	-	3,782.96	3,782.96
Investments in Others	1,660.40	-	-	1,660.40
Derivatives financial Assets	-	49.75	-	49.75
<b>Total Assets</b>	<b>3,945.39</b>	<b>3,432.82</b>	<b>3,783.56</b>	<b>11,161.77</b>
<b>Financial Liabilities measured at Fair values</b>				
Bonds/ Debentures	-	8,561.10	-	8,561.10
Derivative financial liabilities	-	814.25	-	814.25
<b>Total Liabilities</b>	<b>-</b>	<b>9,375.35</b>	<b>-</b>	<b>9,375.35</b>

\* The fair values of unlisted equity are determined basis the independent third party valuations.

# The fair values of these investments are determined basis the NAV published by the funds.

Financial instruments measured at fair value	Recurring fair value measurements at 31.03.2017 (Proforma)			
	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investments in Mutual funds	613.82	-	-	613.82
Investments in Debt securities	-	10,589.74	-	10,589.74
Investments in Equity Shares *	22.43	-	0.61	23.04
Investments in Alternate Investment Funds #	-	-	8,842.13	8,842.13
Derivatives financial Assets	-	10.76	-	10.76
<b>Total Assets</b>	<b>636.25</b>	<b>10,600.50</b>	<b>8,842.74</b>	<b>20,079.49</b>
<b>Financial Liabilities measured at Fair values</b>				
Bonds/ Debentures	-	12,164.70	-	12,164.70
Derivative financial liabilities	-	254.01	-	254.01
<b>Total Liabilities</b>	<b>-</b>	<b>12,418.71</b>	<b>-</b>	<b>12,418.71</b>

\* The fair values of unlisted equity are determined basis the independent third party valuations.

# The fair values of these investments are determined basis the NAV published by the funds.

Reconciliation of Level 3 fair value measurements

Particulars	As at 31st March 2019	As at 31st March 2018	As at 31st March 2017 (Proforma)
Opening Balance	3,783.56	8,842.73	8,568.71
Total gains or losses	-	-	-
- In profit or loss	10.31	151.17	489.16
Purchases	10,228.32	15,773.43	38,411.21
Disposal/ Settlements	(9,015.13)	(20,983.77)	(38,626.34)
Transfer out of Level 3	-	-	-
Closing Balance	5,007.06	3,783.56	8,842.74



RESTATEd CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

37E. 1b Fair value of financial assets and financial liabilities measured at amortised cost

Financial Assets and liabilities which are measured at amortised cost for which fair values are disclosed	As at 31st March 2019		As at 31st March 2018		As at 31st March 2017 (Proforma)	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets</b>						
Cash and cash equivalents	1,646.23	1,646.23	5,262.56	5,262.56	9,629.17	9,629.17
Bank balance other than above	1,127.95	1,127.95	2,189.46	2,189.46	3,189.23	3,189.23
<b>Receivables</b>						
(i) Trade receivables	2,960.74	2,960.74	1,951.96	1,951.96	1,593.98	1,593.98
(ii) Other receivables	4,244.56	4,244.56	3,106.72	3,106.72	3,888.78	3,888.78
Loans	49,664.60	49,664.60	70,561.18	70,561.18	36,519.68	36,519.68
Other financial assets	524.06	524.06	422.68	422.68	373.00	373.00
<b>Financial Liabilities</b>						
(i) Trade payables						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	514.73	514.73	1,246.30	1,246.30	921.55	921.55
(ii) Other payables						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	846.42	846.42	3,425.94	3,425.94	2,341.08	2,341.08
Debt securities	24,429.55	24,334.65	10,001.19	9,939.53	5,673.90	5,712.54
Borrowings (other than debt securities)	15,660.81	15,660.81	45,483.01	45,483.01	33,987.28	33,987.28
Subordinated liabilities	5,701.34	5,694.12	5,617.98	5,586.63	4,435.00	4,440.84
Other financial liabilities	2,760.11	2,760.11	1,442.00	1,442.00	543.20	543.20

**Financial assets measured at amortised cost:**

The carrying amounts of cash and cash equivalents and other bank balances, trade and other receivables, loans and other financial assets are considered to be the same as their fair values due to their short term nature.

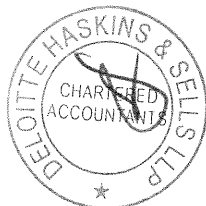
**Financial liabilities measured at amortised cost:**

The carrying amounts of trade payables and other financial liabilities are considered to be the same as their fair values due to their short term nature. The carrying amounts of borrowings with floating rate of interest are considered to be close to the fair value.

Financial Assets and liabilities which are measured at amortised cost for which fair values are disclosed	As at 31.03.2019			
	Level 1	Level 2	Level 3	Total
<b>Financial Liabilities</b>				
Debt securities		24,334.65		24,334.65
Subordinated liabilities		5,694.12		5,694.12

Financial Assets and liabilities which are measured at amortised cost for which fair values are disclosed	As at 31.03.2018			
	Level 1	Level 2	Level 3	Total
<b>Financial Liabilities</b>				
Debt securities		9,939.53		9,939.53
Subordinated liabilities		5,586.63		5,586.63

Financial Assets and liabilities which are measured at amortised cost for which fair values are disclosed	As at 31.03.2017 (Proforma)			
	Level 1	Level 2	Level 3	Total
<b>Financial Liabilities</b>				
Debt securities		5,712.54		5,712.54
Subordinated liabilities		4,440.84		4,440.84



**RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED**
**Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017**

**Note 38.** The Holding Company has implemented equity settled Employee Stock Options Scheme 2012 (ESOP 2012) and Employee Stock Options Scheme 2015 (ESOP 2015) and has outstanding options granted under the said schemes. The options vest in graded manner and must be exercised within a specified period as per the terms of grants by the Nomination and Remuneration Committee and ESOP Schemes.

**(A) The details of various Employee Stock Option Schemes are as under:**

Particulars	ESOP 2012	ESOP 2015
No. of options granted upto March 31,2019	2,731,935 (A – 1,240,900; B – 752,550; C – 607,500; D - 117,100; E - 13,885)	9,242,941 (A - 6,965,945; B - 900,000; C - 950,000; D - 121,141; E - 135,827; F - 170,028 )
Grant dates	A - March 28, 2012; B - August 29, 2013; C - March 26, 2014; D - Jun 03, 2014, E - January 28, 2018	A - July 02, 2015, B - November 10, 2016 C- July 21, 2017; D - January 13, 2018; E - January 28, 2018; F - January 29, 2019
Method of accounting	Fair value	Fair value
Vesting plan	Options granted would vest within a period of seven years subject to a minimum period of one year from the date of grant of such options	Options granted would vest as per the vesting schedule as determined under each series of grant approved by Nomination & Remuneration Committee subject to minimum period of one year from the date of grant of such options
Exercise period	Seven years from the date of grant	Seven years from the date of grant
Grant price (₹ Per Share)	A - ₹ 10.00, B - ₹ 16.00, C - ₹ 19.00, D - ₹ 19.00, D - ₹ 417 .00	A - ₹ 282.00, B – ₹ 339.00, C,D E - ₹ 417.00, F - ₹ 1661.00
Fair value on the date of grant of option (₹ Per Share)	₹ 11.80 - ₹ 409.00	₹ 274.00 - ₹1297.00

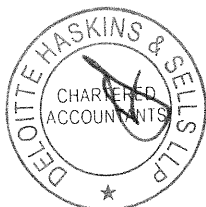
**(B) Movement of options granted:**

**As at March 31, 2019**

Particulars	ESOP 2012	ESOP 2015
Options outstanding at the beginning of April 01, 2018	24,975	3,740,357
Granted during the year	0	170,028
Exercised during the year	4,390	273,971
Lapsed during the year	1,390	163,978
Options outstanding as at March 31, 2019	19,195	3,472,436
Exercisable at the end of the year March 31,2019	5,310	872,067
Weighted average exercise price for the options exercised during the year FY 18-19	₹ 17.54	₹ 325.02
Range of exercise price for the options outstanding at the end of the year March 31, 2019	₹ 10.00 to ₹ 417.00	₹ 282.00 to ₹ 417.00

**As at March 31, 2018**

Particulars	ESOP 2012	ESOP 2015
Options outstanding at the beginning of April 01, 2017 (Proforma)	128,510	4,305,612
Granted during the year	13,885	1,206,968
Exercised during the year	117,420	1,672,279
Lapsed during the year		99,944
Options outstanding as at March 31, 2018	24,975	3,740,357
Exercisable at the end of the year March 31,2018	11,090	227,462
Weighted average exercise price for the options exercised during the year FY 17-18	₹ 17.32	₹ 283.60
Range of exercise price for the options outstanding at the end of the year March 31, 2018	₹ 10.00 to ₹ 417.00	₹ 282.00 to ₹ 417.00





**RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED**

Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

**As at March 31, 2017 (Proforma)**

Particulars	ESOP 2012	ESOP 2015
Options outstanding at the beginning of April 01, 2016 (Proforma)	591,530	6,965,945
Granted during the year	-	900,000
Exercised during the year	449,185	3,555,921
Lapsed during the year	13,835	4,412
Options outstanding as at March 31, 2017 (Proforma)	128,510	4,305,612
Exercisable at the end of the year March 31, 2017 (Proforma)	82,590	1,197,048
Weighted average exercise price for the options exercised during the year FY 16-17	₹ 16.41	₹ 282.00
Range of exercise price for the options outstanding at the end of the year March 31, 2017	₹ 10.00 to ₹ 19.00	₹ 282.00 to ₹ 339.00

**Fair Value Assumptions:**

The fair value of options have been estimated on the date of grant using Black Scholes model.

Key Assumptions used in Black-Scholes model for calculating fair value as on the date of grant are as follows:

Grant Date	ESOP 2012	ESOP 2015
Risk free interest rate	6.67%-9.09%	6.19%-7.86%
Expected average life	2-5 years	2-5 years
Expected volatility of Share Price	10.00%	10.00%
Dividend yield	3%-23.19%	1.5% - 3%
Fair value on the date of the grant	₹ 11.80 - ₹ 409.00	₹ 274.00 - ₹1297.00



**Note 39. Capital, Other Commitments and Contingent Liabilities at Balance Sheet date:**

**Capital and Other Commitments**

(₹ in Mn)			
Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017 (Proforma)
Commitments to contribute funds for the acquisition of property, plant and equipment and intangible assets	649.47	88.35	71.42
Commitments on investments	1,918.08	718.16	1,154.08
<b>Total</b>	<b>2,567.55</b>	<b>806.51</b>	<b>1,225.50</b>

**Contingent Liabilities**

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017 (Proforma)
Bank guarantees (refer note 39.1)	1,419.40	1,100.00	750.00
Corporate guarantee	2,100.00	2,000.00	-
Disputed income tax demand*	182.21	4.07	-
<b>Total</b>	<b>3,701.61</b>	<b>3,104.07</b>	<b>750.00</b>

39.1 Fixed Deposits amounting to ₹ 800.75 Mn (FY 18 - ₹ 573.48 Mn; FY 17(Proforma) - ₹ 375.00 Mn) are pledged against this.

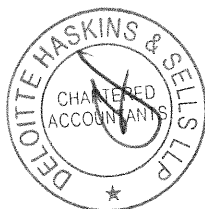
\* Amount paid under protest with respect to income tax demand ₹ 35.76 Mn (As at March 31, 2018 - Nil and As at March 31, 2017 (Proforma)- Nil)

Management believes that the ultimate outcome of above matters will not have a material adverse impact on its financial position, results of operations and cash flows. In respect of above matters, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgements pending at various authorities.

**Note 40. Minimum Lease Rentals**

The Group has taken office premises on operating lease at various locations. Lease rent in respect of the same amounting to ₹ 413.74 Mn (FY 18 - ₹ 385.46 Mn; FY 17 - ₹ 269.87 Mn) has been charged to Statement of Profit and Loss. The agreements are executed for a period ranging 1 to 5 years with a renewable clause. Some agreements have a clause for a minimum lock-in period. The agreements also have a clause for termination by either party giving a prior notice period between 30 to 90 days. The minimum Lease rentals outstanding are as under:

(₹ in Mn)			
Minimum Lease Rentals	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Due for			
- Up to One year	122.43	322.87	335.49
- One to Five years	272.30	152.28	325.18
- Above Five years	0.29	-	-
<b>Total</b>	<b>395.02</b>	<b>476.15</b>	<b>660.67</b>



**RESTATEd CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED**

Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

**Note 41. Disclosure as per Ind AS 108 "Segment Reporting":**

**41.1 Services from which reportable segments derive their revenues**

The Group's Operating Segments are identified as those segments that engage in business activities to earn revenues and incur expenses whose results are regularly reviewed by Chief operating decision maker.

The Company has following business segments, which are its reportable segments.

(i) **Wealth Management:** Wealth management segment comprises distribution of financial products, advisory, equity and debt broking, estate planning and managing financial products essentially in the nature of advisory. The Segment also includes Lending and Investment activities which are complimentary to Wealth management activities and largely provided to or arise from servicing its clients under Wealth management.

(ii) **Asset Management:** Asset management segment generally comprises management of pooled funds under various products and structures such as mutual funds, alternative asset funds, portfolio management and related activities.

Operating segment disclosures are consistent with the information provided to and reviewed by the chief operating decision maker.

For financial statement presentation purposes various individual operating segments have been aggregated into a single operating segment taking into account the following factors:

- The methods use to provide the service to the customers are the same;
- The services provided are guided by similar regulatory provisions and framework.

**41.2 Segment revenues and results**

The following is an analysis of the Group's revenue and results from continuing operations by reportable segment.

(₹ in Mn)

	For the year ended March 31, 2019		For the year ended March 31, 2018		For the year ended March 31, 2017 (Proforma)	
	Segment Revenue	Segment Results	Segment Revenue	Segment Results	Segment Revenue	Segment Results
Wealth Management	13,988.68	4,970.85	15,552.00	4,470.54	10,214.24	3,846.22
Asset Management	1,783.20	408.46	1,596.10	430.22	1,345.70	449.94
<b>Total</b>	<b>15,771.88</b>	<b>5,379.31</b>	<b>17,148.10</b>	<b>4,900.76</b>	<b>11,559.94</b>	<b>4,296.16</b>

The accounting policies of the reportable segments are the same as the group's accounting policies. Segment profit represents the profit before tax earned by each segment post allocation of all identifiable other income, direct expenses, finance cost and other cost.

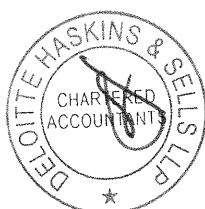
**41.3 Segment assets and liabilities**

(₹ in Mn)

Segment assets	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017 (Proforma)
Wealth Management	95,575.64	93,392.03	73,254.99
Asset Management	1,786.84	2,171.98	2,410.64
<b>Total segment assets</b>	<b>97,362.48</b>	<b>95,564.01</b>	<b>75,665.63</b>
Unallocated assets	439.74	101.77	298.63
<b>Consolidated total assets</b>	<b>97,802.22</b>	<b>95,665.78</b>	<b>75,964.26</b>

(₹ in Mn)

Segment liabilities	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017 (Proforma)
Wealth Management	67,851.51	76,660.60	60,327.83
Asset Management	276.28	339.48	261.89
<b>Total segment liabilities</b>	<b>68,127.79</b>	<b>77,000.08</b>	<b>60,589.72</b>
Unallocated liabilities	570.28	36.77	176.11
<b>Consolidated total liabilities</b>	<b>68,698.07</b>	<b>77,036.85</b>	<b>60,765.83</b>



**RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED**

Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

**Note 41. Disclosure as per Ind AS 108 "Segment Reporting": (continued)**

For the purpose of monitoring segment performance and allocating resources between

- All assets are allocated to reportable segments other than
- All liabilities are allocated to reportable segments other than

**41.4 Other segment information**

(₹ in Mn)

	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended March 31, 2017 (Proforma)
<b>Depreciation and amortisation</b>			
Wealth Management	204.13	129.61	91.69
Asset Management	10.93	6.49	3.49
<b>Total</b>	<b>215.06</b>	<b>136.10</b>	<b>95.18</b>

(₹ in Mn)

	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended March 31, 2017 (Proforma)
<b>Interest Income included in segment revenue</b>			
Wealth Management	6,630.03	6,753.35	3,368.53
Asset Management	6.57	26.21	46.56
<b>Total</b>	<b>6,636.60</b>	<b>6,779.56</b>	<b>3,415.09</b>

(₹ in Mn)

	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended March 31, 2017 (Proforma)
<b>Finance Cost</b>			
Wealth Management	4,270.59	5,587.41	2,484.41
Asset Management	#	0.22	0.02
<b>Total</b>	<b>4,270.59</b>	<b>5,587.63</b>	<b>2,484.43</b>

# Amount less than ₹ 10,000

**41.5 Geographical information**

(₹ in Mn)

	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended March 31, 2017 (Proforma)
	<b>Segment Revenue</b>	<b>Segment Revenue</b>	<b>Segment Revenue</b>
India	14,726.45	15,606.06	10,589.61
Mauritius	916.39	1,239.13	680.00
Singapore	115.69	271.54	263.19
Others	13.35	31.37	27.14
<b>Total</b>	<b>15,771.88</b>	<b>17,148.10</b>	<b>11,559.94</b>



RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

**Note 42. Related Party Disclosures:**

Related party disclosures for the year ended 31st March, 2019

**a) List of Related Parties:**

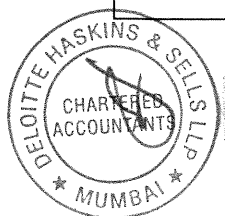
Nature of relationship	Name of party
<b>Director/ Key Managerial Personnel</b>	Mr. Karan Bhagat, Managing Director
	Mr. Yatin Shah, Whole-time Director
	Mr. Amit Shah, Non-Executive Director (resigned w.e.f. January 24, 2019)
	Mr. Nirmal Jain, Director
	Mr. Venkataraman Rajamani, Director
	Mr. Nilesh Vikamsey, Independent Director
	Mr. Geeta Mathur, Independent Director
	Mr. Sandeep Achyut Naik, Director
	Mr. Shantanu Rastogi, Director
<b>Other Related Parties (Holding Company) (Refer Note 3)</b>	IIFL Holdings Limited
<b>Subsidiaries</b>	IIFL Wealth Finance Limited
	IIFL Asset Management Limited
	IIFL Investment Adviser and Trustee Services Limited
	IIFL Trustee Limited
	IIFL Alternate Asset Advisors Limited
	IIFL Distribution Services Limited
	IIFL Wealth Securities IFSC Limited (w.e.f June 22, 2018)
	IIFL Wealth Advisors (India) Limited (w.e.f November 22, 2018)
	IIFL Altire Advisors Limited (w.e.f November 05, 2018)
	IIFL Wealth Employee Benefit Trust
	IIFL Wealth Employee Welfare benefit Trust
	IIFL Private Wealth Management (Dubai) Limited
	IIFL (Asia) Pte. Limited
	IIFL Inc.
	IIFL Private Wealth Hong Kong Limited
	IIFL Asset Management (Mauritius) Limited (Formerly IIFL Private Wealth (Mauritius) Ltd)
	IIFL Private Wealth (Suisse) SA (upto February 27, 2019)
	IIFL Securities Pte. Limited
	IIFL Capital (Canada) Limited
	IIFL Capital Pte. Limited
<b>Other Related Parties (Fellow Subsidiaries) (Refer Note 3)</b>	IIFL Securities Limited (Formerly known as India Infoline Limited)
	IIFL Commodities Limited (Formerly known as India Infoline Commodities Limited)
	India Infoline Finance Limited
	IIFL Home Finance Limited
	IIFL Insurance Brokers Limited (Formerly known as India Infoline Insurance Brokers Limited)
	IIFL Management Services Limited (Formerly India Infoline Insurance Services Limited)
	Meenakshi Tower LLP (Joint Venture of IIFL Management Services Limited)
	IIFL Wealth (UK) Limited
	IIFL Capital Inc.
	IIFL Facilities Services Limited (Formerly known as IIFL Real Estate Limited)
	Clara Developers Private Limited
	Samasta Microfinance Limited (w.e.f March 01, 2017)
	Ayusha Dairy Private Limited (w.e.f March 01, 2017)
	IIFL Asset Reconstruction Limited (w.e.f May 09, 2017)
<b>Other Related Parties</b>	General Atlantic Singapore Fund Pte Limited
	Ms. Shilpa Bhagat (Spouse of Mr. Karan Bhagat)
	Ms. Madhu Jain (Spouse of Mr. Nirmal Jain)
	Mr. Prakashchandra Shah (Relative of Mr. Yatin Shah)
	India Infoline Foundation
	Kyrush Investments
	Kyrush Realty Private Limited
	Naykia Realty Private Limited
	India Alternatives Investment Advisors Private Limited (Fellow Subsidiary Upto March 31, 2017)
	Yatin Investment
	Orpheous Trading Private Limited
	Ardent Impex Private Limited
	Spaia Capital Limited
	Spaia P2P Limited
	Spaia Insurance Brokers Limited
	MNJ Consultants Private Limited
	Sunder Bhawar Ventures Private Limited
	Sunder Bhanwar Holiday Home Private Limited ( Upto Mar 04, 2018)
	Khimji Kunverji & Co (Chartered Accountant Firm of Mr. Nilesh Vikamsey)
	Yatin Prakash Shah (HUF)
	Nirmal Madhu Family Private Trust
	Kalki Family Private Trust
	Kush Family Private Trust
	Kyra Family Private Trust
	Bhagat Family Private Trust
	Kyrush Family Private Trust
	Naykia Family Private Trust
	Prakash Shah Family Private Trust
	Naysha Shah Family Private Trust
	Kiaah Shah Family Private Trust



Note 42. Related Party Disclosures: (continued)

b) List of Transactions of the Group with the related parties net off Eliminations

(₹ in Mn)							
Nature of Transaction	Year	Whole Time Director/Key Managerial Personnel	Other Related Parties	Subsidiaries	Other Related Parties (Holding Company) (Refer Note 3)	Other Related Parties (Fellow Subsidiaries) (Refer Note 3)	Total
<b>Share Capital Issued:</b>							
Karan Bhagat	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	(4.80)	-	-	-	-	(4.80)
Yatin Shah	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	(1.80)	-	-	-	-	(1.80)
Amit Shah	2018-19	-	-	-	-	-	-
	2017-18	-	(1.80)	-	-	-	(1.80)
	2016-17	-	-	-	-	-	-
General Atlantic Singapore Fund Pte Ltd	2018-19	-	1.13	-	-	-	1.13
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
<b>Securities Premium Received:</b>							
Karan Bhagat	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	(672.00)	-	-	-	-	(672.00)
Yatin Shah	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	(252.00)	-	-	-	-	(252.00)
Amit Shah	2018-19	-	-	-	-	-	-
	2017-18	-	(252.00)	-	-	-	(252.00)
	2016-17	-	-	-	-	-	-
General Atlantic Singapore Fund Pte Ltd	2018-19	-	939.82	-	-	-	939.82
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
<b>Sale of Investment</b>							
IIFL Holdings Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	(0.00)#	-	(0.00)#
	2016-17	-	-	-	-	-	-
Karan Bhagat	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	(42.62)	-	-	-	-	(42.62)
Yatin Shah	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	(10.00)	-	-	-	-	(10.00)
<b>Subscription of NCD</b>							
India Infoline Finance Limited	2018-19	-	-	-	-	643.92	643.92
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Home Finance Limited	2018-19	-	-	-	-	892.24	892.24
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
Samasta Microfinance Limited	2018-19	-	-	-	-	1,214.99	1,214.99
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
<b>Redemption of NCD</b>							
India Infoline Finance Limited	2018-19	-	-	-	-	204.86	204.86
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Home Finance Limited	2018-19	-	-	-	-	147.13	147.13
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
<b>ICD taken</b>							
IIFL Holdings Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	(165.00)	-	(165.00)
	2016-17	-	-	-	(425.50)	-	(425.50)
India Infoline Finance Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	(565.00)	(565.00)
	2016-17	-	-	-	-	(1,755.50)	(1,755.50)
IIFL Facilities Services Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	(10,415.00)	(10,415.00)
IIFL Commodities Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	(15.75)	(15.75)
IIFL Management Services Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	(33.60)	(33.60)
IIFL Home Finance Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	(40.00)	(40.00)
<b>ICD repaid</b>							
IIFL Holdings Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	(165.00)	-	(165.00)
	2016-17	-	-	-	(789.30)	-	(789.30)
India Infoline Finance Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	(565.00)	(565.00)
	2016-17	-	-	-	-	(1,755.50)	(1,755.50)
IIFL Facilities Services Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	(10,415.00)	(10,415.00)



RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

Note 42. Related Party Disclosures: (continued)

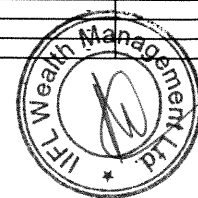
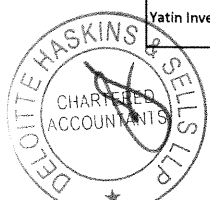
Nature of Transaction	Year	Whole Time Director/Key Managerial Personnel	Other Related Parties	Subsidiaries	Other Related Parties (Holding Company) (Refer Note 3)	Other Related Parties (Fellow Subsidiaries) (Refer Note 3)	Total
IIFL Commodities Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	(15.75)	(15.75)
IIFL Management Services Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	(33.60)	(33.60)
IIFL Home Finance Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	(40.00)	(40.00)
<b>ICD Given</b>							
IIFL Management Services Limited	2018-19	-	-	-	-	65.00	65.00
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Securities Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	(500.00)	(500.00)
S Paisa Capital Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	(200.00)	-	-	-	(200.00)
<b>ICD received back</b>							
IIFL Securities Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	(500.00)	(500.00)
S Paisa Capital Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	(200.00)	-	-	-	(200.00)
<b>Loan Given</b>							
Karan Bhagat	2018-19	157.70	-	-	-	-	157.70
	2017-18	(150.00)	-	-	-	-	(150.00)
	2016-17	-	-	-	-	-	-
Yatin Shah	2018-19	59.20	-	-	-	-	59.20
	2017-18	(150.11)	-	-	-	-	(150.11)
	2016-17	-	-	-	-	-	-
Nirmal Jain	2018-19	1,507.72	-	-	-	-	1,507.72
	2017-18	(2,764.49)	-	-	-	-	(2,764.49)
	2016-17	(2,492.42)	-	-	-	-	(2,492.42)
Venkataraman Rajamani	2018-19	1,500.00	-	-	-	-	1,500.00
	2017-18	(2,505.88)	-	-	-	-	(2,505.88)
	2016-17	-	-	-	-	-	-
Madhu Jain	2018-19	-	1,507.72	-	-	-	1,507.72
	2017-18	-	(1,255.96)	-	-	-	(1,255.96)
	2016-17	-	(1,382.75)	-	-	-	(1,382.75)
Yatin Investment	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	(1,366.87)	-	-	-	(1,366.87)
Prakashchandra Shah	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	(708.75)	-	-	-	(708.75)
Orpheus Trading Private Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	(0.17)	-	-	-	(0.17)
<b>Loan Received Back</b>							
Karan Bhagat	2018-19	-	-	-	-	-	-
	2017-18	(150.00)	-	-	-	-	(150.00)
	2016-17	-	-	-	-	-	-
Yatin Shah	2018-19	-	-	-	-	-	-
	2017-18	(150.11)	-	-	-	-	(150.11)
	2016-17	-	-	-	-	-	-
Nirmal Jain	2018-19	1,507.72	-	-	-	-	1,507.72
	2017-18	(2,764.49)	-	-	-	-	(2,764.49)
	2016-17	(2,492.42)	-	-	-	-	(2,492.42)
Venkataraman Rajamani	2018-19	1,500.00	-	-	-	-	1,500.00
	2017-18	(2,505.88)	-	-	-	-	(2,505.88)
	2016-17	-	-	-	-	-	-
Madhu Jain	2018-19	-	1,507.72	-	-	-	1,507.72
	2017-18	-	(1,255.96)	-	-	-	(1,255.96)
	2016-17	-	(1,382.75)	-	-	-	(1,382.75)
Prakashchandra Shah	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	(708.75)	-	-	-	(708.75)
Yatin Investment	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	(1,366.87)	-	-	-	(1,366.87)
Orpheus Trading Private Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	(0.17)	-	-	-	(0.17)
<b>Advances Towards Capital Asset Given</b>							
IIFL Facilities Services Limited	2018-19	-	-	-	-	1,700.00	1,700.00
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
<b>Dividend Income</b>							
IIFL Private Wealth (Mauritius) Limited	2018-19	-	-	831.41	-	-	831.41
	2017-18	-	-	(362.67)	-	-	(362.67)
	2016-17	-	-	-	-	-	-
IIFL Securities Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	(0.00)#	(0.00)#
	2016-17	-	-	-	-	(0.00)#	(0.00)#
<b>Fees Earned For Services (including Brokerage) rendered</b>							
IIFL Holdings Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	(19.30)	(19.30)

**RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED**

Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

**Note 42. Related Party Disclosures: (continued)**

Nature of Transaction	Year	Whole Time Director/Key Managerial Personnel	Other Related Parties	Subsidiaries	Other Related Parties (Holding Company) (Refer Note 3)	Other Related Parties (Fellow Subsidiaries) (Refer Note 3)	Total
IIFL Securities Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	(109.62)	(109.62)
	2016-17	-	-	-	-	(546.60)	(546.60)
IIFL Insurance Brokers Ltd.	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	(31.87)	(31.87)
IIFL Facilities Services Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	(72.60)	(72.60)
Samasta Microfinance Limited	2018-19	-	-	-	-	106.72	106.72
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
India Infoline Finance Limited	2018-19	-	-	-	-	18.87	18.87
	2017-18	-	-	-	-	(12.27)	(12.27)
	2016-17	-	-	-	-	(52.12)	(52.12)
IIFL Home Finance Limited	2018-19	-	-	-	-	53.64	53.64
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
Karan Bhagat	2018-19	-	-	-	-	-	-
	2017-18	(0.00)#	-	-	-	-	(0.00)#
	2016-17	-	-	-	-	-	-
Shilpa Bhagat	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	(0.00)#	-	-	-	-	(0.00)#
Yatin Prakash Shah HUF	2018-19	0.00#	-	-	-	-	0.00#
	2017-18	(0.00)#	-	-	-	-	(0.00)#
	2016-17	(0.01)	-	-	-	-	(0.01)
Kyra Family Private Trust	2018-19	-	-	-	-	-	-
	2017-18	(0.00)#	-	-	-	-	(0.00)#
	2016-17	-	-	-	-	-	-
Kalki Family Private Trust	2018-19	0.01	-	-	-	-	0.01
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
Bhagat Family Private Trust	2018-19	-	-	-	-	-	-
	2017-18	(0.00)#	-	-	-	-	(0.00)#
	2016-17	-	-	-	-	-	-
Kyrush Family Private Trust	2018-19	-	-	-	-	-	-
	2017-18	(0.00)#	-	-	-	-	(0.00)#
	2016-17	-	-	-	-	-	-
<b>Interest Income on ICD Given</b>							
IIFL Management Services Limited	2018-19	-	-	-	-	2.11	2.11
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Securities Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	(0.24)	(0.24)
5 Paisa Capital Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	(0.80)	-	-	-	(0.80)
India Infoline Finance Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	(0.64)	-	(0.64)
IIFL Home Finance Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	(0.20)	-	(0.20)
<b>Income on Investment</b>							
India Infoline Finance Limited	2018-19	-	-	-	-	3.31	3.31
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	(0.64)	(0.64)
IIFL Home Finance Limited	2018-19	-	-	-	-	0.76	0.76
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	(0.20)	(0.20)
IIFL Alternate Asset Advisors Ltd	2018-19	-	-	1.42	-	-	1.42
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Wealth Finance Limited	2018-19	-	-	10.92	-	-	10.92
	2017-18	-	-	(1.19)	-	-	(1.19)
	2016-17	-	-	-	-	-	-
<b>Interest Income on Loan Given</b>							
Karan Bhagat	2018-19	0.14	-	-	-	-	0.14
	2017-18	(0.45)	-	-	-	-	(0.45)
	2016-17	-	-	-	-	-	-
Yatin Shah	2018-19	0.05	-	-	-	-	0.05
	2017-18	(1.08)	-	-	-	-	(1.08)
	2016-17	-	-	-	-	-	-
Nirmal Jain	2018-19	2.72	-	-	-	-	2.72
	2017-18	(5.59)	-	-	-	-	(5.59)
	2016-17	(6.90)	-	-	-	-	(6.90)
Venkataraman Rajamani	2018-19	2.72	-	-	-	-	2.72
	2017-18	(4.84)	-	-	-	-	(4.84)
	2016-17	-	-	-	-	-	-
Madhu Jain	2018-19	-	2.72	-	-	-	2.72
	2017-18	-	(2.45)	-	-	-	(2.45)
	2016-17	-	(4.84)	-	-	-	(4.84)
Prakashchandra Shah	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	(1.46)	-	-	-	(1.46)
Yatin Investment	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	(2.82)	-	-	-	(2.82)

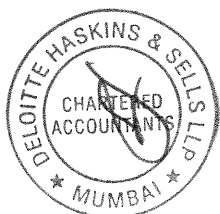




RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED  
Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

Note 42. Related Party Disclosures: (continued)

Nature of Transaction	Year	Whole Time Director/Key Managerial Personnel	Other Related Parties	Subsidiaries	Other Related Parties (Holding Company) (Refer Note 3)	Other Related Parties (Fellow Subsidiaries) (Refer Note 3)	Total
<b>Interest Expense on ICD Taken</b>							
India Infoline Finance Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	(3.92)	(3.92)
IIFL Holdings Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	(0.29)	-	(0.29)
	2016-17	-	-	-	(7.27)	-	(7.27)
IIFL Facilities Services Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	(12.46)	(12.46)
IIFL Management Services Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	(0.84)	(0.84)
IIFL Home Finance Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	(0.01)	(0.01)
<b>Fees/Expenses incurred/Reimbursed For Services Procured</b>							
IIFL Holdings Limited	2018-19	-	-	-	65.16	-	65.16
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Securities Limited	2018-19	-	-	-	-	54.54	54.54
	2017-18	-	-	-	-	(53.49)	(53.49)
	2016-17	-	-	-	-	(4.49)	(4.49)
IIFL Wealth (UK) Limited	2018-19	-	-	-	-	91.72	91.72
	2017-18	-	-	-	-	(55.22)	(55.22)
	2016-17	-	-	-	-	(45.11)	(45.11)
India Infoline Finance Limited	2018-19	-	-	-	-	14.35	14.35
	2017-18	-	-	-	-	(6.87)	(6.87)
	2016-17	-	-	-	-	(10.25)	(10.25)
IIFL Capital Inc.	2018-19	-	-	-	-	33.91	33.91
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Management Services Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	(0.44)	(0.44)
	2016-17	-	-	-	-	-	-
IIFL Facilities Services Limited	2018-19	-	-	-	-	263.34	263.34
	2017-18	-	-	-	-	(249.17)	(249.17)
	2016-17	-	-	-	-	(167.04)	(167.04)
IIFL Properties Private Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	(1.02)	(1.02)
S P Capital Limited	2018-19	-	(0.00)#	-	-	-	(0.00)#
	2017-18	-	(0.10)	-	-	-	(0.10)
	2016-17	-	-	-	-	-	-
IIFL Capital Pte Ltd	2018-19	-	-	-	-	4.38	4.38
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
<b>Corporate Social Responsibility Expenses (CSR)</b>							
India Infoline Foundation Limited	2018-19	-	43.11	-	-	-	43.11
	2017-18	-	(47.84)	-	-	-	(47.84)
	2016-17	-	(11.77)	-	-	-	(11.77)
<b>Remuneration To KMPs</b>							
Karan Bhagat	2018-19	50.18	-	-	-	-	50.18
	2017-18	(44.15)	-	-	-	-	(44.15)
	2016-17	(40.13)	-	-	-	-	(40.13)
Yatin Shah	2018-19	40.08	-	-	-	-	40.08
	2017-18	(34.86)	-	-	-	-	(34.86)
	2016-17	(31.53)	-	-	-	-	(31.53)
<b>Gratuity Expenses</b>							
Karan Bhagat	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	(1.25)	-	-	-	-	(1.25)
Yatin Shah	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	(0.99)	-	-	-	-	(0.99)
<b>Sitting Fees/Commission To Directors</b>							
Geeta Mathur	2018-19	1.07	-	-	-	-	1.07
	2017-18	(0.82)	-	-	-	-	(0.82)
	2016-17	(0.98)	-	-	-	-	(0.98)
Nilesh Vikamsey	2018-19	1.54	-	-	-	-	1.54
	2017-18	(1.24)	-	-	-	-	(1.24)
	2016-17	(1.30)	-	-	-	-	(1.30)
<b>Dividend Paid</b>							
IIFL Holdings Limited	2018-19	-	-	-	450.00	-	450.00
	2017-18	-	-	-	(405.00)	-	(405.00)
	2016-17	-	-	-	(270.00)	-	(270.00)
Karan Bhagat	2018-19	59.92	-	-	-	-	59.92
	2017-18	(43.29)	-	-	-	-	(43.29)
	2016-17	(14.46)	-	-	-	-	(14.46)
Yatin Shah	2018-19	33.11	-	-	-	-	33.11
	2017-18	(29.79)	-	-	-	-	(29.79)
	2016-17	(14.46)	-	-	-	-	(14.46)



RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED  
Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

Note 42. Related Party Disclosures: (continued)

Nature of Transaction	Year	Whole Time Director/Key Managerial Personnel	Other Related Parties	Subsidiaries	Other Related Parties (Holding Company) (Refer Note 3)	Other Related Parties (Fellow Subsidiaries) (Refer Note 3)	Total
Amit Shah	2018-19	-	15.68	-	-	-	15.68
	2017-18	-	(20.42)	-	-	-	(20.42)
	2016-17	-	(10.91)	-	-	-	(10.91)
General Atlantic Singapore Fund Pte Ltd	2018-19	-	186.20	-	-	-	186.20
	2017-18	-	(162.48)	-	-	-	(162.48)
	2016-17	-	(108.32)	-	-	-	(108.32)
<b>Reimbursement of expenses Received</b>							
IIFL Capital Inc.	2018-19	-	-	-	-	24.53	24.53
	2017-18	-	-	-	-	(4.82)	(4.82)
	2016-17	-	-	-	-	(5.01)	(5.01)
IIFL Asset Reconstruction Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	(0.02)	(0.02)
<b>Reimbursement of expenses Paid</b>							
IIFL Holdings Limited	2018-19	-	-	-	26.13	-	26.13
	2017-18	-	-	-	(32.82)	-	(32.82)
	2016-17	-	-	-	(21.07)	-	(21.07)
IIFL Securities Limited	2018-19	-	-	-	-	14.06	14.06
	2017-18	-	-	-	-	(48.62)	(48.62)
	2016-17	-	-	-	-	(79.65)	(79.65)
IIFL Capital Inc.	2018-19	-	-	-	-	0.82	0.82
	2017-18	-	-	-	-	(0.75)	(0.75)
	2016-17	-	-	-	-	(1.71)	(1.71)
IIFL Facilities Services Limited	2018-19	-	-	-	-	0.01	0.01
	2017-18	-	-	-	-	(0.54)	(0.54)
	2016-17	-	-	-	-	(0.01)	(0.01)
IIFL Management Services Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	(1.23)	(1.23)
	2016-17	-	-	-	-	-	-
India Infoline Commodities Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	(0.18)	(0.18)
	2016-17	-	-	-	-	(0.03)	(0.03)
5 Paisa Capital Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	(0.05)	-	-	-	(0.05)
<b>Other funds received</b>							
IIFL Management Services Limited	2018-19	-	-	-	-	1.17	1.17
	2017-18	-	-	-	-	(0.02)	(0.02)
	2016-17	-	-	-	-	-	-
IIFL Facilities Services Limited	2018-19	-	-	-	-	17.01	17.01
	2017-18	-	-	-	-	(0.00)#	(0.00)#
	2016-17	-	-	-	-	(0.08)	(0.08)
IIFL Securities Limited	2018-19	-	-	-	-	0.12	0.12
	2017-18	-	-	-	-	(0.20)	(0.20)
	2016-17	-	-	-	-	(17.91)	(17.91)
IIFL Insurance Brokers Ltd.	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	(0.22)	(0.22)
	2016-17	-	-	-	-	(0.06)	(0.06)
IIFL Home Finance Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	(0.12)	(0.12)
	2016-17	-	-	-	-	(0.11)	(0.11)
India Infoline Finance Limited	2018-19	-	-	-	-	0.11	0.11
	2017-18	-	-	-	-	(0.61)	(0.61)
	2016-17	-	-	-	-	(3.28)	(3.28)
IIFL Holdings Limited	2018-19	-	-	-	0.02	-	0.02
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	(0.13)	-	(0.13)
<b>Other funds paid</b>							
IIFL Securities Limited	2018-19	-	-	-	-	1.30	1.30
	2017-18	-	-	-	-	(0.48)	(0.48)
	2016-17	-	-	-	-	(13.20)	(13.20)
India Infoline Finance Limited	2018-19	-	-	-	-	0.00#	0.00#
	2017-18	-	-	-	-	(0.07)	(0.07)
	2016-17	-	-	-	-	(3.37)	(3.37)
IIFL Facilities Services Limited	2018-19	-	-	-	-	0.00#	0.00#
	2017-18	-	-	-	-	(0.00)#	(0.00)#
	2016-17	-	-	-	-	(0.00)#	(0.00)#
IIFL Management Services Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	(0.00)#	(0.00)#
IIFL Holdings Limited	2018-19	-	-	-	-	0.07	0.07
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
5 Paisa Capital Limited	2018-19	-	0.02	-	-	-	0.02
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Insurance Brokers Ltd.	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	(0.70)	(0.70)
	2016-17	-	-	-	-	(0.04)	(0.04)

c) Amount due to / from related parties (Closing Balance)

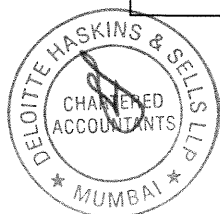
							(₹ in Mn)
Nature of Transaction	Year	Whole Time Director/Key Managerial Personnel	Other Related Parties	Subsidiaries	Other Related Parties (Holding Company) (Refer Note 3)	Other Related Parties (Fellow Subsidiaries) (Refer Note 3)	Total
<b>Sundry payables:</b>							
India Infoline Finance Limited	2018-19	-	-	-	-	4.87	4.87
	2017-18	-	-	-	-	(7.42)	(7.42)
	2016-17	-	-	-	-	-	-

**Note 42. Related Party Disclosures: (continued)**

Nature of Transaction	Year	Whole Time Director/Key Managerial Personnel	Other Related Parties	Subsidiaries	Other Related Parties (Holding Company) (Refer Note 3)	Other Related Parties (Fellow Subsidiaries) (Refer Note 3)	Total
IIFL Holdings Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	(0.58)	-	(0.58)
	2016-17	-	-	-	-	-	-
IIFL Capital Inc.	2018-19	-	-	-	-	15.37	15.37
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Securities Limited	2018-19	-	-	-	-	9.16	9.16
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	(12.50)	(12.50)
IIFL Wealth (UK) Limited	2018-19	-	-	-	-	4.28	4.28
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	(6.22)	(6.22)
IIFL Facilities Services Limited	2018-19	-	-	-	-	(0.00)#	(0.00)#
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Properties Private Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	(0.12)	(0.12)
<b>Sundry receivables:</b>							
India Infoline Finance Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	(1.90)	(1.90)
IIFL Management Services Limited	2018-19	-	-	-	-	3.06	3.06
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Securities Limited	2018-19	-	-	-	-	0.45	0.45
	2017-18	-	-	-	-	(0.04)	(0.04)
	2016-17	-	-	-	-	(20.30)	(20.30)
IIFL Facilities Services Limited	2018-19	-	-	-	-	17.00	17.00
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	(0.05)	(0.05)
<b>Loan Given:</b>							
Karan Bhagat	2018-19	157.84	-	-	-	-	157.84
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
Yatin Shah	2018-19	59.25	-	-	-	-	59.25
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
<b>ICD Given</b>							
IIFL Management Services Limited	2018-19	-	-	-	-	65.00	65.00
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
<b>Receivable from Broker:</b>							
IIFL Securities Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	(0.26)	(0.26)
	2016-17	-	-	-	-	-	-
India Infoline Commodities Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	(0.03)	(0.03)
	2016-17	-	-	-	-	-	-

**d) List of Transactions within the Group with the related parties eliminated at the time of consolidation pursuant to provisions of ICDR - SEBI**

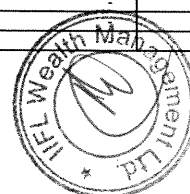
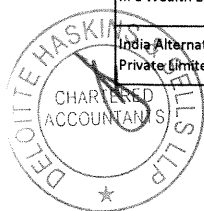
Nature of Transaction	Year	Whole Time Director/Key Managerial Personnel	Other Related Parties	Subsidiaries	Other Related Parties (Holding Company) (Refer Note 3)	Other Related Parties (Fellow Subsidiaries) (Refer Note 3)	Total
<b>Investment in Subsidiaries</b>							
IIFL Alternate Asset Advisors Ltd	2018-19	-	-	2,000.00	-	-	2,000.00
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Wealth Finance Limited	2018-19	-	-	5,000.00	-	-	5,000.00
	2017-18	-	-	-	-	-	-
	2016-17	-	-	(620.00)	-	-	(620.00)
IIFL Wealth Advisors (India) Ltd	2018-19	-	-	2,530.24	-	-	2,530.24
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Altire Advisors Limited	2018-19	-	-	83.30	-	-	83.30
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
<b>Purchase of Investment(Net)</b>							
IIFL Alternate Asset Advisors Limited	2018-19	-	-	3,477.63	-	-	3,477.63
	2017-18	-	-	(0.06)	-	-	(0.06)
	2016-17	-	-	(253.09)	-	-	(253.09)
IIFL Wealth Finance Limited	2018-19	-	-	2,454.60	-	-	2,454.60
	2017-18	-	-	(2,750.00)	-	-	(2,750.00)
	2016-17	-	-	-	-	-	-
<b>Issue Of NCD</b>							
IIFL Alternate Asset Advisors Limited	2018-19	-	-	2,303.00	-	-	2,303.00
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
<b>Purchase of Inventory</b>							
IIFL Alternate Asset Advisors Limited	2018-19	-	-	201.86	-	-	201.86
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-



RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED  
Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

Note 42. Related Party Disclosures: (continued)

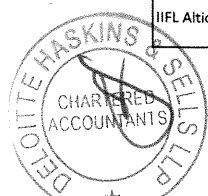
Nature of Transaction	Year	Whole Time Director/Key Managerial Personnel	Other Related Parties	Subsidiaries	Other Related Parties (Holding Company) (Refer Note 3)	Other Related Parties (Fellow Subsidiaries) (Refer Note 3)	Total
<b>Sale of Inventory</b>							
IIFL Investment Adviser & Trustee Services Limited	2018-19	-	-	201.86	-	-	201.86
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
<b>Sale of Investment</b>							
IIFL Alternate Asset Advisors Ltd	2018-19	-	-	292.02	-	-	292.02
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Wealth Finance Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	(0.19)	-	-	(0.19)
	2016-17	-	-	(253.09)	-	-	(253.09)
<b>NCD Buy Back</b>							
IIFL Wealth Finance Limited	2018-19	-	-	4,705.08	-	-	4,705.08
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Alternate Asset Advisors Ltd	2018-19	-	-	1,782.36	-	-	1,782.36
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
<b>Redemption of NCD</b>							
IIFL Wealth Finance Limited	2018-19	-	-	1,782.36	-	-	1,782.36
	2017-18	-	-	(0.06)	-	-	(0.06)
	2016-17	-	-	-	-	-	-
<b>ICD taken</b>							
IIFL Distribution Services Limited	2018-19	-	-	364.96	-	-	364.96
	2017-18	-	-	(90.00)	-	-	(90.00)
	2016-17	-	-	(139.50)	-	-	(139.50)
IIFL Asset Management Limited	2018-19	-	-	6,612.40	-	-	6,612.40
	2017-18	-	-	(8,198.50)	-	-	(8,198.50)
	2016-17	-	-	(3,793.90)	-	-	(3,793.90)
IIFL Trustee Limited	2018-19	-	-	6.60	-	-	6.60
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Alternate Asset Advisors Ltd	2018-19	-	-	2,370.21	-	-	2,370.21
	2017-18	-	-	(1,124.50)	-	-	(1,124.50)
	2016-17	-	-	(3,161.20)	-	-	(3,161.20)
IIFL Wealth Finance Limited	2018-19	-	-	59,367.75	-	-	59,367.75
	2017-18	-	-	(17,534.32)	-	-	(17,534.32)
	2016-17	-	-	(34,446.20)	-	-	(34,446.20)
IIFL Investment Adviser & Trustee Services Limited	2018-19	-	-	5,014.30	-	-	5,014.30
	2017-18	-	-	(2,721.00)	-	-	(2,721.00)
	2016-17	-	-	(1,024.45)	-	-	(1,024.45)
<b>ICD repaid</b>							
IIFL Distribution Services Limited	2018-19	-	-	354.31	-	-	354.31
	2017-18	-	-	(42.74)	-	-	(42.74)
	2016-17	-	-	(119.50)	-	-	(119.50)
IIFL Asset Management Limited	2018-19	-	-	6,336.20	-	-	6,336.20
	2017-18	-	-	(7,088.50)	-	-	(7,088.50)
	2016-17	-	-	(4,429.90)	-	-	(4,429.90)
IIFL Trustee Limited	2018-19	-	-	6.60	-	-	6.60
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Alternate Asset Advisors Ltd	2018-19	-	-	176.61	-	-	176.61
	2017-18	-	-	(1,124.50)	-	-	(1,124.50)
	2016-17	-	-	(3,161.20)	-	-	(3,161.20)
IIFL Wealth Finance Limited	2018-19	-	-	60,684.49	-	-	60,684.49
	2017-18	-	-	(15,635.48)	-	-	(15,635.48)
	2016-17	-	-	(34,446.00)	-	-	(34,446.00)
IIFL Investment Adviser & Trustee Services Limited	2018-19	-	-	4,767.60	-	-	4,767.60
	2017-18	-	-	(2,571.00)	-	-	(2,571.00)
	2016-17	-	-	(877.73)	-	-	(877.73)
<b>ICD Given</b>							
IIFL Distribution Services Limited	2018-19	-	-	80.00	-	-	80.00
	2017-18	-	-	(68.50)	-	-	(68.50)
	2016-17	-	-	(2.00)	-	-	(2.00)
IIFL Asset Management Limited	2018-19	-	-	1,424.10	-	-	1,424.10
	2017-18	-	-	(4,587.13)	-	-	(4,587.13)
	2016-17	-	-	(7,363.77)	-	-	(7,363.77)
IIFL Trustee Limited	2018-19	-	-	2.00	-	-	2.00
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Alternate Asset Advisors Ltd	2018-19	-	-	47,003.10	-	-	47,003.10
	2017-18	-	-	(7,551.00)	-	-	(7,551.00)
	2016-17	-	-	(5,345.10)	-	-	(5,345.10)
IIFL Wealth Finance Limited	2018-19	-	-	45,420.57	-	-	45,420.57
	2017-18	-	-	(141,259.00)	-	-	(141,259.00)
	2016-17	-	-	(4,307.00)	-	-	(4,307.00)
IIFL Investment Adviser & Trustee Services Limited	2018-19	-	-	3,384.80	-	-	3,384.80
	2017-18	-	-	(7,140.00)	-	-	(7,140.00)
	2016-17	-	-	(2,901.20)	-	-	(2,901.20)
IIFL Wealth Securities IFSC Limited	2018-19	-	-	0.50	-	-	0.50
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Altior Advisors Limited	2018-19	-	-	11.10	-	-	11.10
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Wealth Employee Benefit Trust	2018-19	-	-	48.83	-	-	48.83
	2017-18	-	-	(0.80)	-	-	(0.80)
	2016-17	-	-	(36.60)	-	-	(36.60)
India Alternatives Investment Advisors Private Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	(30.90)	-	-	(30.90)



RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED  
Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

Note 42. Related Party Disclosures: (continued)

Nature of Transaction	Year	Whole Time Director/Key Managerial Personnel	Other Related Parties	Subsidiaries	Other Related Parties (Holding Company) (Refer Note 3)	Other Related Parties (Fellow Subsidiaries) (Refer Note 3)	Total
<b>ICD received back</b>							
IIFL Distribution Services Limited	2018-19	-	-	80.00	-	-	80.00
	2017-18	-	-	(68.50)	-	-	(68.50)
	2016-17	-	-	(2.00)	-	-	(2.00)
IIFL Asset Management Limited	2018-19	-	-	1,599.10	-	-	1,599.10
	2017-18	-	-	(4,412.13)	-	-	(4,412.13)
	2016-17	-	-	(1,162.77)	-	-	(1,162.77)
IIFL Trustee Limited	2018-19	-	-	2.00	-	-	2.00
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Alternate Asset Advisors Ltd	2018-19	-	-	47,045.50	-	-	47,045.50
	2017-18	-	-	(4,981.00)	-	-	(4,981.00)
	2016-17	-	-	(6,148.68)	-	-	(6,148.68)
IIFL Wealth Finance Limited	2018-19	-	-	45,408.57	-	-	45,408.57
	2017-18	-	-	(141,259.00)	-	-	(141,259.00)
	2016-17	-	-	(4,287.00)	-	-	(4,287.00)
IIFL Investment Adviser & Trustee Services Limited	2018-19	-	-	3,384.80	-	-	3,384.80
	2017-18	-	-	(7,140.00)	-	-	(7,140.00)
	2016-17	-	-	(2,901.00)	-	-	(2,901.00)
IIFL Wealth Employee Benefit Trust	2018-19	-	-	15.99	-	-	15.99
	2017-18	-	-	-	-	-	-
	2016-17	-	-	(34.77)	-	-	(34.77)
IIFL Altire Advisors Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Wealth Employee Benefit Trust	2018-19	-	-	15.99	-	-	15.99
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
India Alternatives Investment Advisors Private Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	(56.60)	-	-	(56.60)
<b>Dividend Income</b>							
IIFL Private Wealth (Mauritius) Limited	2018-19	-	-	831.41	-	-	831.41
	2017-18	-	-	(362.67)	-	-	(362.67)
	2016-17	-	-	-	-	-	-
<b>Fees Earned For Services (including Brokerage) rendered</b>							
IIFL Investment Adviser & Trustee Services Limited	2018-19	-	-	30.96	-	-	30.96
	2017-18	-	-	(33.09)	-	-	(33.09)
	2016-17	-	-	(6.72)	-	-	(6.72)
IIFL Wealth Finance Limited	2018-19	-	-	45.43	-	-	45.43
	2017-18	-	-	(38.84)	-	-	(38.84)
	2016-17	-	-	(26.90)	-	-	(26.90)
IIFL Asset Management Limited	2018-19	-	-	62.31	-	-	62.31
	2017-18	-	-	(58.63)	-	-	(58.63)
	2016-17	-	-	(177.19)	-	-	(177.19)
IIFL Alternate Asset Advisors Limited	2018-19	-	-	0.06	-	-	0.06
	2017-18	-	-	(0.00)#	-	-	(0.00)#
	2016-17	-	-	-	-	-	-
India Alternatives Investment Advisors Private Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	(14.00)	-	-	(14.00)
IIFL Capital Pte Limited	2018-19	-	-	3.08	-	-	3.08
	2017-18	-	-	(2.85)	-	-	(2.85)
	2016-17	-	-	(2.92)	-	-	(2.92)
IIFL Private Wealth Management Hong Kong Limited	2018-19	-	-	0.09	-	-	0.09
	2017-18	-	-	(0.33)	-	-	(0.33)
	2016-17	-	-	(0.33)	-	-	(0.33)
IIFL Securities Pte Limited	2018-19	-	-	13.87	-	-	13.87
	2017-18	-	-	(10.91)	-	-	(10.91)
	2016-17	-	-	(6.67)	-	-	(6.67)
IIFL Asset Management (Mauritius) Limited	2018-19	-	-	314.50	-	-	314.50
	2017-18	-	-	(186.24)	-	-	(186.24)
	2016-17	-	-	(180.02)	-	-	(180.02)
IIFL Capital Pte. Limited	2018-19	-	-	12.33	-	-	12.33
	2017-18	-	-	(33.57)	-	-	(33.57)
	2016-17	-	-	(33.57)	-	-	(33.57)
<b>Interest Income on ICD Given</b>							
IIFL Distribution Services Limited	2018-19	-	-	0.17	-	-	0.17
	2017-18	-	-	(0.19)	-	-	(0.19)
	2016-17	-	-	(0.00)#	-	-	(0.00)#
IIFL Asset Management Limited	2018-19	-	-	1.19	-	-	1.19
	2017-18	-	-	(5.02)	-	-	(5.02)
	2016-17	-	-	(26.91)	-	-	(26.91)
IIFL Trustee Limited	2018-19	-	-	(0.00)#	-	-	(0.00)#
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Alternate Asset Advisors Ltd	2018-19	-	-	292.67	-	-	292.67
	2017-18	-	-	(9.19)	-	-	(9.19)
	2016-17	-	-	(52.09)	-	-	(52.09)
IIFL Wealth Finance Limited	2018-19	-	-	69.17	-	-	69.17
	2017-18	-	-	(231.17)	-	-	(231.17)
	2016-17	-	-	(19.64)	-	-	(19.64)
IIFL Investment Adviser & Trustee Services Limited	2018-19	-	-	4.48	-	-	4.48
	2017-18	-	-	(6.95)	-	-	(6.95)
	2016-17	-	-	(7.20)	-	-	(7.20)
IIFL Wealth Securities IFSC Limited	2018-19	-	-	0.01	-	-	0.01
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Altire Advisors Limited	2018-19	-	-	0.36	-	-	0.36
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-



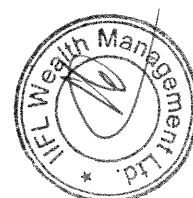
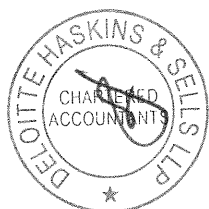
**Note 42. Related Party Disclosures: (continued)**

Nature of Transaction	Year	Whole Time Director/Key Managerial Personnel	Other Related Parties	Subsidiaries	Other Related Parties (Holding Company) (Refer Note 3)	Other Related Parties (Fellow Subsidiaries) (Refer Note 3)	Total
IIFL Wealth Employee Welfare benefit Trust	2018-19	-	-	1.31	-	-	1.31
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Wealth Employee Benefit Trust	2018-19	-	-	-	-	-	-
	2017-18	-	-	(0.20)	-	-	(0.20)
	2016-17	-	-	(2.38)	-	-	(2.38)
India Alternatives Investment Advisors Private Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	(6.05)	-	-	(6.05)
<b>Income on Investment</b>							
IIFL Alternate Asset Advisors Ltd	2018-19	-	-	1.24	-	-	1.24
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Wealth Finance Limited	2018-19	-	-	10.92	-	-	10.92
	2017-18	-	-	(1.19)	-	-	(1.19)
	2016-17	-	-	-	-	-	-
<b>Interest Expense on NCD</b>							
IIFL Alternate Asset Advisors Limited	2018-19	-	-	5.09	-	-	5.09
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Wealth Finance Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	(2.61)	-	-	(2.61)
<b>Interest Expense on ICD Taken</b>							
IIFL Distribution Services Limited	2018-19	-	-	3.46	-	-	3.46
	2017-18	-	-	(1.39)	-	-	(1.39)
	2016-17	-	-	(2.07)	-	-	(2.07)
IIFL Asset Management Limited	2018-19	-	-	125.53	-	-	125.53
	2017-18	-	-	(60.20)	-	-	(60.20)
	2016-17	-	-	(35.35)	-	-	(35.35)
IIFL Trustee Limited	2018-19	-	-	0.01	-	-	0.01
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Alternate Asset Advisors Ltd	2018-19	-	-	2.94	-	-	2.94
	2017-18	-	-	(6.97)	-	-	(6.97)
	2016-17	-	-	(14.99)	-	-	(14.99)
IIFL Wealth Finance Limited	2018-19	-	-	195.77	-	-	195.77
	2017-18	-	-	(30.64)	-	-	(30.64)
	2016-17	-	-	(91.68)	-	-	(91.68)
IIFL Investment Adviser & Trustee Services Limited	2018-19	-	-	31.21	-	-	31.21
	2017-18	-	-	(20.56)	-	-	(20.56)
	2016-17	-	-	(17.13)	-	-	(17.13)
<b>Fees/Expenses incurred/Reimbursed For Services Procured</b>							
IIFL Distribution Services Limited	2018-19	-	-	192.31	-	-	192.31
	2017-18	-	-	(195.07)	-	-	(195.07)
	2016-17	-	-	(140.54)	-	-	(140.54)
IIFL Investment Adviser & Trustee Services Limited	2018-19	-	-	24.00	-	-	24.00
	2017-18	-	-	(24.00)	-	-	(24.00)
	2016-17	-	-	(24.00)	-	-	(24.00)
IIFL Alternate Asset Advisors Ltd	2018-19	-	-	67.13	-	-	67.13
	2017-18	-	-	(23.60)	-	-	(23.60)
	2016-17	-	-	-	-	-	-
IIFL INC	2018-19	-	-	106.61	-	-	106.61
	2017-18	-	-	(27.62)	-	-	(27.62)
	2016-17	-	-	(19.65)	-	-	(19.65)
IIFL Private Wealth (Suisse) SA	2018-19	-	-	0.21	-	-	0.21
	2017-18	-	-	(2.02)	-	-	(2.02)
	2016-17	-	-	(1.99)	-	-	(1.99)
IIFL Private Wealth Hong Kong Ltd	2018-19	-	-	5.35	-	-	5.35
	2017-18	-	-	(19.97)	-	-	(19.97)
	2016-17	-	-	(20.26)	-	-	(20.26)
IIFL Private Wealth Dubai Ltd	2018-19	-	-	146.81	-	-	146.81
	2017-18	-	-	(77.98)	-	-	(77.98)
	2016-17	-	-	(78.60)	-	-	(78.60)
IIFL Capital (Canada) Limited	2018-19	-	-	26.71	-	-	26.71
	2017-18	-	-	(3.25)	-	-	(3.25)
	2016-17	-	-	-	-	-	-
IIFL Securities Pte Ltd	2018-19	-	-	32.94	-	-	32.94
	2017-18	-	-	(89.03)	-	-	(89.03)
	2016-17	-	-	(85.39)	-	-	(85.39)
<b>Reimbursement of expenses Received</b>							
IIFL Asset Management Limited	2018-19	-	-	36.51	-	-	36.51
	2017-18	-	-	(20.36)	-	-	(20.36)
	2016-17	-	-	(31.78)	-	-	(31.78)
IIFL Investment Adviser and Trustee Services Limited	2018-19	-	-	35.87	-	-	35.87
	2017-18	-	-	(21.28)	-	-	(21.28)
	2016-17	-	-	(11.54)	-	-	(11.54)
IIFL Alternate Asset Advisors Limited	2018-19	-	-	5.46	-	-	5.46
	2017-18	-	-	(2.40)	-	-	(2.40)
	2016-17	-	-	-	-	-	-
IIFL Distribution Services Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	(1.67)	-	-	(1.67)
	2016-17	-	-	(6.26)	-	-	(6.26)
IIFL Wealth Finance Limited	2018-19	-	-	25.90	-	-	25.90
	2017-18	-	-	(23.25)	-	-	(23.25)
	2016-17	-	-	(25.26)	-	-	(25.26)
India Alternatives Investment Advisors Private Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	(4.78)	-	-	(4.78)
IIFL Capital Pte. Limited	2018-19	-	-	4.40	-	-	4.40
	2017-18	-	-	(1.69)	-	-	(1.69)
	2016-17	-	-	(7.00)	-	-	(7.00)

RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED  
Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

Note 42. Related Party Disclosures: (continued)

Nature of Transaction	Year	Whole Time Director/Key Managerial Personnel	Other Related Parties	Subsidiaries	Other Related Parties (Holding Company) (Refer Note 3)	Other Related Parties (Fellow Subsidiaries) (Refer Note 3)	Total
IIFL Securities Pte. Limited	2018-19	-	-	10.80	-	-	10.80
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
<b>Reimbursement of expenses Paid</b>							
IIFL Distribution Services Limited	2018-19	-	-	0.48	-	-	0.48
	2017-18	-	-	(1.92)	-	-	(1.92)
	2016-17	-	-	(2.02)	-	-	(2.02)
IIFL Alternate Asset Advisors Limited	2018-19	-	-	51.61	-	-	51.61
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
India Alternatives Investment Advisors Private Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	(68.80)	-	-	(68.80)
IIFL Securities Pte. Limited	2018-19	-	-	4.40	-	-	4.40
	2017-18	-	-	(1.69)	-	-	(1.69)
	2016-17	-	-	(7.00)	-	-	(7.00)
IIFL Capital Pte. Limited	2018-19	-	-	10.80	-	-	10.80
	2017-18	-	-	(8.06)	-	-	(8.06)
	2016-17	-	-	(3.75)	-	-	(3.75)
<b>Other funds received</b>							
IIFL Trustee Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	(0.28)	-	-	(0.28)
	2016-17	-	-	-	-	-	-
IIFL Investment Adviser and Trustee Services Limited	2018-19	-	-	12.70	-	-	12.70
	2017-18	-	-	(7.04)	-	-	(7.04)
	2016-17	-	-	(2.42)	-	-	(2.42)
IIFL Alternate Asset Advisors Limited	2018-19	-	-	1.37	-	-	1.37
	2017-18	-	-	(1.45)	-	-	(1.45)
	2016-17	-	-	(0.35)	-	-	(0.35)
IIFL Distribution Services Limited	2018-19	-	-	9.74	-	-	9.74
	2017-18	-	-	(11.47)	-	-	(11.47)
	2016-17	-	-	(5.44)	-	-	(5.44)
IIFL Wealth Securities IFSC Limited	2018-19	-	-	0.47	-	-	0.47
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Asset Management Limited	2018-19	-	-	6.49	-	-	6.49
	2017-18	-	-	(7.50)	-	-	(7.50)
	2016-17	-	-	(1.00)	-	-	(1.00)
IIFL Wealth Finance Limited	2018-19	-	-	10.51	-	-	10.51
	2017-18	-	-	(7.90)	-	-	(7.90)
	2016-17	-	-	(2.22)	-	-	(2.22)
IIFL Altior Advisors Limited	2018-19	-	-	0.00#	-	-	0.00#
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Wealth Advisors (India) Ltd	2018-19	-	-	0.06	-	-	0.06
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
India Alternatives Investment Advisors Private Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	(0.82)	-	-	(0.82)
<b>Other funds paid</b>							
IIFL Investment Adviser and Trustee Services Limited	2018-19	-	-	0.32	-	-	0.32
	2017-18	-	-	(3.79)	-	-	(3.79)
	2016-17	-	-	(0.24)	-	-	(0.24)
IIFL Alternate Asset Advisors Limited	2018-19	-	-	0.33	-	-	0.33
	2017-18	-	-	(1.37)	-	-	(1.37)
	2016-17	-	-	-	-	-	-
IIFL Distribution Services Limited	2018-19	-	-	1.85	-	-	1.85
	2017-18	-	-	(1.56)	-	-	(1.56)
	2016-17	-	-	-	-	-	-
IIFL Asset Management Limited	2018-19	-	-	0.87	-	-	0.87
	2017-18	-	-	(0.46)	-	-	(0.46)
	2016-17	-	-	(1.59)	-	-	(1.59)
IIFL Wealth Finance Limited	2018-19	-	-	0.05	-	-	0.05
	2017-18	-	-	(1.17)	-	-	(1.17)
	2016-17	-	-	(0.23)	-	-	(0.23)
IIFL Trustee Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	(0.03)	-	-	(0.03)
IIFL Wealth Advisors (India) Ltd	2018-19	-	-	0.19	-	-	0.19
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
India Alternatives Investment Advisors Private Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	2016-17	-	-	(0.21)	-	-	(0.21)



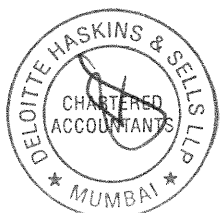
RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED  
Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

Note 42. Related Party Disclosures: (continued)

e) Amount due to / from related parties (Closing Balance) pursuant to provisions of ICDR - SEBI

(₹ in Mn)

Nature of Transaction	Year	Whole Time Director/Key Managerial Personnel	Other Related Parties	Subsidiaries	Other Related Parties (Holding Company) (Refer Note 3)	Other Related Parties (Fellow Subsidiaries) (Refer Note 3)	Total
<b>Sundry payables:</b>							
IIFL Alternate Asset Advisors Limited	2018-19	-	-	52.55	-	-	52.55
	2017-18	-	-	(25.49)	-	-	(25.49)
	2016-17	-	-	-	-	-	-
IIFL Distribution Services Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	(22.52)	-	-	(22.52)
	2016-17	-	-	(14.34)	-	-	(14.34)
IIFL Wealth Finance Limited	2018-19	-	-	1.64	-	-	1.64
	2017-18	-	-	(0.64)	-	-	(0.64)
	2016-17	-	-	(0.20)	-	-	(0.20)
IIFL Asset Management Limited	2018-19	-	-	1.82	-	-	1.82
	2017-18	-	-	(0.25)	-	-	(0.25)
	2016-17	-	-	(16.00)	-	-	(16.00)
IIFL Investment Adviser and Trustee Services Limited	2018-19	-	-	14.00	-	-	14.00
	2017-18	-	-	-	-	-	-
	2016-17	-	-	(1.30)	-	-	(1.30)
IIFL Wealth Advisors (India) Ltd	2018-19	-	-	0.13	-	-	0.13
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Private Wealth Management Dubai Ltd	2018-19	-	-	0.35	-	-	0.35
	2017-18	-	-	-	-	-	-
	2016-17	-	-	(12.97)	-	-	(12.97)
IIFL Capital (Canada) Limited	2018-19	-	-	3.81	-	-	3.81
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Securities Pte Ltd	2018-19	-	-	7.90	-	-	7.90
	2017-18	-	-	(7.28)	-	-	(7.28)
	2016-17	-	-	(16.36)	-	-	(16.36)
IIFL Capital Pte. Limited	2018-19	-	-	9.33	-	-	9.33
	2017-18	-	-	(2.42)	-	-	(2.42)
	2016-17	-	-	-	-	-	-
<b>Sundry receivables:</b>							
IIFL Alternate Asset Advisors Limited	2018-19	-	-	13.75	-	-	13.75
	2017-18	-	-	(2.03)	-	-	(2.03)
	2016-17	-	-	(0.04)	-	-	(0.04)
IIFL Distribution Services Limited	2018-19	-	-	189.04	-	-	189.04
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Wealth Finance Limited	2018-19	-	-	27.30	-	-	27.30
	2017-18	-	-	(14.39)	-	-	(14.39)
	2016-17	-	-	(14.54)	-	-	(14.54)
IIFL Investment Adviser and Trustee Services Limited	2018-19	-	-	7.37	-	-	7.37
	2017-18	-	-	(31.22)	-	-	(31.22)
	2016-17	-	-	(1.18)	-	-	(1.18)
IIFL Asset Management Limited	2018-19	-	-	19.63	-	-	19.63
	2017-18	-	-	(13.46)	-	-	(13.46)
	2016-17	-	-	(53.33)	-	-	(53.33)
IIFL Wealth Securities IFSC Limited	2018-19	-	-	(0.00)#	-	-	(0.00)#
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Altire Advisors Limited	2018-19	-	-	0.07	-	-	0.07
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Wealth Employee Benefit Trust	2018-19	-	-	1.18	-	-	1.18
	2017-18	-	-	(0.18)	-	-	(0.18)
	2016-17	-	-	-	-	-	-
IIFL Wealth Advisors (India) Ltd	2018-19	-	-	1.87	-	-	1.87
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-





RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

**Note 42. Related Party Disclosures: (continued)**

Nature of Transaction	Year	Whole Time Director/Key Managerial Personnel	Other Related Parties	Subsidiaries	Other Related Parties (Holding Company) (Refer Note 3)	Other Related Parties (Fellow Subsidiaries) (Refer Note 3)	Total
IIFL Securities Pte Ltd	2018-19	-	-	9.33	-	-	9.33
	2017-18	-	-	(2.42)	-	-	(2.42)
	2016-17	-	-	-	-	-	-
IIFL Capital Pte. Limited	2018-19	-	-	0.70	-	-	0.70
	2017-18	-	-	(1.08)	-	-	(1.08)
	2016-17	-	-	(3.71)	-	-	(3.71)
IIFL Asset Management (Mauritius) Limited	2018-19	-	-	11.35	-	-	11.35
	2017-18	-	-	(6.19)	-	-	(6.19)
	2016-17	-	-	(25.60)	-	-	(25.60)
IIFL Private Wealth Hong Kong Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	(0.33)	-	-	(0.33)
	2016-17	-	-	-	-	-	-
<b>ICD Taken</b>							
IIFL Distribution Services Limited	2018-19	-	-	57.90	-	-	57.90
	2017-18	-	-	(47.26)	-	-	(47.26)
	2016-17	-	-	-	-	-	-
IIFL Investment Adviser and Trustee Services Limited	2018-19	-	-	396.70	-	-	396.70
	2017-18	-	-	(150.00)	-	-	(150.00)
	2016-17	-	-	-	-	-	-
IIFL Asset Management Limited	2018-19	-	-	1,386.20	-	-	1,386.20
	2017-18	-	-	(1,110.00)	-	-	(1,110.00)
	2016-17	-	-	-	-	-	-
IIFL Alternate Asset Advisors Limited	2018-19	-	-	2,193.60	-	-	2,193.60
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Wealth Finance Limited	2018-19	-	-	582.10	-	-	582.10
	2017-18	-	-	(1,898.84)	-	-	(1,898.84)
	2016-17	-	-	-	-	-	-
<b>ICD Given</b>							
IIFL Asset Management Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	(175.00)	-	-	(175.00)
	2016-17	-	-	-	-	-	-
IIFL Alternate Asset Advisors Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	(2,570.00)	-	-	(2,570.00)
	2016-17	-	-	-	-	-	-
IIFL Wealth Finance Limited	2018-19	-	-	12.00	-	-	12.00
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Wealth Securities IFSC Limited	2018-19	-	-	0.50	-	-	0.50
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Altire Advisors Limited	2018-19	-	-	11.10	-	-	11.10
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-
IIFL Wealth Employee Benefit Trust	2018-19	-	-	35.47	-	-	35.47
	2017-18	-	-	(2.63)	-	-	(2.63)
	2016-17	-	-	-	-	-	-
India Alternatives Investment Advisors Private Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	(16.00)	-	-	(16.00)
	2016-17	-	-	(16.00)	-	-	(16.00)
<b>Payable to Client:</b>							
IIFL Wealth Finance Limited	2018-19	-	-	10.16	-	-	10.16
	2017-18	-	-	(0.15)	-	-	(0.15)
	2016-17	-	-	-	-	-	-
IIFL Asset Management Limited	2018-19	-	-	-	-	-	-
	2017-18	-	-	(138.85)	-	-	(138.85)
	2016-17	-	-	-	-	-	-
IIFL Alternate Asset Advisors Limited	2018-19	-	-	14.27	-	-	14.27
	2017-18	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-

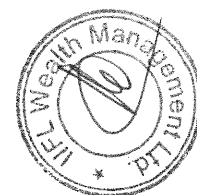
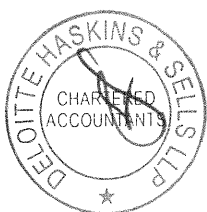
**Note:**

I) Figures in bracket represents previous year figures.

II) Related parties are identified and certified by the management.

III) The Remuneration for FY 2016-17 includes Gratuity cost as per actuarial valuation. No provision is included in the remuneration for FY 2017-18 and FY 2018-19 as FY 2016-17 as FY 2016-17 includes provision for gratuity made as per actuarial valuation as applicable to above persons. For FY 2017-18 and FY 2018-19 no provision is made on actuarial basis due to ceiling on gratuity payment as per the Group Policy on Gratuity

# Amount less than ₹ 10,000.



**RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED**
**Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017**
**Note 43. Corporate Social Responsibility**

During the year, the Group has spent ₹ 66.70 Mn (FY 17-18 - ₹ 49.40 Mn; FY 16-17 (Proforma) - ₹ 28.72 Mn) as against ₹ 63.79 Mn (FY 18 - ₹ 44.09 Mn FY 17 (Proforma) - ₹ 28.22Mn) required to be spent as per section 135 of the Companies Act 2013 in respect of Corporate Social Responsibility (CSR). The Group was focused on implementing long term high impact projects approved by the CSR Committee. IIFL Group is committed to supporting development of the country by contributing to achieving the sustainable development goals and all its activities are directed towards this. Going forward these projects will be consolidated and scaled to achieve a larger and deeper impact. The key focus areas includes maintenance of environmental sustainability, education and health areas.

**Note 44. Summary of Consolidation:**

The Consolidated Financial Statements represents consolidation of financial statements of the Holding Company with its following subsidiaries:

Subsidiary	Country of incorporation	Proportion of ownership interest	Proportion of ownership interest	Proportion of ownership interest
		As at Mar 31, 2019	As at Mar 31, 2018	As at Mar 31, 2017
IIFL Distribution Services Limited	India	100%	100%	100%
IIFL Investment Adviser and Trustee Services Limited	India	100%	100%	100%
IIFL Alternate Asset Advisors Limited	India	100%	100%	100%
IIFL Asset Management Limited	India	100%	100%	100%
IIFL Trustee Limited	India	100%	100%	100%
India Alternatives Investment Advisors Private Limited (Upto 31st March, 2017)	India	-	-	71%
IIFL Wealth Finance Limited	India	100%	100%	100%
IIFL Wealth Securities IFSC Limited (w.e.f June 22, 2018)	India	100%	-	-
IIFL Wealth Advisors (India) Limited (w.e.f November 22, 2018)	India	100%	-	-
IIFL Altire Advisors Limited (w.e.f November 05, 2018)	India	100%	-	-
IIFL Wealth Employee Welfare benefit Trust	India	100%	-	-
IIFL Wealth Employee Benefit Trust	India	-	100%	100%
IIFL Asset Management (Mauritius) Limited (Formerly known as IIFL Private Wealth (Mauritius) Limited	Mauritius	100%	100%	100%
IIFL Private Wealth (Suisse) SA (upto February 27, 2019)	Switzerland	-	100%	100%
IIFL INC	New York	100%	100%	100%
IIFL (Asia) Pte. Limited	Singapore	100%	100%	100%
IIFL Securities Pte. Limited	Singapore	100%	100%	100%
IIFL Capital Pte. Limited	Singapore	100%	100%	100%
IIFL Private Wealth Management (Dubai) Limited	Dubai	100%	100%	100%
IIFL Private Wealth Hong Kong Limited	Hongkong	100%	100%	100%
IIFL Capital (Canada) Limited (w.e.f November 3, 2018)	Canada	100%	100%	-



Note 45. Business Combination

A Subsidiaries acquired

Particulars	Principal activity	Date of acquisition	Proportion of voting equity interests acquired	Consideration transferred (Amount in ₹ Mn)
IIFL Wealth Advisors (India) Limited	Wealth Management, and Advisory business	November 22, 2018	100%	2,530.24
IIFL Altire Advisors Limited	Wealth Management, and Advisory business	November 05, 2018	100%	83.30
				<b>2,613.54</b>

B Assets acquired and liabilities recognised at the date of acquisition

Particulars	IIFL Wealth Advisors (India) Limited	IIFL Altire Advisors Limited	(₹ in Mn)
<b>Financial Assets</b>			
Cash and cash equivalents	5.08	0.36	
Bank Balance other than above	0.04	-	
Trade Receivables	34.91	0.95	
Investments	208.74	-	
Other financial assets	6.80	0.14	
	-	-	
<b>Non-Financial Assets</b>			
Current tax assets (Net)	-	0.04	
Property, plant and equipment	7.08	-	
Other intangible assets	4.85	-	
Other non-financial assets	7.11	-	
	-	-	
<b>Financial Liabilities</b>			
Trade & other payables	(52.29)	(4.62)	
Borrowings	-	(4.07)	
Other financial liabilities	(6.72)	(1.50)	
	-	-	
<b>Non-Financial Liabilities</b>			
Current tax liabilities (Net)	(2.82)	-	
Provisions	(2.02)	-	
Deferred tax liabilities (Net)	(0.67)	-	
	-	-	
	<b>210.09</b>	<b>(8.70)</b>	

C Goodwill arising on acquisition

Particulars	IIFL Wealth Advisors (India) Limited	IIFL Altire Advisors Limited	Total	(₹ in Mn)
Consideration transferred	2,530.24	83.30	2,613.54	
Less : Value of identifiable assets				
Intangible assets	728.20	92.00	820.20	
Other net assets	210.10	(8.70)	201.40	
<b>Goodwill arising on acquisition of subsidiaries</b>	<b>1,591.94</b>	<b>-</b>	<b>1,591.94</b>	
Deferred tax Liability recognised on customer relation	254.46	32.11	286.57	
<b>Total Goodwill</b>	<b>1,846.40</b>	<b>32.11</b>	<b>1,878.51</b>	

D Impact on acquisitions on the results of the Group

The profit for the year ended March 31, 2019 includes Rs. 34.01 Mn attributable to additional business generated by IIFL Wealth Advisors (India) Limited and net of loss of Rs. 1.20Mn attributable to IIFL Altire Advisors Limited. Revenue for the year includes Rs. 10.25 Mn in respect of IIFL Wealth Advisors (India) Limited and Rs. Nil in respect of IIFL Altire Advisors Limited.



RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

Note 45. Business Combination (continued)

The financial position and results (after eliminations) of IIFL Wealth Securities IFSC Limited, IIFL Wealth Employee Welfare benefit Trust during the year ended March 31, 2019, IIFL Capital (Canada) Limited which became subsidiary during the year ended March 31, 2018 and India Alternatives Investment Advisors Private Limited (IAIA) which ceased to be a subsidiary during the year ended March 31, 2017 are given below:

(₹ in Mn)				
Particulars	As at March 31, 2019		As at March 31, 2018	As at March 31, 2017 (Proforma)
Name of the subsidiary	IIFL Wealth Securities IFSC Limited	IIFL Wealth Employee Welfare benefit Trust	IIFL Capital (Canada) Limited	India Alternatives Investment Advisors Private Limited
<b>Assets</b>				
Financial Assets	0.39	-	3.22	0.26
Non-financial Assets	-	35.73	0.68	12.00
<b>Total</b>	<b>0.39</b>	<b>35.73</b>	<b>3.90</b>	<b>12.26</b>
<b>Liabilities</b>				
Financial Liabilities	0.65	36.68	1.07	22.68
Non-Financial Liabilities	0.01	0.14	-	4.77
<b>Total</b>	<b>0.66</b>	<b>36.82</b>	<b>1.07</b>	<b>27.45</b>
	<b>2018-2019</b>	<b>2018-2019</b>	<b>2017-2018</b>	<b>2016-2017</b>
Revenue for the period ended	-	-	0.02	22.71
Expenses for the period ended	1.26	0.05	5.29	60.65
<b>Profit / (Loss) before tax for the period ended</b>	<b>(1.26)</b>	<b>(0.05)</b>	<b>(5.28)</b>	<b>(37.94)</b>
<b>Profit / (Loss) after tax for the period ended</b>	<b>(1.26)</b>	<b>(0.05)</b>	<b>(5.28)</b>	<b>(37.94)</b>



# **RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED**

Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, March 31, 2018 and March 31, 2017

## **Note 46. Undistributed profits**

Deferred income taxes are not provided on the undistributed earnings of subsidiaries where it is expected that the earnings of the subsidiary will not be distributed in the foreseeable future.

## **Note 47. Reconciliation of profit and equity**

The reconciliation of profit and equity is as given below:

Profit reconciliation: (₹ in Mn)			
Particulars	2018-19	2017-18	2016-17
Audited Consolidated financial statements as per	INDAS	IGAAP	IGAAP
Profit after tax as per signed financials	3,843.57	3,853.11	2,504.69
Change in fair value of investments	-	(158.44)	199.61
Actuarial gain/ loss recognised on employee benefit in other comprehensive income	-	25.96	13.99
Impairment on Financial Instruments	-	12.93	(37.58)
Effective Interest Rate for financial liabilities recognised at amortized cost	-	(19.90)	19.90
ESOP Compensation Cost	-	(37.48)	(34.80)
Impact of provision for expected credit loss on Trade Receivables	-	(0.94)	3.29
Profit attributable to Wealth Business Undertaking	-	115.27	452.25
Adjustment on retrospective application of Ind AS 103	-	-	51.28
Others	-	(0.21)	(2.38)
Deferred tax impact on above adjustments	-	11.14	(35.46)
Other Comprehensive Income	-	6.96	(41.51)
<b>Restated Profit after tax including other comprehensive income as per restated financials</b>	<b>3,843.57</b>	<b>3,808.40</b>	<b>3,093.28</b>

Equity reconciliation: (₹ in Mn)				
Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Audited Consolidated financial statements as per	INDAS	IGAAP	IGAAP	IGAAP
Equity as per signed financials	29,104.15	18,895.48	15,241.62	12,292.72
Change in fair value of investments	-	47.21	208.75	9.54
Impairment on Financial Instruments	-	(26.58)	(39.51)	(1.93)
Effective Interest Rate for financial liabilities recognised at amortized cost	-	-	19.90	-
Expected credit loss on Trade Receivables	-	5.88	6.82	3.52
Effect of Merger of Wealth business undertaking	-	98.38	85.53	(394.29)
ESOP Compensation Cost	-	(2.39)	(2.49)	(1.53)
Consolidation of IIFL Wealth Employee Benefit trust	-	(2.81)	(1.83)	-
Adjustment on retrospective application of Ind AS 103	-	(288.32)	(288.32)	(339.60)
Securities Premium on Debentures	-	(85.68)	-	-
Deferred tax impact on above adjustments	-	(12.24)	(32.04)	(1.27)
<b>Equity as per restated financials</b>	<b>29,104.15</b>	<b>18,628.93</b>	<b>15,198.43</b>	<b>11,567.16</b>



**RESTATED CONSOLIDATED FINANCIAL INFORMATION OF IIFL WEALTH MANAGEMENT LIMITED**

Notes forming part of Restated Consolidated Financial Information for the year ended March 31, 2019, MARCH 31, 2018 and MARCH 31, 2017

**Note 48. Subsequent Events**

There were no subsequent events from the date of financial statements till the date of adoption of accounts

**Note 49. Approval of Financial Statements**

The financial statements were approved for issuance by the Board of Directors on June 25, 2019

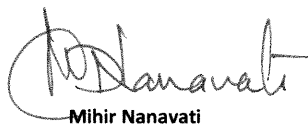
For and on behalf of the Board of Directors



**Karan Bhagat**  
Managing Director  
(DIN: 03247753)



**R. Venkataraman**  
Director  
(DIN: 00011919)



**Mihir Nanavati**  
Chief Financial Officer



**Ashutosh Naik**  
Company Secretary

Place : Mumbai

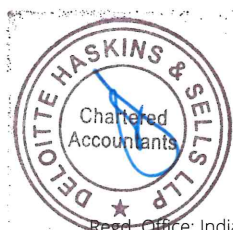
Dated: June 25, 2019



**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF  
INTERIM CONSOLIDATED FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF  
IIFL WEALTH MANAGEMENT LIMITED**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **IIFL WEALTH MANAGEMENT LIMITED** ("the Parent/Company") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter ended 30 June 2019 ("the Statement"), which as stated in Note 1 to the Statement has been prepared by the Parent in lieu of the proposed listing of the Equity shares of the Company for submission to IIFL Finance Limited (formerly known as IIFL Holdings Limited) for onward submission to The National Stock Exchange of India Limited and BSE Limited (the "Stock Exchanges").
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. The Statement includes the results of the following entities:  
IIFL Wealth Management Limited,  
IIFL Wealth Finance Limited,  
IIFL Asset Management Limited,  
IIFL Alternate Asset Advisors Limited,  
IIFL Distribution Services Limited,  
IIFL Investment Advisers & Trustee Services Limited,

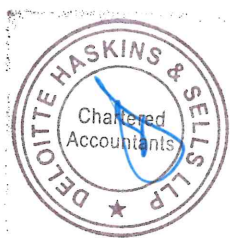




IIFL Trustee Limited,  
IIFL Wealth Securities IFSC Limited,  
IIFL Altior Advisors Private Limited,  
IIFL Wealth Advisors (India) Private Limited,  
IIFL Wealth Employee Welfare Benefit Trust,  
IIFL Asset Management (Mauritius) Limited,  
IIFL (Asia) Pte. Limited,  
IIFL Capital Pte. Limited,  
IIFL Securities Pte. Limited,  
IIFL Inc.,  
IIFL Private Wealth Management (Dubai) Limited,  
IIFL Private Wealth Hong Kong Limited, and  
IIFL Capital (Canada) Limited.

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India contains any material misstatement.
6. We draw attention to Note 6 to the Statement which describes the reasons for implementation of the Composite Scheme of Arrangement amongst the IIFL Finance Limited, Infoline Media and Research Services Limited, IIFL Securities Limited, IIFL Wealth Management Limited, India Infoline Finance Limited, IIFL Distribution Services Limited and their respective shareholders, under Sections 230 – 232 and other applicable provisions of the Companies Act 2013 (the "Scheme"), in parts, based on the legal opinion obtained by IIFL Finance Limited. The Scheme has been approved by the National Company Law Tribunal vide its order dated 7 March 2019 and filed with the Registrar of Companies on 11 April 2019.  
Our conclusion on the Statement is not modified in respect of this matter.
7. We did not review the interim financial results of one subsidiary included in the consolidated unaudited financial results, whose interim financial results reflect total revenues of Rs.586.57 lacs for the quarter ended 30 June 2019, total net profit after tax of Rs.128.77 lacs and total comprehensive income of Rs111.99 lacs for the quarter ended 30 June 2019, as considered in the consolidated unaudited financial results. These interim financial results have been reviewed by other auditors whose report has been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of the other auditors.

Our conclusion on the Statement is not modified in respect of the above matter.





8. This report has been issued at the request of the Parent solely as stated in Note 1 to the Statement for submission by the Parent to IIFL Finance Limited for onward submission to the Stock Exchanges, in lieu of the proposed listing of the Equity shares of the Company. As a result, our report may not be suitable for any another purpose. Our report is intended solely for the information of the Board of Directors of the Parent and for onward submission to the Stock Exchanges and is not intended to be and shall not be used by anyone other than these specified parties without our prior written consent.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



Pallavi A. Gorakshakar  
Partner  
(Membership No. 105035)  
(UDIN: 19105035AAAAEL5796)

Place: MUMBAI  
Date: 21 August 2019

IIFL Wealth Management Limited  
CIN : U74140MH2008PLC177884  
Regd. Office :- IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai-400013, Maharashtra, India  
Statement of Consolidated Unaudited Financial Results for the Quarter ended June 30, 2019

Particulars	Quarter ended			Rs. Lakhs
	June 30, 2019	March 31, 2019	June 30, 2018	Year ended
	(Unaudited)	(Unaudited) (see note 8)	(Unaudited) (see note 6)	March 31, 2019 Audited
<b>1. Income</b>				
Revenue from operations				
(i) Interest Income	18,442.78	14,878.42	16,870.45	65,378.90
(ii) Dividend & Distribution income on investments	122.85	208.90	2,540.66	2,938.37
(iii) Fees and commission Income	12,400.40	17,444.86	23,111.33	80,813.71
(iv) Net gain on fair value changes	2,429.05	2,297.50	-	5,728.83
(vii) Sale of products	1,989.36	40.96	-	40.96
(I) Total Revenue from operations	35,384.44	34,870.64	42,522.44	154,900.77
(II) Other Income	775.69	336.27	1,170.02	2,818.02
<b>(III) Total Income (I+II)</b>	<b>36,160.13</b>	<b>35,206.91</b>	<b>43,692.46</b>	<b>157,718.79</b>
<b>2. Expenses</b>				
(i) Finance Costs	10,681.79	7,444.74	12,263.80	42,705.89
(ii) Fees and commission expense	1,991.75	2,299.38	1,120.17	6,621.79
(iii) Net loss on fair value changes	-	-	786.48	-
(v) Impairment on financial instruments	(305.97)	(20.63)	(444.85)	(766.58)
(vii) Purchases of Stock-in-trade	-	2,056.16	-	2,056.16
(viii) Changes in Inventories of finished goods, stock-in-trade and work-in-progress	1,975.06	(1,975.06)	-	(1,975.06)
(vi) Employee Benefits Expenses	7,794.55	5,785.17	10,276.60	33,117.09
(vii) Depreciation, amortization and impairment	1,015.27	765.25	378.51	2,150.59
(viii) Others expenses	3,983.73	6,086.04	4,156.95	20,015.99
<b>(IV) Total Expenses</b>	<b>27,136.18</b>	<b>22,441.05</b>	<b>28,537.66</b>	<b>103,925.87</b>
<b>(V) Profit before tax (III - IV)</b>	<b>9,023.95</b>	<b>12,765.86</b>	<b>15,154.80</b>	<b>53,792.92</b>
<b>(VI) Tax Expense:</b>				
(1) Current Tax	4,883.64	4,380.92	4,205.84	16,422.04
(2) Deferred Tax	(2,014.75)	31.69	(42.42)	(83.64)
<b>Total Tax Expense</b>	<b>2,868.89</b>	<b>4,412.61</b>	<b>4,163.42</b>	<b>16,338.40</b>
<b>(VII) Profit for the period/year (V-VI)</b>	<b>6,155.06</b>	<b>8,353.25</b>	<b>10,991.38</b>	<b>37,454.52</b>
<b>(VIII) Other Comprehensive Income</b>				
(A) (i) Items that will not be reclassified to profit or loss				
- Remeasurements of defined benefits liabilities/(assets)	(56.07)	48.26	99.22	(46.62)
(ii) Income tax relating to items that will not be reclassified to profit or loss	19.13	(9.90)	(33.27)	24.16
Subtotal (A)	(36.94)	38.36	65.95	(22.46)
(B) (i) Items that will be reclassified to profit or loss				
- Foreign currency translation reserve	(29.04)	52.45	695.16	1,003.40
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
Subtotal (B)	(29.04)	52.45	695.16	1,003.40
<b>Other Comprehensive Income (A + B)</b>	<b>(65.98)</b>	<b>90.81</b>	<b>761.11</b>	<b>980.94</b>
<b>(IX) Total Comprehensive Income for the period/year (XI+XII) (Comprising Profit and other Comprehensive Income for the period/year)</b>	<b>6,089.08</b>	<b>8,444.06</b>	<b>11,752.49</b>	<b>38,435.46</b>
(X) Paid up Equity Share Capital (Face value of Rs. 2 each)	1,701.80	1,689.71	1,653.55	1,689.71
(XI) Incremental shares pending issuance	-	12.01	11.53	12.01
(XII) Reserves (excluding Revaluation reserve)				289,339.84
<b>(XIII) Earnings per equity share</b>				
Basic (In Rs.) *	7.23	9.82	13.61	44.63
Diluted (In Rs.) *	7.03	9.54	13.20	43.37

\* Quarter ended numbers are not annualised.

For and on behalf of the Board of Directors

Date : August 21, 2019  
Place : Mumbai



Karan Bhagat  
Managing Director  
(DIN: 03247753)

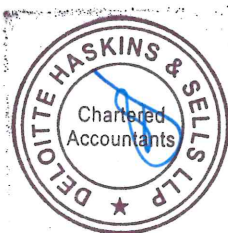


**IIFL Wealth Management Limited**

**CIN : U74140MH2008PLC177884**

**Regd. Office :- IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai-400013,  
Maharashtra, India**

1. The above consolidated unaudited financial results for the quarter ended June 30, 2019, have been reviewed and recommended by the Audit Committee and approved by the Board of Directors of IIFL Wealth Management Limited (the "Company") at its meeting held on August 21, 2019. The Statutory Auditors of the Company have carried out the Limited Review of the aforesaid results. These consolidated unaudited financial results have been prepared by the Company in lieu of the proposed listing of the Equity Shares of the Company for submission to IIFL Finance Ltd (Formerly known as IIFL Holdings Ltd) for onward submission to The National Stock Exchange of India Limited and BSE Limited (the Stock Exchanges).
2. These consolidated unaudited financial results have been prepared in accordance with the recognition and measurement principals laid down in Indian Accounting Standards 34 — Interim Financial Reporting ("Ind AS 34") prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principal generally accepted in India.
3. The Group has adopted Ind AS 116 — "Leases" with effect from April 01, 2019 and applied the standard to its leases retrospectively. In accordance with the requirements of the standard, the lease liability at the present value of remaining lease payments at the date of initial application i.e. April 01, 2019 amounting to Rs.4,357.01 lakhs has been recognized and "Right to use assets" has been recognized at an amount equal to the "Lease liability" as at that date. In the Statement of Profit and Loss for the current period, the nature of expenses in respect of leases has changed from lease rent in previous periods to depreciation cost for "Right to use lease assets" and interest accrued on "Lease liability". The Group is not required to restate the comparative information in this respect.
4. During the quarter ended on June 30, 2019, IIFL Wealth Management Limited, has bought immovable property, i.e., IIFL Center, situated at Kamala Mills compound, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400013 from group company IIFL Facilities Services Limited for a consideration of Rs. 22,500 lakhs.
5. During the quarter ended June 30, 2019, the Company acquired the office premise, which was earlier obtained on lease. Consequently, the Company revised its estimate of useful life of Furniture & Fixture and Electrical equipment used in the said office premise and has recomputed the depreciation on the same on prospective basis. As a result, depreciation for the quarter is lower by Rs.137.14 lakhs and the profit before tax for the quarter is higher by Rs.137.14 lakhs.
6. The Board of Directors of the Company at its meeting held on January 31, 2018, had approved the Composite Scheme of Arrangement amongst IIFL Finance Limited, India Infoline Finance Limited, India Infoline Media and Research Services Limited ("IIFL M&R"), IIFL Securities Limited ("IIFL Securities"), IIFL Wealth Management Limited ("IIFL Wealth") and IIFL Distribution Services Limited ("IIFL Distribution"), and their respective shareholders, under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 ("Scheme") which inter-alia, envisages the following:
  - i. amalgamation of IIFL M&R with IIFL Finance Limited;
  - ii. demerger of the Securities Business Undertaking (as defined in the Scheme) of IIFL Finance Limited into IIFL Securities;
  - iii. demerger of the Wealth Business Undertaking (as defined in the Scheme) of the IIFL Finance Limited into the IIFL Wealth;
  - iv. transfer of the Broking and Depository Participant Business Undertaking (as defined in the Scheme) of IIFL Wealth to its wholly owned subsidiary i.e., IIFL Distribution, on a going-concern basis; and
  - v. amalgamation of India Infoline Finance with IIFL Finance Limited.





**IIFL Wealth Management Limited**  
**CIN : U74140MH2008PLC177884**  
**Regd. Office :- IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai-400013,**  
**Maharashtra, India**

The Appointed Date for the amalgamation of IIFL M&R with IIFL Finance is opening hours of April 01, 2017 and for all the other steps, the Appointed Date is opening hours of April 01, 2018.

The shareholders of respective Companies approved the Scheme on December 12, 2018.

The National Company Law Tribunal Bench at Mumbai (Tribunal) approved the aforementioned Scheme on March 07, 2019 under the applicable provisions of the Companies Act, 2013. Certified copy of the said order of the Tribunal was received by the Company on March 15, 2019 and filed with the Registrar of Companies on April 11, 2019.

Clause 56.2.4 of the Scheme states that Part V of the Scheme dealing with the merger of India Infoline Finance Limited with IIFL Finance Limited shall be made effective upon receipt of Non-Banking Finance Company (NBFC) registration by the Company from the Reserve Bank of India (RBI). Pending the receipt of NBFC registration from RBI and based on the legal opinion obtained by IIFL Finance Limited, the Board of Directors at its meeting held on May 13, 2019 decided to give effect to the Scheme in the following manner:

- a. Merger of IIFL M&R with IIFL Finance Limited with effect from the Appointed Date i.e. April 01, 2017;
- b. Demerger of Securities Business Undertaking and the Wealth Business Undertaking from IIFL Finance Limited with effect from the Appointed Date i.e. April 01, 2018; and
- c. Transfer of the Broking and Depository Participant Business Undertaking from the Company to its wholly owned subsidiary, IIFL Distribution Services Limited with effect from the Appointed Date April 01, 2018.
- d. Merger of India Infoline Finance Limited with IIFL Finance Limited to be given effect after receipt of necessary registration from the RBI.

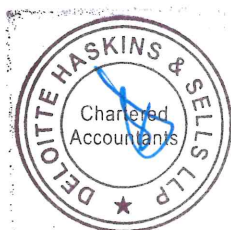
Consequently, the figures of the quarter ended June 30, 2018 have been restated to give effect to the aforementioned Scheme.

May 31, 2019 was fixed as the Record date for determining the eligibility of the shareholders of IIFL Finance for allotting shares of the Company in the ratio of 1 (One) fully paid up new equity share of Rs. 2/- of the Company for every 7 (seven) equity shares of 2 each of IIFL Finance Limited. Accordingly, the Company allotted 4,56,04,924 shares respectively to eligible shareholders of IIFL Finance Limited on June 06, 2019.

Consequently as per the scheme 4,50,00,000 shares held by IIFL Finance have been cancelled by the Company as on June 06, 2019.

The Company has filed its Listing Application with Stock exchange(s) and approval for the same is awaited. Post which Listing and commencement of trading will take place.

7. The group has reported segment information as per Indian Accounting Standard 108 on "Operating Segments". As per Ind AS 108, segments are identified based on management's evaluation of financial information for allocating resources and assessing performance. Accordingly, the Group has identified two reportable segments, namely i) Wealth Management and ii) Asset Management. The Balance is shown as unallocated items.



IIFL Wealth Management Limited

CIN : U74140MH2008PLC177884

Regd. Office :- IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai-400013, Maharashtra, India

Rs. Lakhs

Particulars	Quarter ended			Year ended
	June 30, 2019	March 31, 2019	June 30, 2018	March 31, 2019
	(Unaudited)	(Unaudited) (see note 8)	(Unaudited)	Audited
<b>Segment Revenue</b>				
1. Wealth Management	32,247.34	31,857.83	37,986.95	139,886.80
2. Asset Management	3,912.79	3,349.08	5,705.51	17,831.99
<b>Total</b>	<b>36,160.13</b>	<b>35,206.91</b>	<b>43,692.46</b>	<b>157,718.79</b>
<b>Segment Result (Profit before Tax)</b>				
1. Wealth Management	8,399.16	12,344.52	12,311.05	49,708.32
2. Asset Management	624.79	421.34	2,843.75	4,084.60
<b>Total</b>	<b>9,023.95</b>	<b>12,765.86</b>	<b>15,154.80</b>	<b>53,792.92</b>
Unallocated	-	-	-	-
<b>Total Segment Results</b>	<b>9,023.95</b>	<b>12,765.86</b>	<b>15,154.80</b>	<b>53,792.92</b>
<b>Segment Assets</b>				
1. Wealth Management	1,077,248.44	955,756.68	821,484.25	955,756.68
2. Asset Management	11,796.13	17,868.39	24,789.45	17,868.39
<b>Total</b>	<b>1,089,044.57</b>	<b>973,625.07</b>	<b>846,273.70</b>	<b>973,625.07</b>
Unallocated	6,959.41	4,397.38	2,994.53	4,397.38
<b>Total Segment Assets</b>	<b>1,096,003.98</b>	<b>978,022.45</b>	<b>849,268.23</b>	<b>978,022.45</b>
<b>Segment Liabilities</b>				
1. Wealth Management	786,699.85	678,515.24	580,807.75	678,515.24
2. Asset Management	3,101.04	2,762.82	3,830.74	2,762.82
<b>Total</b>	<b>789,800.88</b>	<b>681,278.06</b>	<b>584,638.49</b>	<b>681,278.06</b>
Unallocated	9,019.13	5,702.83	1,329.43	5,702.83
<b>Total Segment Liabilities</b>	<b>798,820.01</b>	<b>686,980.89</b>	<b>585,967.92</b>	<b>686,980.89</b>
<b>Capital Employed</b> (Segment Assets less Segment liabilities)				
1. Wealth Management	290,548.59	277,241.45	240,676.50	277,241.45
2. Asset Management	8,695.09	15,105.56	20,958.71	15,105.56
<b>Total capital employed in Segments</b>	<b>299,243.68</b>	<b>292,347.01</b>	<b>261,635.21</b>	<b>292,347.01</b>
Unallocated	(2,059.72)	(1,305.45)	1,665.10	(1,305.45)
<b>Total Capital Employed</b>	<b>297,183.97</b>	<b>291,041.56</b>	<b>263,300.31</b>	<b>291,041.56</b>



**IIFL Wealth Management Limited**  
**CIN : U74140MH2008PLC177884**  
**Regd. Office :- IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai-400013,**  
**Maharashtra, India**

8. The figures for the quarter ended March 31, 2019 are the balancing figures between audited figures in respect of the year ended March 31, 2019 and the unaudited figures of nine months ended December 31, 2018.
9. Previous period/year figures have been regrouped reclassified to make them comparable with those of current period.

**In Terms of our report attached**



Date: August 21, 2019  
Place: Mumbai

**By the order of the Board**  
**For IIFL Wealth Management Limited**

**Karan Bhagat**  
Managing Director  
(DIN : 03247753)



## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our financial statements, including the notes thereto, which appear elsewhere in this Information Memorandum. You should also read the section titled "Risk Factors", which discusses a number of factors and contingencies that could impact our financial condition and results of operations. The following discussion relates to the financial statements of our Company.*

*These financial statements for the fiscals ended March 31, 2019, 2018, and 2017 have been prepared under Indian Accounting Standards ("Ind AS"), the Companies Act, 2013 and the guidance notes issued by the ICAI.*

*This discussion contains forward-looking statement and reflects our current plans and expectations, actual results may differ materially from those anticipated in these forward-looking statements. By their nature certain market risk disclosures are only estimates and could be materially different from those that have been estimated. Given these uncertainties, prospective investors are cautioned not to place undue reliance on such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in the sections "Risk Factors", "Forward Looking Statements" and "Our Business".*

### Overview

We are one of the largest and fastest growing private wealth management firms in India. Founded in 2008, our Company has grown steadily and now manages assets worth INR 1,677,460 million, as on March 31, 2019. We have a wide network comprising of over 1,000 employees operating out of 33 offices, spread across the world.

Our business can be divided into two verticals

- **Wealth Management:** We serve the highly specialized and sophisticated needs of high net worth and ultra-high net worth individuals, affluent families, family offices and institutional clients through a comprehensive range of tailored wealth management and lending solutions.
- **Asset Management:** We have a diversified suite of alternative investment funds, portfolio management schemes and mutual funds that span public and private equities, fixed income securities and real estate. Our clients include global and domestic institutions, channel partners including private banks, family offices, pension funds, and retail investors.

The table below sets forth the key performance indicators of our business on a consolidated basis, as of/for the periods indicated:

*(in ₹ million, unless otherwise specified)*

KPI	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended March 31, 2017
Revenue from operations	15,490.08	16,585.50	10,980.55
Profit before tax	5,379.31	4,900.76	4,296.16
Profit After Tax	3,745.47	3,801.69	3,134.80
Total Comprehensive Income (net of Tax)	3,843.57	3,808.40	3,093.28

### Wealth Management Business

#### 1) Our Business Proposition

The fundamental role of a wealth manager is to help clients preserve and grow their wealth. Our Company provides HNI and UHNI clients investment management services with the aim to generate steady returns from a diversified portfolio with the lowest possible volatility, along with allied additional services such as trust and estate planning, credit solutions and corporate advisory.

The following are the modes of our engagement with clients:

- Discretionary & Non – Discretionary multi-asset class Portfolio management service,
- Distribution of financial products across asset classes,
- Broking Solutions for debt, equity, real estate, commodities and currency, and

- Investment advisory services primarily catering to corporate treasuries.

Along with the above, we also provide clients the following services:

- Credit solutions: Providing credit to fill short term liquidity gaps or enable leveraged investing,
- Estate and succession planning: Providing full suite of wealth structuring and inter-generational transfer solutions, and
- Corporate Finance Advisory: Mergers & acquisitions, divestments, raising funds from private equity, strategic investments, structured equity / debt, initial public offerings and qualified institutional placements (through third party tie-ups).

## 2) Our Client Segment:

With a booming economy, India's wealth creation journey has accelerated over the past few years. Total individual wealth in India is currently estimated to be approximately \$ 5.6 trillion and is expected to double to \$ 10.9 trillion by 2023 at a CAGR of 14% (Source: Karvy Wealth Report 2018)

India's wealthy are expected to increase their assets sharply through growth of existing assets or sale of business (unlocking potential through secondary sale). Of the total individual wealth, Ultra HNIs and HNIs account for approximately \$ 2.2 trillion which is projected to grow to \$ 5.06 trillion by 2023. It is estimated that as of Fiscal 2017, there are 160,600 UHNI / HNI households and this is projected to grow to 330,400 households by Fiscal 2021 (Source: Kotak Wealth Report 2017).

## 3) Unit Economics of the business:

We track the unit economics of the business in two forms:

### Average Assets under Management (AUM) – Rs. 120,376 crores for the year

Particulars*	FY 19 % Basis Average AUM
Net Revenues on Average AUM(A)	0.76%
Wealth Employee Expenses on Average AUM (B)	0.22%
Admin and Other Expenses on Average AUM (C)	0.13%
<b>PBT (A-B-C)</b>	<b>0.41%</b>

### Number of team leaders – Average 62

Particulars	FY 19 - INR Cr (Basis average no. of RM teams)
Net Revenues on Average AUM (A)	14.82
Wealth Employee Expenses for FY19 (B)	4.33
Admin and Other Expenses for FY19 (C)	2.58
<b>PBT (A-B-C)</b>	<b>7.93</b>

## 4) Pillars of our wealth management business

- People:** Wealth management is a people-centric business with high engagement levels. A quality team comprised of experienced professionals across verticals such as relationship management, products, operations etc. is essential to ensure high levels of service to clients.
- Platform:** A comprehensive platform with a wide product and research capability enables us to provide cost – efficient access to the best in – class fund managers and jointly create innovative and often exclusive product ideas in partnership with leading AMCs.
- Process:** A strong emphasis on building processes helps us create standardized solutions and streamlined working mechanisms.

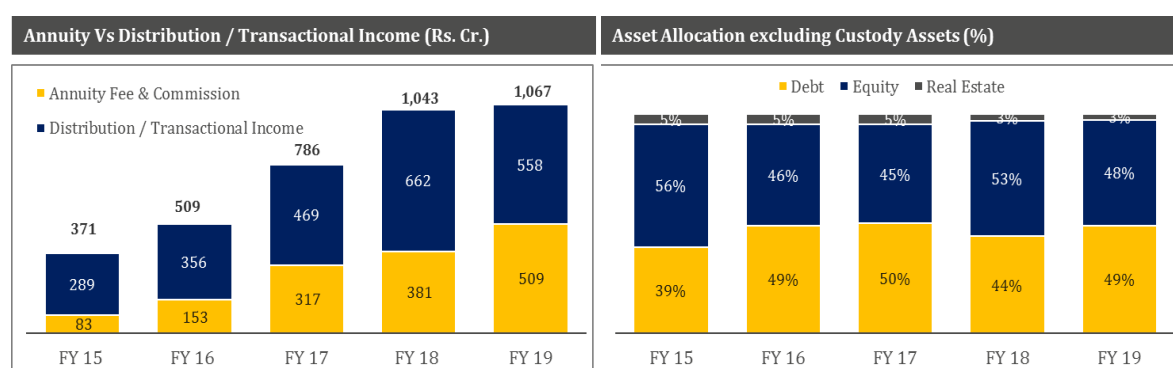


- h. **Proposition:** It is our ability to engage with clients through multiple modes of engagement basis their requirements and suitability. Across engagement models, we strive for transparency, alignment of interest and robust process and risk management controls to provide our clients the best possible experience.

#### 5) Capital Markets – Business Stability/ Cyclicality

Capital markets are a major sentiment indicator and can influence client behavior. However, the impact of cyclical markets on a wealth management business can be mitigated by diversifying revenue and AUM mix across asset classes and increasing fee and annuity incomes.

As seen in the trailing five-year revenue snapshot below, the wealth business is relatively buffered from the volatility of capital markets, and closer in correlation to the underlying economic output of the nation. The share of annuity income has been growing year-on-year as the business becomes less impacted by capital market volatility.



#### 6) Business case for having an in-house NBFC:

While clients generally invest for the long – term, they often also need short term liquidity for meeting requirements such as business acquisition, business needs, taking positions in equity trading, investing in public offerings, and for exercising stock options. Clients utilize this facility as a temporary bridge for their immediate liquidity requirements.

We have a unique credit solutions model:

- Almost the entire loan book is collateralized against client investments with us;
- Our loan book is usually 3% - 4% of our AUM;
- No sales / distribution cost as all loans are sourced by our RMs
- Unique liability model where almost the entire liabilities are long term in nature and raised in the form of structured notes from our clients;
- The book has had zero credit losses from inception; and
- Enables high degree of customization, quick turn-around and cost flexibility which improves client stickiness

#### 7) Requirement of Capital

While the wealth management business is fee driven, the enablers that are needed to provide a full platform for clients require capital as mentioned below:

- Credit solutions: provides short term liquidity to our clients.
- Investment as sponsor in AIFs manufactured by our AMC
- Inorganic expansion.

Currently barring any major inorganic expansion, the business will not need to raise capital via equity dilution. The current rate of growth in the wealth and investment management business is sufficient to support the growth of the credit solutions platform and future sponsor commitments.

#### 8) Implications of the strategic focus on IIFL-ONE

IIFL – ONE is a pure advice for fee engagement model and focuses on 3 core principles i.e.

- Complete alignment of interest and transparency with our clients;
- Focus robust process and risk management controls to manage our clients' wealth; and
- Open architecture and multiple manager selection and asset class diversification.

IIFL – ONE benefits all stakeholders as follows:

- **For our clients:** Addresses evolving requirements, process driven approach, alignment of interest;
- **For our employees:** Deeper engagement with clients, advisory relationship vs product driven; and
- **For the firm:** Increased revenues in the form of fees, higher wallet share, better risk management and portfolio oversight and retaining top talent.

#### 9) *Changes in the Revenue Recognition Process*

**Upfront to Trail Commissions – Mutual Funds:** We had already moved to a trail model for all distribution commissions from mutual funds in 2017. The only exception to this was commissions on closed – ended funds such as FMP's on which upfront commissions were still being received till September 2018. Pursuant to a SEBI mandate on upfront commissions earned by advisors on mutual funds in October 2017, all payouts have now moved to a trail model.

**Upfront to Trail Commissions – Managed Accounts:** We have decided to also move income recognition for commissions earned on managed accounts to a trail model with effect from April 1, 2019. While there is no regulatory requirement to do this, and there is no impact on the total income that will be earned over the life of the product distributed, we believe this change will be beneficial to the business in the longer term. The key mitigating factor for any reduction in revenue recognition in the short term is to move assets onto the IIFL – ONE proposition, therefore increasing the fee incomes in Fiscal 20 and beyond.

#### 10) *Retaining Top Talent, leads to low Client and AUM attrition*

Strong pillars are already in place for attracting and retaining the best-in-class talent in the country:

- **Equity Ownership:** Wealth Management for HNIs and Ultra HNIs is a people's business and to build a superior business we partnered with the best people by offering significant portion of the ownership (>20%) in the company. This willingness to share the wealth creation upside has created an entrepreneurial culture and an ownership mindset across the firm and teams such as client relations, products, investment advisory, operations, technology and others.
- **Strong Platform:** RMs gravitate towards platforms that can help them acquire and engage clients across multiple products and services, and improve wallet share.
- **Alignment of Interest:** Transparent and attractive incentive & compensation structure for RMs
- **Self-Development:** Continuous focus on learning and development and knowledge expansion through training sessions conducted by global b-school faculty and external trainers

We have managed to retain and attract top talent in the industry. We can look at our data for Fiscal 19 below, and infer the same:

- Our team leader attrition rate was 3.2% in Fiscal 2019, and has averaged at less than 2.5% over the last four years;
- Our client attrition rate is less than 2.5 % per annum; and
- AUM lost because of those families was 0.99% in Fiscal 2019.

The above figures underline the fact that clients may initially come to the firm because of a relationship, however they stay with the firm – because of the platform, its proposition, multiple engagement points and our strong process driven approach to wealth management.

#### 11) *Maintaining Open Architecture in spite of having our own AMC*

The firm is striving to ensure each client has a documented investment policy – setting guard-rails on portfolio allocation including maximum % portfolio exposure towards a single Issuer/AMC. This ensures client's exposure to IIFL AMC products is capped and be seen from the fact share of IIFL AMC assets in IIFLW total assets is less than 10%.

#### *12) Differentiating ourselves in the Indian Wealth Management space*

Over the last few years, Indian firms have significantly gained market share (62% in Fiscal 2013 to 78% in Fiscal 2018 – basis data as shown in Asian Private Banker league tables) as global wealth management firms have scaled back. Most existing players in India offer wealth management as an extension to their core business (banking/ broking/ investment banking etc.). In turn, we are pure play wealth management company with a deep focus on managing only HNI wealth.

This focus has enabled us to offer full-fledged services including an evolving advisory platform, building allied services like estate planning, broking and corporate advisory. Having an in-house Asset Management Company and our own NBFC also allows us to offer customised solutions to our clients.

#### *13) Impact of technology on the business in the medium and long term*

The wealth management business, especially for UHNI / HNI segment remains a highly customized and high touch business requiring significant investment in relationship building and garnering client's trust before actual AUM inflow.

In the present context we see technology as being a core enabler to our business in medium to long term and will help in automation of operational processes, transaction execution, generating on-demand investment analytics, better risk management and reporting

To this end, the firm has:

- Acquired 'Altire', a wealth tech start-up that helps clients track their entire portfolio of holdings held across multiple advisors / wealth managers;
- Initiated internal process automation through Salesforce;
- Automated client portfolio analysis and reporting with our platform "Insights"; and
- Built our own in – house core transaction processing system "Caliber".

We are also evaluating pure Robo-advisory models that will allow u to evaluate a foray into the mass-affluent segment which will have simpler requirements, lower portfolio complexity and automated execution.

#### *14) Significant risk factors which may potentially impact our performance*

- **Assets Under Management:** Our results are materially affected by the Assets Under Management. Accordingly, our growth and success depend upon the investment performance of our clients' portfolio and funds.
- **General economic and financial conditions:** The business is dependent on overall economic conditions in India, in case of any deterioration in the same, there could be an impact on financial performance.
- **Competition:** The business is highly competitive. Mergers and acquisitions involving our competitors may create disruption in the market. We also face competition from number of players acting as intermediaries, many of which operate in a highly cost competitive environment.
- **Regulatory Oversight:** Our activities are subject to supervision and regulation by multiple statutory and regulatory authorities. While it may be possible that certain regulatory changes would be positive for some of our business operations, it may also so happen that such changes may adversely affect our financial condition and results of operations.

### **Asset Management Business**

#### *1) Business proposition*

Asset management in India too has witnessed strong growth over the last few years. Within the domestic asset management industry, alternative investments (growth of 85% on AIF commitments from Fiscal 2014 to Fiscal 2019) have grown much faster than traditional products like mutual funds (a growth of 24% from Fiscal 2014 to Fiscal 2019). (*Source: SEBI and AMFI statistics*)

IIFL AMC, with its differentiated position as the leading alternates player, complements the wealth business by manufacturing innovative products; some examples of which are as below:

- First to develop late-stage / pre-IPO as an attractive investment asset-class;
- Thematic equity strategies offered via PMS route;
- Pioneer in offering structured collateralized senior secured debt issued by real estate developers to HNIs in India when rest of market was focusing on project equity;
- First to launch venture fund-of-fund in India with attractive co-investment options; and
- Early trend spotter in movement of structured whole-sale corporate credit from NBFCs to AIFs.

## 2) Unit economics of the Business

	Fiscal 2019
Recurring management fees % (Net of Direct distribution costs) on average AUM during the year [A]	0.69%
Other income/carry income (% of average AUM) [B]	0.17%
Employee costs (% of Average AUM) [C]	0.40%
Other allocated costs (% of Average AUM) [D]	0.19%
PBT [A+B-C-D] (% of Average AUM)	0.27%

## 3) Pillars of the Asset Management business

- **Attracting and retaining the right talent for each alternate strategy:** Since the core of the asset management business is alternates i.e. private equity, venture capital, structured corporate credit, real estate, each requiring highly specialized deal due – diligence and deal execution skills, attracting and retaining the right talent for each alternate strategy is the key. Entrepreneurial culture promoting and rewarding innovation and ownership, financial incentives and opportunity for growth are key drivers in this space.
- **Constant product innovation** – Tapping niches and developing newer sub-asset-classes, the biggest example of the same being the Pre – IPO fund, which garnered over a billion dollars in commitment. The fund filled a large gap in the market as a large segment of HNI investors wanted to invest in unlisted equity but were wary of risks in early stage PE/VC investing, as there was no institutional fund product offering late stage / Pre – IPO investments.
- **Building a wide diversified investor base** - HNIs, Endowments, Family offices, Pension Funds and a distributor base encompassing leading Banks, brokers and IFAs

## 4) Capital Markets – Business Stability/ Cyclicalities

- IIFL AMC business model is built around Alternates, which has been the fastest growing asset-class (14% share of HNI investment allocation in 2018 vs 4% in 2013. Source: Kotak Wealth report: 2017) and has seen strong inflows even in years with weak capital market performance like 2015 and 2016.
- Diversified offerings with different strategies targeted at different market segments hedges the business for individual sectoral shocks. We have assets in various strategies such as Structured credit, Real Estate lending, Unlisted Equity which are relatively a-cyclical to listed equity capital market cycle. Also, the tenure of these funds/strategies are long (around 4 to 6 years) which helps ride out cycles.
- Ultra HNI/ HNI segment are generally better buffered with pools of long term capital in different asset classes and therefore have greater understanding of capital market cycles and willing to ride out cycles and put in money at bottom of cycle

## 5) Capital Requirements

Capital is needed from time to time in the asset management business as follows:

- To invest in AIFs manufactured as a sponsor;
- Maintain minimum net worth requirements as per SEBI; and
- Inorganic expansion.

6) *Dependence on the wealth business for distribution*

Our business has provided and continues to provide the impetus for many new product launch and ongoing subscriptions. This has helped the AMC business achieve critical mass in the differentiated product offerings launched. There is a natural synergy given increasing share of Alternates in HNI Portfolios (increased from 4% in Fiscal 13 to 14% in 1H2018.) (Source: Kotak Wealth report, 2017).

Over the last two years, the AMC business has consciously started to reduce its dependence on the wealth business and has empaneled itself across most leading banks and distributors. We have also expanded our reach to target large global institutions, family offices and pension funds for advisory services.

7) *Differentiate our Business in the Indian Asset Management space*

We have built a strong franchise over the last three years as a leader in the alternate space. Our offerings are as follows:

- Listed equity: Focus on thematic managed account strategies (discretionary PMS) and focused equity funds;
- Private Equity: Multiple funds straddling early stage investing right up to late stage/ Pre-IPO;
- Structured collateralized real estate debt: We have raised and returned several funds with a strong track record; and
- Structured corporate credit: Looking to gain market-share from NBFCs and credit mutual funds.

**Significant Factors Affecting Our Results of Operations and Financial Condition**

We believe that the following factors have significantly affected our results of operations and financial condition during the period under review and may continue to affect our results of operations and financial condition in the future.

***Our Assets under Management***

Our results of operations are materially affected by our AUM. Accordingly, our growth and success significantly depend upon the investment performance of our client portfolios and funds. Good investment performance increases the attractiveness of our products with clients resulting in higher inflows and a consequent increase in our revenues. Hence, events adversely impacting such investment performance may adversely affect our business.

While we continue to explore opportunities to expand our business through organic and inorganic modes, we cannot be certain that the growth witnessed by us in the past will be maintained in the future.

***General economic and financial services industry conditions in India***

Our Company is engaged in the business of providing wealth management services and with a majority of our operations within the domestic Indian market, our results of operations are highly dependent on the overall economic conditions in India, including the GDP growth rate, inflation rate, change in demographic profile, rising wealth levels, the economic cycle, prevalent interest rate regimes, the securities' markets performance and the increased usage of technology based channels. We believe that the Indian economy has grown rapidly over the past decade and is expected to continue to grow at a similar rate, which could in turn drive the underlying demand for investment products and services both in terms of the availability of capital for investment and the availability of such products and services.

However, if the general economic conditions in India deteriorate or are not in line with our expectations, or if there is an impact on our business operations different from our expectations including any changes in the interest rate regimes and commodity costs, our financial condition and results of operations may be materially and

adversely affected. In addition, if favourable trends in the financial services industry or digitisation slow or are reversed, our financial condition and results of operations may be materially and adversely affected.

### ***Competition***

We face significant competition in all aspects of our business from other established Indian and multi-national companies. Some of these firms have greater resources and/or a more widely recognised brand than us, which may give them a competitive advantage. Mergers and acquisitions involving our competitors may create entities with even greater competitive advantages. We also face competition from a number of players acting as intermediaries in our businesses, many of which operate in a highly cost-competitive environment. We believe our wide product offering, our relationships with clients and sub-brokers and authorised persons, industry and product knowledge, and brand image will allow us to face such competition. However, any significant increase in competition may reduce our market share, decrease growth in our business, increase operating expenses and reduce our customer base, which could adversely affect our financial condition and results of operations.

### ***Regulatory oversight***

We operate in sectors that are regulated in India, and our activities are subject to supervision and regulation by multiple statutory and regulatory authorities including SEBI and RBI and the various stock / currency / commodity exchanges. In recent years, existing rules and regulations have been modified, new rules and regulations have been enacted and reforms have been implemented which are intended to provide tighter control and more transparency in the various regulations and policies. Such changes in government and regulatory policies affecting the financial services industry may require changes to our business operations, products and pricing, and technological processes and thus may involve additional costs and management time. While it may be possible that certain regulatory changes would be positive for some of our business operations, it may also so happen that such changes could adversely affect our financial condition and results of operations.

### ***Personnel and operating costs***

We function in a highly competitive industry and accordingly, our ability to manage our expenses directly affects our business and results of operations. These expenses may be impacted by macroeconomic conditions including increases in inflation, changes in laws and regulations, increased competition and personnel expenses and other factors. Personnel related expenses constitute a significant proportion of our total expense. However, it can be difficult and expensive to attract and retain talented and experienced employees. In addition, we also strive to ensure effective utilisation of our human resources and may need to adjust to the dynamic business environment as we increase our scope of operations, activities across the board and expand into new business products. As we grow our business, we will require additional human resources including relationship managers, investment professionals, dealers and operational, management and technology staff. Changes affecting our expenses may impact our financial condition and results of operations.

### ***Technology***

Information technology systems are crucial to the success of our business operations and help us improve our overall productivity. We believe that our technology systems enable us to effectively monitor and control risks and manage our nationwide operations.

Digitization has transformed much of the financial-services industry during the recent years, yet global wealth management and private banking firms have remained largely on the side lines. While there have been legitimate reasons for their hesitancy thus far, we have always believed that technology and digitalisation is going to define the next era of the wealth management business.

Our technology strategy has been built around the three pillars of Ease of Use, Intuitive and Robustness & Scalability. Every tech or digital initiative we take may be addressed to customers, distributors, partners or internal employees has to adhere to or pass through the above 3 three pillar test.

### ***Significant Accounting Policies***

A summary of the significant accounting policies applied in the preparation of our financial statements is set out in the notes to the financial statements included elsewhere in this Information Memorandum.

## Summary Statement of Significant Accounting Policies

### a) Statement of Compliance:

The Group's financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and amendments thereof issued by Ministry of Corporate Affairs in exercise of the powers conferred by section 133 of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment. These financial statements have been approved for issue by the Board of Directors of IIFL Wealth Management at their meeting held on June 25, 2019.

Up to the year ended March 31, 2018, the Group prepared its financial statements in accordance with the requirements of Indian GAAP (IGAAP), as per standards notified under the Companies (Accounting Standards) Rules, 2006.

### b) Basis of Consolidation

The Restated Consolidated Financial Statements comprise the financial statements of the Holding Company (including the Wealth Business Undertaking) and its subsidiaries. Control is achieved when the company has:

- Power over the investee
- Is exposed or has rights to variable returns from its involvement with the investee, and
- Has the ability to use its power over investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Holding Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Holding Company's voting rights and potential voting rights
- The size of the Company's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Holding Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Holding Company obtains control over the subsidiary and ceases when the Holding Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Restated Consolidated financial statements from the date the Holding Company gains control until the date the Holding Company ceases to control the subsidiary.

Restated Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Restated Consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the Restated Consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent Company, i.e., year ended on March 31. When the end of the reporting period of the Parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the Parent to enable the Parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the Restated Consolidated financial statements at the acquisition date.

- Offset (eliminate) the carrying amount of the Parent's investment in each subsidiary and the Parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full.
- Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Holding Company and to the non-controlling interests, if any.

#### **c) Revenue recognition**

Revenue is recognised when the promised goods and services are transferred to the customer i.e. when performance obligations are satisfied. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

The following is a description of principal activities from which the Group generates its revenue.

- **Distribution Services and Commissions:** Fees and commissions with respect to distribution services are recognised at a point in time when the service obligations are completed and when the terms of contracts are fulfilled.
- **Investment/Fund Management and Trustee fees:** The fees are a series of a similar services and a single performance obligation satisfied over a period of time. These are billed on a monthly / quarterly basis.
- **Advisory fees:** Revenue is recognised over time or when the outcome of a transaction can be estimated reliably by reference to the stage of completion of the transaction in accordance with the underlying arrangements.
- **Lending / Investments related Income**
  - Interest income on investments and loans is accrued on a time basis by reference to the principal outstanding and the effective interest rate including interest on investments classified as fair value through profit or loss or fair value through other comprehensive income. Interest receivable on customer dues is recognised as income in the Statement of Profit and Loss on accrual basis provided there is no uncertainty towards its realisation.
  - Dividend income is accounted in the period in which the right to receive the same is established.
- Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow and the amount of income can be measured reliably.

#### **d) Business Combinations**

Business combinations are accounted for using the acquisition method. At the acquisition date, identifiable assets acquired and liabilities assumed are measured at fair value. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. The consideration transferred is measured at fair value at acquisition date and includes the fair value of any contingent consideration. However, deferred tax asset or liability and any liability or asset relating to employee benefit arrangements arising from a business combination are measured and recognised in accordance with the requirements of Ind AS 12, Income Taxes and Ind AS 19, Employee Benefits, respectively. Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of a bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets acquired and liabilities assumed, the difference is recorded as a gain in other comprehensive income and accumulated in equity as capital reserve. The costs of acquisition excluding those relating to issue of equity or debt securities are charged to the Statement of Profit and Loss in the period in which they are incurred. Business combinations involving entities under common control are accounted for using the pooling of interests method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonise accounting policies. Any excess or shortfall of the consideration paid over the share capital of transferor entity or business is recognised as capital reserve under equity.

#### **e) Goodwill on acquisition**



Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognised. Goodwill is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed, measured in accordance with Ind AS 103 – Business Combinations.

Goodwill is considered to have indefinite useful life and hence is not subject to amortization but tested for impairment at least annually. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination, is from the acquisition date, allocated to each of the Group's cash generating units (CGUs) that are expected to benefit from the combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Each CGU or a combination of CGUs to which goodwill is so allocated represents the lowest level at which goodwill is monitored for internal management purpose and it is not larger than an operating segment of the Group.

A CGU to which goodwill is allocated is tested for impairment annually, and whenever there is an indication that the CGU may be impaired, by comparing the carrying amount of the CGU, including the goodwill, with the recoverable amount of the CGU. If the recoverable amount of the CGU exceeds the carrying amount of the CGU, the CGU and the goodwill allocated to that CGU is regarded as not impaired. If the carrying amount of the CGU exceeds the recoverable amount of the CGU, the Group recognises an impairment loss by first reducing the carrying amount of any goodwill allocated to the CGU and then to other assets of the CGU pro-rata based on the carrying amount of each asset in the CGU. Any impairment loss on goodwill is recognised in the Statement of Profit and Loss. An impairment loss recognised on goodwill is not reversed in subsequent periods. On disposal of a CGU to which goodwill is allocated, the goodwill associated with the disposed CGU is included in the carrying amount of the CGU when determining the gain or loss on disposal.

#### **f) Property, plant and equipment**

##### **Measurement at recognition:**

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The Group identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item. The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met.

##### **Capital work in progress and Capital advances:**

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Financial Assets.

##### **Depreciation:**

Depreciation on each item of property, plant and equipment is provided using the Straight-Line Method based on the useful lives of the assets as estimated by the management and is charged to the Consolidated Statement of Profit and Loss. Significant components of assets identified separately pursuant to the requirements under Schedule II of the Companies Act, 2013 are depreciated separately over their useful life.

Freehold land is not depreciated. Leasehold land and Leasehold improvements are amortized over the period of lease. Individual assets / group of similar assets costing up to Rs.5,000 has been depreciated in full in the year of purchase. Lease hold land is depreciated on a straight line basis over the lease hold period.

Estimated useful life of the assets is as under:	
Class of assets	Useful life in years
Computers*	3
Electrical Equipment*	5
Office equipment	5
Furniture and fixtures* #	5
Vehicles*	5
Air conditioners*	5

\* For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

# Furniture and fixtures includes leasehold improvements, which is depreciated on a straight-line basis over the period of lease.

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

#### **Derecognition:**

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the Consolidated Statement of Profit and Loss when the item is derecognized.

#### **g) Intangible assets**

##### **Measurement at recognition:**

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Following initial recognition, intangible assets with finite useful life are carried at cost less accumulated amortization and accumulated impairment loss, if any. Intangible assets with indefinite useful lives, that are acquired separately, are carried at cost/fair value at the date of acquisition less accumulated impairment loss, if any.

##### **Amortization:**

Intangible Assets with finite lives are amortized on a straight line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognised in the Consolidated Statement of Profit and Loss. The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

Estimated useful economic life of the assets is as under:	
Class of assets	Useful life in years
Software	3-5
Customer relationships	20
Asset Management Rights	10

#### **Derecognition:**

The carrying amount of an intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognised in the Consolidated Statement of Profit and Loss when the asset is derecognised.

#### **h) Impairment**

Assets that have an indefinite useful life, such as goodwill, are not subject to amortization and are tested for impairment annually and whenever there is an indication that the asset may be impaired. Assets that are subject to depreciation and amortization are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal. Impairment losses, if any, are recognised in the Consolidated Statement of Profit and Loss and included in depreciation and amortization expenses.

Impairment losses are reversed in the Consolidated Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

#### **i) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### **• Financial assets**

##### **Initial recognition and measurement:**

The Group recognises a financial asset in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial assets. However, trade receivables that do not contain a significant financing component are measured at transaction price.

##### **Subsequent measurement:**

For subsequent measurement, the Group classifies a financial asset in accordance with the Group's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset. Based on the above criteria, the Group classifies its financial assets into the following categories:

- (i) Financial assets measured at amortized cost
- (ii) Financial assets measured at fair value through other comprehensive income (FVTOCI)
- (iii) Financial assets measured at fair value through profit or loss (FVTPL)

#### **i. Financial assets measured at amortized cost:**

A financial asset is measured at the amortized cost if both the following conditions are met:

- The Group's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to Cash and Bank balances, Trade receivables, Loans and Other financial assets of the Group. Such financial assets are subsequently measured at amortized cost using the effective interest method.

#### **ii. Financial assets measured at FVTOCI:**

A financial asset is measured at FVTOCI if both of the following conditions are met:

- The Group's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the above category, income by way of interest and dividend, provision for impairment are recognised in the Consolidated statement of profit and loss and changes in fair value (other than on account of above income or expense) are recognised in other comprehensive income and accumulated in other equity. On disposal of such debt instruments at FVTOCI financial assets, the cumulative gain or loss previously accumulated in other equity is reclassified to Consolidated Statement of Profit and Loss.

### **iii. Financial assets measured at FVTPL:**

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as mentioned above. This is a residual category applied to all other investments of the Group excluding investments in associate. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognised in the Consolidated Statement of Profit and Loss.

### **Derecognition:**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised (i.e. removed from the Group's Balance Sheet) when any of the following occurs:

- The contractual rights to cash flows from the financial asset expires;
- The Group transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
- The Group retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- The Group neither transfers nor retains, substantially all risk and rewards of ownership, and does not retain control over the financial asset.

On Derecognition of a financial asset, (except as mentioned in ii above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognised in the Consolidated Statement of Profit and Loss.

### **Impairment of financial assets:**

The Group recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not measured at FVTPL. Expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

- Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.
- The Group measures the loss allowance on financial assets at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Group measures the

loss allowance for that financial asset at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the lifetime expected credit losses and represent cash shortfalls that will result if default occurs within the 12 months weighted by the probability of default after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

- When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables and financial assets arising from transactions with in the scope of Ind AS 115 the Group measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and forward-looking information.

The Group writes off a financial asset when there is information indicating that the obligor is in severe financial difficulty and there is no realistic prospect of recovery.

- **Financial Liabilities**

**Initial recognition and measurement:**

The Group recognises a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. Having regards to the terms and structure of issuance, Financial Liabilities are categorized as follows:

- (i) recognised at amortised costs
- (ii) recognised at fair value through profit and loss (FVTPL) including the embedded derivative component if any, which is not separated.
- (iii) where there is an embedded derivative as part of the financial liability, such embedded derivative is separated and recorded at fair value and the remaining component is categorized as on amortised costs.

**Subsequent measurement:**

- (i) All financial liabilities of the Group are categorized as subsequently measured at amortized cost are subsequently measured using the effective interest method.
- (ii) All financial liabilities of the group categorized at fair value are subsequently measured at fair value through profit and loss statement.
- (iii) For derivatives embedded in the liability, the embedded derivative is subsequently measured at fair value through profit and loss and the liability is subsequently measured at amortised cost using the effective interest method.

**Derecognition:** A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

**j) Derivative financial instruments**

The Group enters into derivative financial contracts, which are initially recognised at fair value at the date the contracts are entered into and subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss unless the derivative is designated and effective as a hedging instrument.

In a financial instrument involving embedded derivative, which is separated from the host contract, such embedded derivative component is accounted separately from the underlying host contract and is initially recognised at fair value and is subsequently measured at fair value at the each reporting period and the resulting gain or loss is recognised in the Statement of profit and loss unless the derivative is designated and effective as a hedging instrument.

#### **k) Fair Value**

The Group measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the Restated Consolidated financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows:

The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 — inputs that are unobservable for the asset or liability

For assets and liabilities that are recognised in the Restated Consolidated financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

#### **l) Foreign Currency Translation**

These Restated Consolidated financial statements are presented in Indian Rupees, which is the Group's functional currency.

##### **Initial Recognition:**

On initial recognition, transactions in foreign currencies entered into by the Group are recorded in the functional currency, by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Consolidated Statement of Profit and Loss.

##### **Measurement of foreign currency items at reporting date:**

Foreign currency monetary items of the Group are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Nonmonetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

Exchange differences arising out of these translations are recognised in the Consolidated Statement of Profit and Loss.

##### **Translation of financial statements of foreign entities**

On consolidation, the assets and liabilities of foreign operations are translated into Indian Rupees at the exchange rate prevailing at the reporting date and their statements of profit and loss are translated at average exchange rates for the period unless the exchange rates fluctuate significantly during the period, in which case the exchange rates at the dates of the transactions are used. The exchange differences arising, if any, on translation are recognised in Other Comprehensive Income and accumulated equity. On disposal of a foreign operation, all of the exchange

differences accumulated in equity in respect of that foreign operation is reclassified to Consolidated Statement of Profit and Loss.

#### **m) Income Taxes**

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

##### **Current tax:**

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Consolidated Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible in accordance with applicable tax laws. Current tax is measured using tax rates that have been enacted or substantively enacted by the end of reporting period.

##### **Deferred tax:**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Restated Consolidated financial statements and the corresponding tax bases used in the computation of taxable profit under Income tax Act, 1961. Deferred tax liabilities are generally recognised for all taxable temporary differences. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognised. Also, for temporary differences that arise from initial recognition of goodwill, deferred tax liabilities are not recognised.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The deferred tax assets (net) and deferred tax liabilities (net) are determined separately for the Parent and each subsidiary company, as per their applicable laws and then aggregated.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the respective group company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

##### **Presentation of current and deferred tax:**

Current and deferred tax are recognised as income or an expense in the Consolidated Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognised in Other Comprehensive Income.

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Group has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Group.

Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

#### **n) Provisions and Contingencies**

The Group recognises provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

#### **o) Cash and Cash Equivalents**

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less.

#### **p) Employee Benefits**

##### **Short Term Employee Benefits:**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognised in the period in which the employee renders the related service. The Group recognises the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

##### **Post-Employment Benefits:**

###### **i. Defined contribution plans:**

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into state managed retirement benefit schemes and will have no legal or constructive obligation to pay further contributions, if any, if the state managed funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. The Group's contributions to defined contribution plans are recognised in the Consolidated Statement of Profit and Loss in the financial year to which they relate. The Holding Company and its Indian subsidiaries operate defined contribution plans pertaining to Employee State Insurance Scheme and Government administered Pension Fund Scheme for all applicable employees. A few Indian Subsidiaries also operate Defined Contribution Plans pertaining to Provident Fund Scheme.

###### **Recognition and measurement of defined contribution plans:**

The Group recognises contribution payable to a defined contribution plan as an expense in the Consolidated Statement of Profit and Loss when the employees render services to the Group during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognised as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

###### **ii. Defined benefit plans:**



Gratuity scheme: The Holding Company, an Indian subsidiary and its foreign subsidiary operates a gratuity scheme for employees. The contribution is paid to a separate entity (a fund) or to a financial institution, towards meeting the Gratuity obligations.

#### **Recognition and measurement of defined benefit plans:**

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognised in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognised representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost if any and net interest on the defined benefit liability (asset) are recognised in the Consolidated Statement of Profit and Loss. Remeasurements of the net defined benefit liability (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognised in Other Comprehensive Income. Such remeasurements are not reclassified to the Consolidated Statement of Profit and Loss in the subsequent periods.

#### **q) Lease accounting**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets taken on lease:

In respect of operating leases, lease rentals are recognised as an expense in the Consolidated Statement of Profit and Loss on straight line basis over the lease term unless

- (i) Another systematic basis is more representative of the time pattern in which the benefit is derived from leased asset; or
- (ii) The payments to the lessor are structured to increase in line with the expected general inflation to compensate the lessor's expected inflationary cost increases.

In respect of assets obtained on finance leases, assets are recognised at lower of the fair value at the date of acquisition and present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. The excess of lease payments over the recorded lease obligations are treated as 'finance charges' which are allocated to each lease term so as to produce a constant rate of charge on the remaining balance of the obligations.

#### **r) Borrowing Cost**

Borrowing cost includes interest, amortization of transaction costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

#### **s) Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) of the Holding Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group.

#### **t) Share-based Compensation**

The Company recognises compensation expense relating to share-based payments in the net profit using fair value in accordance with Ind AS 102, Share-Based Payment. The estimated fair value of awards is charged to income

on a straight line basis over the requisite service period for each separately vesting portion of the award as if the award was in substance, multiple awards with a corresponding increase to ESOP Reserve.

**u) Earnings Per Share:**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) and the weighted average number of equity shares outstanding during the year are adjusted for the effects 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.

**v) Recent Accounting pronouncements**

The Ministry of Corporate Affairs has notified the Indian Accounting Standard (Ind AS) - 116, Leases effective April 1, 2019. The Group is in the process of studying the impact on the financial statements.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit /loss, tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments that the companies have to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit / tax loss, tax bases, unused tax losses, unused tax credits and tax rates. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company is evaluating impact of the above amendment.

Amendment of Ind AS 12 – Income taxes in connection with accounting of dividend distribution - The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensives income or equity according to where the entity originally recognised those past transactions or events. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Group is evaluating the impact of the above.

**w) Key Accounting Estimates and Judgements**

The preparation of the Group's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**Critical accounting estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

**- Property, Plant and Equipment**

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The lives are based on historical experience with similar assets and are based on changes in technical or commercial obsolescence.

**- Defined Benefit Obligation**

The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates.

#### - Fair value measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

#### - Expected Credit Loss

The provision for expected credit loss involves estimating the probability of default and loss given default based on the past experience and other factors.

### Results of Operations

The following table sets forth certain information with respect to our results of operations based on the restated consolidated statements of profit and loss (including other comprehensive income) for the periods indicated:

<i>(all figures in ₹ million)</i>			
Particulars	Fiscal 2019	Fiscal 2018	Fiscal 2017
<b>Revenue from operations</b>			
Interest income	6,537.90	6,590.82	3,283.03
Dividend & Distribution income on investments	293.83	485.73	288.68
Fees and commission income	8,081.37	8,831.73	6,348.60
Net gain on fair value changes	572.88	677.22	973.18
Sale of products	4.10	-	87.06
<b>Total revenue from operations</b>	<b>15,490.08</b>	<b>16,585.50</b>	<b>10,980.55</b>
Other Income	281.80	562.60	579.39
<b>Total income</b>	<b>15,771.88</b>	<b>17,148.10</b>	<b>11,559.94</b>
<b>Expenses</b>			
Finance costs	4,270.59	5,587.63	2,484.43
Fees and commission expenses	662.18	669.03	500.63
Net loss on derecognition of financial instruments under amortised cost category	-	-	-
Impairment on financial instruments	(76.64)	126.06	161.92
Purchases of Stock-in-trade	205.62	-	87.28
Changes in Inventories of stock-in-trade	(197.51)	-	-
Employee benefits expenses	3,311.71	3,895.78	2,674.98
Depreciation, amortization and impairment	215.06	136.10	95.18
Other expenses	2,001.56	1,832.74	1,259.36
<b>Total expenses</b>	<b>10,392.57</b>	<b>12,247.34</b>	<b>7,263.78</b>
<b>Restated Profit before tax (3-4)</b>	<b>5,379.31</b>	<b>4,900.76</b>	<b>4,296.16</b>
Tax expense:			
Current tax	1,642.20	1,134.04	1,207.32
Deferred tax	(8.36)	(34.97)	(45.96)
<b>Restated Profit for the year (5-6)</b>	<b>3,745.47</b>	<b>3,801.69</b>	<b>3,134.80</b>
<b>Restated Other comprehensive income</b>			
(i) Items that will not be reclassified to profit or loss			
- Remeasurements of Employee Benefits	(4.66)	(26.36)	(13.99)
(ii) Income tax relating to items that will not be reclassified to profit or loss	2.42	8.82	4.72
Subtotal (a)	<b>(2.24)</b>	<b>(17.54)</b>	<b>(9.27)</b>
(i) Items that will be reclassified to profit or loss			
- Foreign currency translation reserve	100.34	24.25	(32.25)
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-
Subtotal (b)	<b>100.34</b>	<b>24.25</b>	<b>(32.25)</b>
Other comprehensive income (a+b)	<b>98.10</b>	<b>6.71</b>	<b>(41.52)</b>

Particulars	Fiscal 2019	Fiscal 2018	Fiscal 2017
<b>Restated Total comprehensive income for the year (Comprising restated profit and restated other comprehensive income for the year)</b>	<b>3,843.57</b>	<b>3,808.40</b>	<b>3,093.28</b>
Earnings per equity share			
Basic (₹)	44.63	48.06	42.20
Diluted (₹)	43.37	46.51	41.88

## **Principal Components of the Restated Consolidated Statements of Profit and Loss (including other comprehensive income)**

### **Income**

#### *Revenue from operations*

Our revenue from operations includes interest income from lending, dividend and distribution income, and net gain on fair value changes relating to our investment activities, as also fee and commission income. Fee and commission income include distribution fees, commission income, asset management and portfolio management fees, and brokerage and advisory fees

#### *Other income*

Our other income mainly includes interest, dividend and fair value impact of investments and miscellaneous income, which are not attributable to income from operations.

### **Expenses**

Finance costs mainly includes interest and related costs associated with the borrowings, debt securities and subordinated liabilities.

Impairment of financial instruments mainly includes provision made on the loans (attributable to lending activities) and trade debtors.

#### *Employee benefits expenses*

Employee benefit expenses include salaries and bonus, contribution to provident and other funds, gratuity, staff welfare expenses, cost of share based payments to employees and compensated absences.

#### *Other expenses*

Other expenses mainly include operations and fund management expenses, rent and energy costs, insurance, repairs and maintenance, marketing, advertisement and business promotion, communication and technology costs, office costs, directors remuneration, CSR costs and auditors' remuneration.

#### *Depreciation and Amortisation*

Depreciation and amortisation expenses include depreciation on tangible assets and amortisation of intangible assets.

### **Liquidity and Capital Resources**

Historically, we have maintained liquidity for our business operations primarily from the cash generated from operations, bank borrowings and issuance of Shareholder equity. As of March 31, 2019, we had cash and cash equivalents of ₹ 1,646.23 million and bank balances other than cash and equivalents of ₹ 1,127.95 million. In addition, we had unutilized sanctioned fund-based limits available for use in our operations of ₹ 2,749.20 million.

Based on our current level of requirements, we believe that our current working capital, together with cash flows from operating activities, will be adequate to meet our anticipated cash requirements for capital expenditure and working capital for the next 12 months.

## Cash flows

(all figures in ₹ million)

	Fiscal 2019	Fiscal 2018	Fiscal 2017
Net Cash Flow Generated From / (Used In) Operating Activities	18,485.22	(27,719.64)	(35,905.98)
Net Cash Flow Generated From / (Used In) Investment Activities	(21,297.25)	10,725.26	(10,514.55)
Net Cash Flow Generated From / (Used In) Financing Activities	(804.30)	12,627.77	54,761.73
Net Cash Flow Generated From / (Used In) Discontinued Operations	-	-	-
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>(3,616.33)</b>	<b>(4,366.61)</b>	<b>8,341.20</b>

### *Cash flow from / (used in) Operating Activities*

Our net cash flow generated from operating activities was ₹ 18,485.22 million in Fiscal 2019, and our operating profit before working capital changes for that period was ₹ 4,911.76 million. This was primarily attributable to a decrease in loans arising from our lending operations offset by an increase in financial and non-financial assets and a decrease in financial and non-financial liabilities.

Our net cash flow used in operating activities was ₹27,719.64 million in Fiscal 2018, and our operating profit before working capital changes for that period was ₹ 4,856.53 million. This was primarily attributable to an increase in loans arising from our lending operations offset by decrease in financial and non-financial assets and an increase in financial and non-financial liabilities.

Our net cash flow used in operating activities was ₹ 35,905.98 million in Fiscal 2017, and our operating profit before working capital changes for that period was ₹ 2,850.13 million. This was primarily attributable to an increase in loans arising from our lending operations and financial and non-financial assets offset by an increase in financial and non-financial liabilities.

### *Cash flow from / (used in) Investing Activities*

Our net cash used in investing activities was ₹ 21,297.25 million in Fiscal 2019. This was primarily attributable to net increase in investments, acquisition of subsidiaries and purchase of property, plant and equipment including capital work in progress.

Our net cash generated from investing activities was ₹ 10,725.26 million in Fiscal 2018. This was primarily attributable to net decrease in investments.

Our net cash used in investing activities was ₹ 10,514.55 million in Fiscal 2017. This was primarily attributable to net increase in investments.

### *Cash flow from / (used in) Financing Activities*

Our net cash used in financing activities was ₹ 804.30 million in Fiscal 2019. This primarily reflected the net repayment of borrowings, debt securities and subordinated debts considered together and payment of dividend (including dividend distribution tax) offset by issuance of fresh share capital including securities premium thereon.

Our net cash generated from financing activities was ₹ 12,627.77 million and ₹ 54,761.13 million in Fiscal 2018 and Fiscal 2017 respectively. This primarily reflected net increase in borrowings, debt securities and subordinated debts considered together and issuance of fresh share capital and securities premium thereon offset by payment of dividend (including dividend distribution tax).

## Related Party Transactions

We enter into various transactions with related parties in the ordinary course of business. These transactions principally include rent payments, capital advances, repayment of advances given, and remuneration paid to Directors. For details, see “*Related Party Transactions*” on page 123.

### **Contingent liabilities and off-balance sheet arrangements**

The following table sets forth certain information relating to our contingent liabilities not provided for, as of the fiscal ended March 31, 2019:

<i>(in ₹ million)</i>	
<b>Particulars</b>	<b>As at March 31, 2019</b>
Bank Guarantees	1,419.40
Corporate Guarantees	2,100.00
Disputed income tax demand	182.21
<b>Total</b>	<b>3,701.61</b>

There are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

### **Quantitative and Qualitative Disclosures About Market Risk**

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk, commodity risk, credit risk, inflation risk and foreign currency exchange rate risk. For details, please see Note 37 of the Financial Statements starting on page 125.

#### ***Interest rate risk***

Interest rates for borrowings (and those charged to clients for facilities provided to them) may fluctuate due to changes in liquidity conditions or the credit rating of the company or its subsidiaries. Increase in interest rates would increase interest expenses relating to our outstanding borrowings and increase the cost of new debt, but we may not be able to transmit these to clients immediately because of competitive pressures or contractual obligations. Moreover, this may also reduce the attractiveness of leveraged (credit driven) transactions for our clients. This may affect our profitability. However, the risk of interest rate mismatches is mitigated by the fact that most facilities extended by firms which are part of the IIFL Wealth group are short term and can be called on demand.

Changes in interest rates may also affect returns on our treasury investments. As far as possible, based on opportunities available, we hedge rates on borrowings by linking them to returns on investments.

Interest rate (yield) changes may also affect the returns that our clients get from investments in fixed income instruments, structured products that are linked to rates of interest and in Mutual fund /AIF schemes that invest into fixed income instruments. This may affect the revenues that we make from these investments and affect their business relationship with us, which can, in turn, have an adverse effect on our revenues and profitability.

#### ***Foreign currency exchange rate risk***

We do not have trading positions in foreign currency or foreign currency denominated instruments. We mainly have to exposure to foreign currencies arising from our operations and cash and bank balances held in foreign currencies as a part of our operations.

#### ***Inflation risk***

Of late, India has experienced relatively benign rates of inflation. Inflation affects interest rates and hence, higher inflationary expectations lead to rise in borrowing costs and slowdown in credit offtake, which may affect our profitability. Adverse changes in credit offtake and savings caused by inflation also impacts the overall economy and business environment and hence could affect us.

### **Unusual or infrequent events or transactions**

Except as described in this Information Memorandum, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

**Significant economic changes that materially affect or are likely to affect income from continuing operations**

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect income from continuing operations identified above in “*Significant Factors Affecting our Results of Operations and Financial Condition*” and the uncertainties described in the section “*Risk Factors*” on pages 132 and 14, respectively.

**Known trends or uncertainties**

To our knowledge, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

**Future relationship between cost and income**

Other than as described in the sections “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” on pages 14, 62, and 126 respectively, to our knowledge there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

**Publicly announced new products or business segments / material increases in revenue due to increased disbursements and introduction of new products**

As on the date of this Information Memorandum, there are no new products or business segments that have or are expected to have a material impact on our business prospects, results of operations or financial condition.

**Competitive conditions**

We operate in a competitive environment. Please refer to the sections “*Our Business*”, “*Industry Overview*” and “*Risk Factors*” on pages 62, 55, and 14, respectively for further information on our industry and competition.

**Change in accounting policies**

There have been no changes in our accounting policies in the last three Fiscals except for our transition to accounting principles under Ind AS.

**Significant developments after March 31, 2019 that may affect our future results of operations**

Except as set out in this Information Memorandum and listed below, to our knowledge, no circumstances have arisen since the date of the last financial statements as disclosed in this Information Memorandum which materially or adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months:

- (i) preparation of the limited review financial results for the three months ended June 30, 2019 by our Statutory Auditors in accordance with the SRE 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the ICAI.
- (ii) one of our Subsidiaries, IIFL Wealth Finance Limited, entered into a definitive agreement with L&T Capital Markets Limited and its shareholder L&T Finance Holdings Limited on August 28, 2019 to acquire up to 100% of the paidup equity share capital of L&T Capital Markets Limited from L&T Finance Holdings Limited at a consideration of ₹ 2,300.00 million (plus cash and cash equivalents) as of the closing date. The indicative time period for completion of the acquisition is 120 days – extendable by a further 60 days.

## SECTION VII - LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND OTHER MATERIAL DEVELOPMENTS

*Our Company is required to disclose in this Information Memorandum, (i) all outstanding criminal proceedings; (ii) all outstanding actions by statutory or regulatory authorities; (iii) all outstanding claims related to direct and indirect taxes; and (iv) other material pending litigation (in terms of the Materiality Policy), in each case involving our Company, our Directors, our Subsidiaries and our Promoters.*

*Additionally, we are required to disclose: (a) all disciplinary action, including any penalty imposed by SEBI or the Stock Exchanges, against the Promoters in the last five financial years, including outstanding actions; and (b) any litigation involving our Group Companies, which may have a material impact on our Company.*

*In terms of the Materiality Policy, any outstanding litigation involving our Company, our Directors, our Subsidiaries and our Promoters, (i) in which the aggregate monetary amount of claim by or against the entity or person in any such pending proceeding, exceeds an amount equivalent to one percent of the consolidated profit after tax as per the Financial Statements for the last completed fiscal or ₹ 10.00 million, whichever is higher, or (ii) any such litigation where an adverse outcome would materially and adversely affect the business, operations, performance, prospects, financial position or reputation of our Company, has been considered to be material.*

*Further, in terms of the Materiality Policy, a creditor of our Company, shall be considered to be material for the purpose of this Information Memorandum, if its dues to the Company exceeds 10% of our Company's standalone trade payables as per the audited standalone financial statements of our Company for the last completed Fiscal.*

*Additionally, in accordance with the requirements of the Stock Exchanges, we have disclosed details of all outstanding disciplinary actions taken by stock exchanges against our Company; all outstanding disciplinary actions taken by stock exchanges or regulatory authorities against our Group Companies and members of the Promoter Group; and outstanding litigation involving the members of the Promoter Group.*

*All terms defined in a particular litigation disclosure below are for that particular litigation only.*

#### **A. Litigation involving our Company**

##### **Criminal proceedings against our Company**

Nil

##### **Criminal proceedings by our Company**

Nil

##### **Pending action by statutory or regulatory authorities against our Company**

There are no pending actions by statutory or regulatory authorities against our Company, as on the date of this Information Memorandum.

##### **Tax proceedings involving our Company**

Except as stated below, there are no outstanding tax proceedings involving our Company, as on the date of this Information Memorandum.

##### *Indirect tax proceedings*

Nil

##### *Direct tax Proceedings*

S. No.	Direct tax	Number of cases	Approximate amount in dispute (in ₹ million)
1	Income tax	3	80.84
	<b>Total</b>	<b>3</b>	<b>80.84</b>



### **Disciplinary action against our Company**

There is no outstanding disciplinary action by any stock exchange against our Company.

### **Outstanding material litigation involving our Company**

#### *Material litigation against our Company*

Nil

#### *Material litigation by our Company*

Nil

In addition to the aforesaid, there are two matters involving our Company where the amounts involved are not quantifiable.

### **B. Litigation involving our Promoters**

#### **Criminal proceedings against our Promoters**

Except as stated below, there are no outstanding criminal proceedings against our Promoters, as on the date of this Information Memorandum.

- a. A first information report (“**FIR**”) dated February 3, 2008 was lodged by Namo Jain at Lalkurti Police Station, Meerut, against Arun Punia (ex-employee), Aman Chadda (ex-employee), and our Promoter Nirmal Jain (“**Accused**”), under sections 406 and 420 of the Indian Penal Code, 1860, alleging *inter-alia*, cheating and criminal breach of trust by unauthorised trading in the account. The matter was investigated by the police and a charge sheet was filed before the Chief Judicial Magistrate, Meerut against all the persons named as the accused in the FIR. Subsequently, a writ petition was filed by the Accused, before the Allahabad High Court for quashing of the charge sheet. The Allahabad High Court directed them to file a discharge application before the Chief Judicial Magistrate, Meerut. Accordingly, a discharge application was filed. The matter is currently pending.
- b. A complaint dated July 12, 2011 (“**Complaint**”) was filed by Sushama Agarwal before the Chief Judicial Magistrate, Meerut, against our Company, our Promoter Nirmal Jain and its employees Arun Punia, Aman Chadda and Sandeep Arora under sections 406, 420 and 464 of the Indian Penal Code, 1860, alleging unauthorised trading, criminal breach of trust, cheating and forgery. Pursuant to the Complaint, the court, passed an order for issuance of process on July 25, 2011. Our Company filed a petition before the Allahabad High Court on April 7, 2014 (“**Petition**”) for quashing the order of the Court. The Petition was admitted and the Allahabad High Court pursuant to its order dated April 22, 2014, stayed the proceedings before the Chief Judicial Magistrate, Meerut. The matter is currently pending.
- c. Anil Kumar Tibrewal lodged a first information report dated October 24, 2010 at Sunlight Colony, South East District, Delhi against our Subsidiary IIFL Commodities Limited and our Promoters, Nirmal Jain and Venkataraman Rajamani for the offences of cheating, forgery and conspiracy, under sections 420, 464 along with 120B of the Indian Penal Code, 1860. The matter is placed before Delhi District Court, Saket, New Delhi, and is currently under investigation.
- d. A complaint dated October 18, 2013 was filed by Gouri Manjunath Jonniya before Chief Judicial Magistrate, Nagpur, against IIFL Management Services Limited and our Promoters Nirmal Jain and Venkataraman Rajamani, for offences of, *inter alia*, cheating, forgery, criminal breach of trust and misuse of her insurance license under sections 406, 420 and 464 of the Indian Penal Code, 1860. The Chief Judicial Magistrate, Nagpur passed an order of issuance of process on January 31, 2014. Aggrieved by the order of the Chief Judicial Magistrate, Nagpur, IIFL Management Services Limited and Venkataraman Rajamani filed a revision application before the Sessions Court, Nagpur on April 4, 2014 for quashing and setting aside the order of issuance of process. The Sessions Court, Nagpur pursuant to its order dated June 6, 2014

admitted the revision application and stayed the proceedings before the Chief Judicial Magistrate, Nagpur. The matter is currently pending.

- e. A complaint received by our Company on December 9, 2012 was filed by Arunava Patra before the Chief Metropolitan Magistrate, Paschim Medinipur, West Bengal, against our Company, India Infoline Finance Limited, our Promoters, Nirmal Bhanwarlal Jain and Venkataraman Rajamani and certain others under sections 406 and 120B of the Indian Penal Code, 1860, alleging *inter-alia*, forgery and criminal conspiracy and certain offences under the Companies Act, 1956. Pursuant to the complaint, the court passed an order for issuance of process on June 16, 2014. Our Company filed a writ petition dated April 10, 2015 (“**Petition**”) before the Calcutta High Court for quashing of the proceedings before Chief Metropolitan Magistrate, Paschim Medinipur, West Bengal. The Calcutta High Court passed an order (the certified copy of which was received by us on June 18, 2015)staying the proceedings before Chief Metropolitan Magistrate, Paschim Medinipur, West Bengal. The matter is currently pending.
- f. A first information report dated October 10, 2015 was filed by Dalip Kumar Garg with the Vasant Vihar Police Station, Delhi against IIFL Commodities Limited, Nirmal Jain and certain others, under Sections 406, 420 and 120B of the Indian Penal Code, 1860, alleging *inter-alia*, unauthorised trading, cheating, forgery and criminal breach of trust. An application was also filed before the Sessions Court for grant of anticipatory bail and the same was granted by the Sessions Court. The matter is presently being investigated by the police.
- g. A first information report (“**FIR**”) no. 77/19 dated March 4, 2019 was lodged by Vijay Baniranka at Kothwali Police Station, Ranchi against Nirmal Jain and others (“**Accused**”), under Sections 420, 467, 468, 471, 409 and 120(B) of the Indian Penal Code, 1860, alleging inter-alia, cheating and criminal breach of trust for not returning the pledged gold. The matter is currently under investigation.
- h. A first information report (“**FIR**”) no. 0541/19 dated June 10, 2019 was lodged by Sushil Jainarayan Karwa (“**Complainant**”) before Chatursharungi Police Station, Pune against India Infoline Finance Limited, Nirmal Jain, Venkat Rajamani and others (“**Accused**”), under Sections 406, 420, 463, 464, 465, 467, 468, 469, 34, 120(B) of the Indian Penal Code, 1860, alleging *inter alia*, cheating and criminal breach of trust by India Infoline Finance Limited along with the other accused for (i) not having taken consent of the Complainant prior to execution of an MoU with Madhavi Laddha, and (ii) for returning the original title documents to Madhavi Latha, thereby alleging a nexus between Madhavi Laddha and India Infoline Finance Limited. The matter is currently under investigation.
- i. Manju Rajesh (“**Complainant**”) filed a criminal complaint bearing number C.M.P. No. 1479/2018 dated November 30, 2018 before the Judicial Magistrate First Class, Chenganoor (“**Complaint**”), against India Infoline Finance Limited and its director Nirmal Jain under Section 190 of the Code for Criminal Procedure, 1973 levelling charges under Section 420 and 34 of the Indian Penal Code, 1860 alleging cheating for not returning gold. India Infoline Finance Limited and its director Nirmal Jain are contesting the Complaint and applied for quashing petition under section 482 of the Cr.P.C has been filed before the High Court of Kerala at Ernakulam, wherein by an interim order dated December 3, 2018, stayed all further proceedings in the said complaint. The matter is pending for hearing.

#### **Venkataraman Rajamani**

1. A complaint dated October 18, 2013 was filed by Gouri Manjunath Jonniya before Chief Judicial Magistrate, Nagpur, against IIFL Management Services Limited and our Promoters Nirmal Jain and Venkataraman Rajamani, for offences of, *inter alia*, cheating, forgery, criminal breach of trust and misuse of her insurance license under sections 406, 420 and 464 of the Indian Penal Code, 1860. The Chief Judicial Magistrate, Nagpur passed an order of issuance of process on January 31, 2014. Aggrieved by the order of the Chief Judicial Magistrate, Nagpur, IIFL Management Services Limited and Venkataraman Rajamani filed a revision application before the Sessions Court, Nagpur on April 4, 2014 for quashing and setting aside the order of issuance of process. The Sessions Court, Nagpur pursuant to its order dated June 6, 2014 admitted the revision application and stayed the proceedings before the Chief Judicial Magistrate, Nagpur. The matter is currently pending.
2. A complaint received by our Company on December 9, 2012 was filed by Arunava Patra before the Chief Metropolitan Magistrate, Paschim Medinipur, West Bengal, against our Company, India Infoline Finance Limited, our Promoters, Nirmal Bhanwarlal Jain and Venkataraman Rajamani and certain others under

sections 406 and 120B of the Indian Penal Code, 1860, alleging *inter-alia*, forgery and criminal conspiracy and certain offences under the Companies Act, 1956. Pursuant to the complaint, the court passed an order for issuance of process on June 16, 2014. Our Company filed a writ petition dated April 10, 2015 (“**Petition**”) before the Calcutta High Court for quashing of the proceedings before Chief Metropolitan Magistrate, Paschim Medinipur, West Bengal. The Calcutta High Court passed an order (the certified copy of which was received by us on June 18, 2015) staying the proceedings before Chief Metropolitan Magistrate, Paschim Medinipur, West Bengal. The matter is currently pending.

3. Anil Kumar Tibrewal filed a first information report (“**FIR**”) dated October 24, 2010 at Sunlight Colony, South East District, Delhi against IIFL Commodities Limited and its directors Nirmal Jain and Venkataraman Rajamani, for the alleged offences of cheating, forgery and conspiracy under Sections 420, 464 and 120B of the Indian Penal Code, 1860. The matter is placed before Delhi District Court, Saket, New Delhi, and is currently under investigation.

### **Criminal proceedings by our Promoters**

There are no outstanding criminal proceedings by our Promoters, as on the date of this Information Memorandum.

### **Pending action by statutory or regulatory authorities against our Promoters**

There are no pending actions by statutory or regulatory authorities against our Promoters, as on the date of this Information Memorandum.

### **Tax proceedings involving our Promoters**

Except as set out below, there are no outstanding tax proceedings involving our Promoters, as on the date of this Information Memorandum.

#### *Indirect tax proceedings*

Nil

#### *Direct Tax Proceedings*

S. No.	Direct tax	Number of cases	Approximate amount in dispute (in ₹ million)
1	Income tax	1	2.28
	<b>Total</b>	<b>1</b>	<b>2.28</b>

### **Outstanding material litigation involving our Promoters**

#### *Material litigation against our Promoters*

Except as stated below, there is no pending material civil litigation against our Promoters, as on the date of this Information Memorandum

#### *Nirmal Jain*

- a. A commercial suit admitted on January 19, 2017 was filed by Harish Thawani, a client of National Spot Exchange Limited (“**NSEL**”), before the Bombay High Court (“**Court**”), against IIFL Commodities Limited, its directors and the directors of its group companies, its key managerial personnel and employees (“**Defendants**”), alleging losses, refund of brokerage, warehouse charges, damages and legal costs. IICL filed its written statement before the Court. The matter is currently pending. The claim is valued at ₹ 168.10 million.
- b. A commercial suit dated July 19, 2016 was filed by Vishvanidhi Dalmia, a client of National Spot Exchange Limited (“**NSEL**”), before the Bombay High Court (“**Court**”), against India Infoline Commodities Limited (“**IICL**”), its directors, employees including the chairman of IIFL Finance Limited (Formerly IIFL Holdings Limited) and NSEL, claiming (a) an amount of ₹ 76.00 million along with interest thereon at the rate of 18% per annum from August 1, 2013 to May 6, 2016 amounting to ₹ 37.85 million and further interest thereon on the total claim at the rate of 18% per annum from the date of filing

of the suit till final realization. It was also prayed for interim/ad-interim relief (b) pending hearing and final disposal appropriate orders for injunction restraining IICL from directly or indirectly assign, selling, mortgage, creating any third party on movable and immovable assets (c) pray for injunction restraining IICL from using ₹ 113.85 million without the leave of the court (d) independent audit or investigating agency like forensic audit to examine the affairs of IICL (e) order and direction to IICL to pay any amount realized from NSEL and to preserve all the records of the relevant period. The total amount involved in the matter is ₹ 113.85 million. IICL received the summons on September 12, 2018. The matter is yet to be admitted.

### ***Venkataraman Rajamani***

- a. A commercial suit admitted on January 19, 2017 was filed by Harish Thawani, a client of National Spot Exchange Limited (“NSEL”), before the Bombay High Court (“**Court**”), against IIFL Commodities Limited, its directors and the directors of its group companies, its key managerial personnel and employees (“**Defendants**”), alleging losses, refund of brokerage, warehouse charges, damages and legal costs. IICL filed its written statement before the Court. The matter is currently pending. The claim is valued at ₹ 168.10 million.

### ***Material litigation by our Promoters***

There is no pending material civil litigation by our Promoters, as on the date of this Information Memorandum.

In addition to the aforesaid, there are three matters pending involving an amount of ₹ 2.43 million (to the extent quantifiable) involving our Promoters.

### **C. Litigation involving our Directors**

#### **Criminal proceedings against our Directors**

For details of outstanding criminal proceedings against Nirmal Jain and Venkataraman Rajamani, in addition to those disclosed above, see “*Litigation involving our Promoters – Criminal proceedings against our Promoters*” on page 152.

Except as stated above, there are no outstanding criminal proceedings against our Directors, as on the date of this Information Memorandum.

#### **Criminal proceedings by our Directors**

There are no outstanding criminal proceedings by our Directors, as on the date of this Information Memorandum.

#### **Pending action by statutory or regulatory authorities against our Directors**

There are no pending actions by statutory or regulatory authorities against our Directors, as on the date of this Information Memorandum.

#### **Tax proceedings involving our Directors**

Except as stated below, there are no outstanding tax proceedings involving our Directors, as on the date of this Information Memorandum.

#### ***Indirect tax proceedings***

Nil

#### ***Direct Tax Proceedings***

S. No.	Direct tax	Number of cases	Approximate amount in dispute (in ₹ million)
1	Income tax	3	9.68
	<b>Total</b>	<b>3</b>	<b>9.68</b>

## **Outstanding material litigation involving our Directors**

### *Material litigation against our Directors*

For details of outstanding material litigation against Nirmal Jain and Venkataraman Rajamani, see “*Litigation involving our Promoters – Outstanding material litigation involving our Promoters*” on page 154.

Except as stated above, there is no pending material civil litigation against our Directors, as on the date of this Information Memorandum

### *Material litigation by our Directors*

There is no pending material civil litigation by our Directors, as on the date of this Information Memorandum.

## **D. Litigation involving our Subsidiaries**

### **Criminal proceedings against our Subsidiaries**

Nil

### **Criminal proceedings by our Subsidiaries**

Nil

### **Pending action by statutory or regulatory authorities against our Subsidiaries**

There are no pending actions by statutory or regulatory authorities against our Subsidiaries, as on the date of this Information Memorandum.

### **Tax proceedings involving our Subsidiaries**

Except as stated below, there are no outstanding tax proceedings involving our Subsidiaries, as on the date of this Information Memorandum.

#### *Indirect tax proceedings*

Nil

#### *Direct Tax Proceedings*

S. No.	Direct tax	Number of cases	Approximate amount in dispute (in ₹ million)
1	Income tax	4	101.36
	<b>Total</b>	<b>4</b>	<b>101.36</b>

## **Outstanding material litigation involving our Subsidiaries**

### *Material litigation against our Subsidiaries*

Except as stated below, there is no pending material civil litigation against our Subsidiaries, as on the date of this Information Memorandum

#### ***IIFL Wealth Finance Limited***

1. A commercial arbitration petition was filed in October 2018 by Ecogreen Cleantech Private Limited (“**P1**”) and D N Niranjan Kani (“**P2**”) (P1 and P2 collectively the “**Petitioners**”) in the Bombay High Court against IIFL Wealth Finance Limited (“**Respondent**”). P1 had signed a master financing agreement with the Respondent to avail loan of approximately ₹ 65.00 million. and pledged the unlisted equity shares held by P2 as security for such loan. The Respondent sent margin shortfall notices to P1 due to certain reasons. Apprehending that the Respondent will sell the security, the Petitioners approached the court. Pending the

outcome of the arbitration, the Petitioners prayed for: (i) restraining the Respondent from demanding repayment of the loan (ii) restraining the Respondent from selling the security. The court has appointed the arbitrator in the matter. Presently, the Respondent has been restrained from selling the security. The matter is pending.

2. A commercial arbitration petition was filed in October 2018 by Holista Tranzworld Private Limited (“P1”) and D N Niranjan Kani (“P2”) (P1 and P2, collectively the “Petitioners”) in the Bombay High Court against IIFL Wealth Finance Limited (“Respondent”). P1 had signed a master financing agreement with the Respondent to avail loan of approximately ₹ 15.00 million and pledged the unlisted equity shares held by P2 as security for such loan. The Respondent sent margin shortfall notices to P1 due to certain reasons. Apprehending that the Respondent will sell the security, the Petitioners approached the Court. Pending the outcome of the arbitration, the Petitioners prayed for: (i) restraining the Respondent from demanding repayment of the loan (ii) restraining the Respondent from selling the security. The court has appointed the arbitrator in the matter. During the pendency of the proceedings before the arbitrator, P1 has made payment of the dues and the Respondent has released the pledge of security. Necessary steps are being taken for closure of the proceedings.

#### *Material litigation by our Subsidiaries*

Except as stated below, there is no pending material civil litigation by our Subsidiaries, as on the date of this Information Memorandum:

#### ***IIFL Trustee Limited***

- a. IIFL Income Opportunities Fund Series – Special Situations, a close ended debt scheme of IIFL Private Equity Fund, had subscribed to 1,500 Series I debentures of face value of ₹ 100,000 each (the “Debentures”) aggregating to ₹ 1,500.00 million issued by Ashvi Developers Private Limited. The investment was secured, among other securities, by a corporate guarantee from Ariisto Developers Private Limited (“ADPL”). There was default in repayment of the Debentures and therefore, an event of default had occurred. Dipco Private Limited, in its capacity as financial creditor of ADPL, initiated NCLT proceedings against ADPL. The NCLT ordered the commencement of corporate insolvency resolution process of ADPL on November 20, 2018. The NCLT had subsequently appointed an insolvency resolution professional (“IRP”). The IRP had issued a public announcement calling upon the creditors of ADPL to submit their claims to IRP. In response, IIFL Trustee Limited, acting on behalf of the aforesaid Fund, submitted the Fund’s claim amounting to ₹ 3,655.91 million as a financial creditor of ADPL. Some of the creditors who had also filed their claims, challenged the acceptance of the Fund’s claim by the IRP, filing an application before the NCLT, Mumbai. IIFL Trustee Limited, on behalf of the Fund, has filed the reply in the matter. The matter is currently pending.

#### **E. Litigation involving our Group Companies**

##### **Criminal proceedings against our Group Companies**

Except as stated below, there are no outstanding criminal proceedings against our Group Companies, as on the date of this Information Memorandum.

#### ***IIFL Management Services Limited (“IMSL”)***

1. A complaint dated October 18, 2013 was filed by Gouri Manjunath Jonniya before Chief Judicial Magistrate, Nagpur, against IMSL and our Promoters Nirmal Bhanwarlal Jain and Venkataraman Rajamani, alleging, *inter alia*, cheating, forgery, criminal breach of trust and misuse of her insurance license under sections 406, 420 and 464 of the Indian Penal Code, 1860. The Chief Judicial Magistrate, Nagpur passed an order of issuance of process on January 31, 2014. Aggrieved by the order of the Chief Judicial Magistrate, Nagpur, IMSL filed a revision application before the Sessions Court, Nagpur on April 4, 2014 for quashing and setting aside the order of issuance of process. The Sessions Court, Nagpur vide its order dated June 6, 2014 admitted the revision application and stayed the proceedings before the Chief Judicial Magistrate, Nagpur. The matter is presently pending before the Sessions Court, Nagpur for hearing.

#### ***IIFL Commodities Limited (“IICL”) (formerly India Infoline Commodities Limited)***

1. A first information report dated September 30, 2013 was filed by Pankaj Saraf, an investor in NSEL, with the MRA Marg Police Station Mumbai against NSEL and other brokers, including IICL (collectively, the “**Accused**”), alleging *inter-alia*, criminal conspiracy, fraud and criminal breach of trust, under Sections 406, 420 and 120B of the Indian Penal Code, 1860. Basis the complaint, the Economic Offences Wing, Mumbai, (“**EOW**”) filed a first information report against the Accused. IICL had subsequently provided all the information and documents required of them, and personally appeared before the relevant authorities and clarified their position in this matter. In this regard, one of the directors of IICL, Chintan Modi, was arrested by EOW in March 2015 and was subsequently released on bail by MPID Court. The matter is pending investigation by the EOW.
2. A first information report dated October 24, 2010 was filed by Anil Kumar Tibrewal at Sunlight Colony, South East District, Delhi against IICL and its directors, Nirmal Bhanwarlal Jain and Venkataraman Rajamani, for the alleged offences of cheating, forgery and conspiracy under Sections 420, 464 along with 120B of the Indian Penal Code, 1860. The matter is placed before Delhi District Court, Saket, New Delhi, and is currently under investigation.
3. A first information report dated July 7, 2015 was filed by Sumita Kalra at the Moti Nagar Police Station, Delhi against IICL, under Sections 406 and 464 of the Indian Penal Code, 1860, alleging *inter-alia*, unauthorised trading, forgery and criminal breach of trust. The matter is pending investigation.
4. A first information report dated October 10, 2015 was filed by Dalip Kumar Garg at Vasant Vihar Police Station, Delhi against IICL and Nirmal Bhanwarlal Jain and others, under Sections 406, 420 and 120B of the Indian Penal Code, 1860, alleging *inter-alia*, unauthorised trading, cheating, forgery and criminal breach of trust. The matter is presently being investigated by the police. An application was filed before the Sessions Court for grant of anticipatory bail dated November 28, 2017 and the same was granted by the Sessions Court dated November 29, 2017. The matter is currently pending.
5. IICL received a show cause notice dated January 6, 2017 from the Serious Fraud Investigation Office, Mumbai (“**SFIO**”), seeking various details and documents with respect to certain transactions which IICL carried out in NSEL. IICL submitted its reply dated January 30, 2017 with the SFIO, along with all the supporting documents. SFIO had also issued a notice dated February 24, 2017 to the directors of the IICL requiring their personal appearance before the Additional Director, SFIO. Chintan Modi, one of the directors of IICL, appeared and provided the requisite details, clarifications and documents sought by the SFIO. No further communication has been received in this regard.
6. The Enforcement Directorate (“**ED**”) issued a summons (“**Summons**”) to IICL in relation to certain investigations of NSEL, in relation to default in payouts to clients in 2013, during which IICL was a member of NSEL. The ED vide the Summons sought the personal appearance of the directors of IICL on July 16, 2016. Prasanth Prabhakaran and Chintan Modi, directors of IICL, appeared before the ED and provided the necessary explanation and details, as sought by the ED. The ED had also sought certain additional details and documents from IICL which were submitted to the ED.

IICL received a fresh summons from the ED dated May 7, 2019 seeking certain details and also the personal appearance of the Director, Chintan Modi on May 15, 2019. Mr. Chintan Modi appeared before the Enforcement Directorate (“**ED**”) on May 15, 2019 and submitted the required details and documents as per the notice and his statement was also recorded on the submission made. No further communication has been received.

***IIFL Insurance Brokers Limited (“IIBL”) (formerly known as India Infoline Insurance Brokers Limited)***

1. A first information report dated September 16, 2015 was lodged by Ravindra Nath Gangele with the Cyber & Hi-Tech Crime Police Station, Bhopal, against IIBL alleging IIBL of mis-selling insurance. IIBL has complied with the instructions received from the police in this regard, and no further communication has been received since.

***India Infoline Finance Limited***

1. Manju Rajesh (“**Complainant**”) filed a criminal complaint bearing number C.M.P. No. 1479/2018 dated November 30, 2018 before the Learned Judicial Magistrate First Class, Chenganoor (“**Complaint**”), against India Infoline Finance Limited and its director Nirmal Bhanwarlal Jain under Section 190 of the

Code for Criminal Procedure, 1973 levelling charges under Section 420 and 34 of the Indian Penal Code, 1860 alleging cheating for not returning gold. India Infoline Finance Limited and its director Nirmal Bhanwarlal Jain are contesting the Complaint and applied for quashing petition under section 482 of the Cr.P.C has been filed before the High Court of Kerala at Ernakulam, wherein by an interim order dated December 3, 2018, stayed all further proceedings in the said complaint. The matter is pending for hearing.

2. A first information report (“**FIR**”) no. 77/19 dated March 4, 2019 was lodged by Vijay Baniranka at Kothwali Police Station, Ranchi against India, Infoline Finance Limited, Nirmal Bhanwarlal Jain and others (“**Accused**”), under Sections 420, 467, 468, 471, 409 and 120(B) of the Indian Penal Code, 1860, alleging inter-alia, cheating and criminal breach of trust for not returning the pledged gold. The matter is currently under investigation.
3. A first information report (“**FIR**”) no. 0541/19 dated June 10, 2019 was lodged by Sushil Jainarayan Karwa (“**Complainant**”) before Chatursharungi Police Station, Pune against India Infoline Finance Limited, Nirmal Bhanwarlal Jain, Venkat Rajamani and others (“**Accused**”), under Sections 406, 420, 463, 464, 465, 467, 468, 469, 34, 120(B) of the Indian Penal Code, 1860, alleging *inter alia*, cheating and criminal breach of trust by India Infoline Finance Limited along with the other accused for (i) not having taken consent of the Complainant prior to execution of an MoU with Madhavi Laddha, and (ii) for returning the original title documents to Madhavi Latha, thereby alleging a nexus between Madhavi Laddha and India Infoline Finance Limited. The matter is currently under investigation.

#### ***IIFL Home Finance Limited (“IIHFL”)***

1. A first information report dated November 16, 2015 was lodged by Ramesh Janjani at Police Station Adarsh Nagar at Ajmer against the employees of IIHFL alleging cheating and criminal breach of trust under the Indian Penal Code, 1860. The matter is pending investigation.
2. A first information report dated December 12, 2017 was lodged by Geeta Gangi at Police Station Ameenpur at Sangareddy, Hyderabad against the employees of IIHFL alleging cheating and criminal breach of trust under the Indian Penal Code, 1860. The matter is pending investigation.

#### ***IIFL Securities Limited (“ISL”)***

1. A summons received by ISL on November dated June 24, 2008 (“**Complaint**”) was filed by GHCL Employees Stock Option Trust (“**GHCL ESOP Trust**”) under the Indian Penal Code, 1860, before the Court of Additional Chief Judicial Magistrate, Patiala House Court, New Delhi (“**Court**”) against our Company, its Directors Nirmal Bhanwarlal Jain and Venkatraman Rajamani, the company secretary and others. The trustees of the GHCL ESOP Trust had opened a dematerialized account with our Company and continued purchasing shares through the dematerialized account. By its letter dated April 30, 2008, our Company informed the GHCL ESOP Trust of its outstanding debit of ₹ 104.80 million and the existence of lien on the 2,046,195 shares purchased by it. In its response, GHCL ESOP Trust (a) claimed that ₹ 104.80 million had been duly paid by it, and later it had noted that the correct amount, as reflected in its statement of account was ₹ 102.28 million; and (b) alleged that our Company instead of refunding the difference amount of ₹ 2.52 million asked the GHCL ESOP Trust to clear the debits of five companies, and on failing to do so, our Company sold 876,668 shares belonging to the GHCL ESOP Trust illegally and without any authorization. A summons order dated September 27, 2008 (“**Summons Order**”) was passed by the Court, summoning our Company to face trial for the offences under the provisions of the Indian Penal Code, 1860. Our Company filed a petition in the Delhi High Court (“**Petition**”) on March 22, 2009 challenging the Summons Order. The Delhi High Court by its order dated December 14, 2009 quashed and set aside the Complaint and the Summons Order against all the directors and the company secretary. GHCL ESOP Trust filed an appeal before the Supreme Court against the order of the Delhi High Court on March 11, 2010. Pursuant to its order dated March 22, 2013, the Supreme Court confirmed the order of the Delhi High Court and held that no offence of cheating was made out against the directors and company secretary of our Company. The matter is presently pending.
2. A complaint dated July 12, 2011 was filed by Sushama Agarwal before Chief Judicial Magistrate, Meerut, against ISL, its erstwhile director Nirmal Bhanwarlal Jain and its employees Arun Puniya, Aman Chaddha and Sandeep Arora under sections 406, 420 and 464 of the Indian Penal Code, 1860, alleging unauthorised trading, criminal breach of trust, cheating and forgery. Pursuant to the complaint, the Court, passed an order for issuance of process on July 25, 2011. ISL filed a petition before the Allahabad High Court on



April 7, 2014 (“**Petition**”) for quashing the order of the Court. The Petition was admitted and the Allahabad High Court pursuant to its order dated April 22, 2014 stayed the proceedings before the Chief Judicial Magistrate, Meerut. The case is presently pending.

3. A complaint dated October 9, 2012 was filed by Arunava Patra before the Chief Metropolitan Magistrate, Paschim Medinipur, West Bengal (“**Court**”), against our Company, India Infoline Finance Limited and our directors Nirmal Bhanwarlal Jain, Venkataraman Rajamani and certain others, under sections 406 and 120B of the Indian Penal Code, 1860, alleging *inter-alia*, forgery and criminal conspiracy and certain offences under the Companies Act, 1956. Pursuant to the complaint, the Court passed an order for issuance of process on June 16, 2014. Our Company filed a writ petition dated April 10, 2015 before the Calcutta High Court for quashing of the proceedings before Chief Metropolitan Magistrate, Paschim Medinipur, West Bengal. The Calcutta High Court passed an order, the certified copy of which was received by us on June 18 2015 staying the proceedings before Chief Metropolitan Magistrate, Paschim Medinipur, West Bengal. The matter is presently pending before the Calcutta High Court.
4. A complaint dated November 23, 2011 was filed by Seema Bulsara with the Economic Offence Wing (“**EOW**”), Mumbai, and the first information report was lodged against Mukti Laheri and ‘unknown officials’ of ISL, alleging unauthorized trading. A charge sheet was filed by the EOW, Mumbai before the 19th Court, Esplanade, Mumbai against Mukti Laheri and Manish Kumar, an ex-employee of ISL. Further, a supplementary charge sheet (“**Supplementary Charge Sheet**”) was filed by EOW, Mumbai against ISL on April 17, 2015. The matter is presently pending.
5. A summons dated May 4, 2019 was received by our Company on May 8, 2019 in the criminal complaint dated May 25, 2013 was filed by Ravindra Kumar Thakur before the Chief Judicial Magistrate, Bhagalpur, Bihar against our Company and others, alleging, *inter alia*, criminal breach of trust, cheating and forgery under Sections 406, 417, 420, 467, 468 and 471 of Indian Penal Code, 1860. The matter is currently pending.
6. A first information report was lodged by Mohit Gujral (“**Complainant**”) at the Economic Offence Wing, New Delhi, against Anurag Rastogi, Dhiraj Singh, Sanjay Ghosh, director of Reditus Securities Private Limited, Reditus Securities Private Limited and others, under Sections 409, 418, 420, 468, 477A and 120B of the Indian Penal Code, 1860, alleging unauthorised trading and cheating, forgery and criminal breach of trust. ISL received notice of the same on November 19, 2018 to provide details of transactions and ISL has submitted the required documents. The matter is currently pending.
7. A first information report dated October 12, 2012 was filed by Mohinder Singh (“**Complainant**”) with the Moti Nagar Police Station, New Delhi against ISL under Sections 420 and 120B of the Indian Penal Code, 1860, alleging unauthorised trading and cheating. ISL had received a notice from the police directing ISL to provide the details of transactions of the Complainant along with the supporting documents, which has been subsequently provided. We have received no further communication received. The matter is currently pending.
8. A first information report dated March 19, 2014 was filed by Devender Mohan Singh Negi (“**Complainant**”) with the Moti Nagar Police Station, New Delhi, against ISL, under Sections 420, 468, 471, 406, 34 and 120B of the Indian Penal Code, 1860, alleging unauthorised trading and cheating, forgery and criminal breach of trust. ISL had received a notice from the police directing us to provide the details of transactions of the Complainant along with the supporting documents, which has been subsequently provided. We have received no further communication received. The matter is currently pending.
9. A first information report dated May 20, 2014 was filed by Renu Jain (“**Complainant**”) at the Moti Nagar Police Station, New Delhi, against ISL under Sections 406, 420 and 468 of the Indian Penal Code, 1860 alleging unauthorised trading and cheating, forgery and criminal breach of trust. ISL had received a notice from the police directing us to provide the details of transactions of the Complainant along with the supporting documents, which has been subsequently provided. We have received no further communication received. The matter is currently pending.

### **Criminal proceedings by our Group Companies**

Except as stated below, there are no outstanding criminal proceedings by our Group Companies, as on the date of this Information Memorandum.

### ***IIFL Facilities Services Limited (“IFSL”)***

1. IFSL has filed three complaints before various courts against defaulting vendors under Section 138 of the Negotiable Instruments Act, 1881, for dishonour of cheques for a total amount of ₹ 7.5 million. These matters are currently pending.

### ***India Infoline Finance Limited***

1. India Infoline Finance Limited, in the ordinary course of business, in relation to its gold loan portfolio, has lodged 11 first information reports against its former employees for misappropriation of accounts and funds under provisions of the Indian Penal Code, 1860, involving an amount of approximately ₹ 34.77 million. The matters are pending for further investigation by the concerned officers.
2. India Infoline Finance Limited in the ordinary course of business, in relation to its gold loan portfolio, has lodged 10 first information reports against unknown persons under Section 395 of the Indian Penal Code, 1860, involving an amount of approximately ₹ 250.55 million. The matters are pending for further investigation by the concerned officers.
3. India Infoline Finance Limited, in the ordinary course of business, in relation to its gold loan portfolio, has lodged 18 first information reports against borrowers for cheating under Sections 419, 420, 406, 467, 468 471 and 120(b) of the Indian Penal Code, 1860, involving an amount of approximately ₹ 82.42 million. The matters are pending for further investigation by the concerned officers.
4. India Infoline Finance Limited in the ordinary course of business, in relation to its home loan/loan against property portfolio, has lodged the first information report dated November 16, 2015 against Uttam Kr. Asrani for cheating under various sections of the Indian Penal Code, 1860, involving an amount of approximately ₹ 9.57 million. The matter is pending for further investigation by the concerned officers.
5. India Infoline Finance Limited, in the ordinary course of business, in relation to its home loan/loan against property portfolio, has filed a complaint dated July 19, 2018 before the Court against Jakir Khan for cheating under various sections of the Indian Penal Code, 1860, involving an amount of approximately ₹ 21.29 million. The matter is pending for further investigation by the concerned officers.
6. India Infoline Finance Limited, in the ordinary course of business, in relation to its home loan/loan against property portfolio, has filed a complaint dated December 7, 2018 before the Court against Venu Madhavi Yellpu for cheating under various sections of the Indian Penal Code, 1860, involving an amount of approximately ₹ 25.02 million. The matter is pending for further investigation by the concerned officers.
7. India Infoline Finance Limited, in the ordinary course of business, in relation to its home loan/loan against property portfolio, has filed a complaint dated February 9, 2018 before the Court against Royal Heritage Builders Colonisers Infrastructure Private Limited under Section 138 of Negotiable Instrument Act, involving an amount of approximately ₹ 0.89 million. Against the said complaint, Zeeshan Ali, the director of Royal Heritage Builders Colonisers Infrastructure Private Limited has filed a quashing petition under Section 482 of the Code of Criminal Procedure, 1973, before the High Court of Bhopal against the state of Madhya Pradesh. India Infoline Finance Limited is contesting the matter and the matter is pending the court.
8. India Infoline Finance Limited, in the ordinary course of business, in relation to the gold loan portfolio, has lodged 1 first information report against unknown persons dated November 8, 2018 for the inter alia, the offences of criminal trespass and theft under Sections 380, 454 and 457 of the Indian Penal Code, 1860, with Ulhasnagar police station involving an amount of ₹ 0.08 million. The matter is under investigation.
9. India Infoline Finance Limited has filed 6,850 proceedings against various borrowers under Section 138 of the Negotiable Instruments Act, 1881 for dishonour of cheques in various courts, involving an amount of approximately ₹ 4,094.44 million. The matters are pending before various courts at various stages of adjudication.
10. India Infoline Finance Limited has filed 4 proceedings against Deep Cotton under section 138 of the Negotiable instrument Act 1881, for dishonour of cheques on various dates. The claim amount is ₹0.67

million. The Order is passed in favour of India Infoline Finance Limited. The Borrower filed 4 revision applications under Section 397 of the Code for Criminal Procedure, 1973 (“**Cr.PC**”) against the Order seeking revision/quashing of action of dishonour of instrument under section 138 of NI Act 1881 before the Sessions Court. The matter is pending for hearing.

11. India Infoline Finance Limited filed a criminal complaint dated January 14, 2016 against HG Retail Ventures Private Limited (“**Borrower**”) under section 138 of the Negotiable instrument Act 1881, for dishonour of cheques. The claim amount is ₹0.69million. The Borrower has filed a quashing petition against the said complaint under section 482 of the Cr. P.C. Simultaneously, India Infoline Finance Limited issued demand notice dated August 25, 2016 and the possession notice dated November 15, 2016 (“**Possession notice**”) under SARFEASI Act against the Borrower, towards outstanding dues in relation to a loan availed by Borrower. Mr. Bharat Bhusan Jhamb (“**Third party**”) has filed an application before the Debt Recovery Tribunal, against India Infoline Finance Limited seeking that the demand notice dated August 25, 2016 and the Possession Notice, be declared null and void. India Infoline Finance Limited is contesting the matter and the matter is pending before the DRT.
12. India Infoline Finance Limited filed 3 criminal complaints against Nivedita Dubey (“**Borrower**”) dated November 2, 2015, under section 138 of the Negotiable instrument Act 1881, for dishonour of cheques. The claim amount is ₹ 15.05million. Simultaneously, India Infoline Finance Limited issued demand notice dated September 01, 2016 and the possession notice (“**Possession Notice**”) under SARFEASI Act against the Borrower, due to outstanding dues in relation to a loan availed by Borrower. Ms. Subhasini Dubey (“**Co-Borrower**”) has filed an application before the Debt Recovery Tribunal, (“**DRT**”) against India Infoline Finance Limited seeking the demand notice and the Possession Notice, be declared null and void. India Infoline Finance Limited is contesting the matter and the matter is pending before the DRT.
13. India Infoline Finance Limited filed two criminal complaints against Jaipuria Buildcon Private Limited (“**Borrower**”) dated September 6, 2016 and May 5, 2018, under section 138 of the Negotiable instrument Act 1881, for dishonour of cheques and also filed an application under Section 156(3) under Cr.P.C dated July 2, 2016. The claim amount is ₹ 103.62 million. Simultaneously, India Infoline Finance Limited issued a demand notice dated August 25, 2016 and the possession notice dated November 16, 2016 (“**Possession Notice**”) under SARFEASI Act against the Borrower, towards outstanding dues in relation to a loan availed by Borrower. Mr. Ashish Agarwal, Akhil Agarwal, Anil Bansal and Union Bank of India (“**third party**”) have filed an applications before the Debt Recovery Tribunal, at Delhi (“**DRT**”) to the extent of their respective units in the project against India Infoline Finance Limited seeking the demand notice dated August 25, 2016 and the Possession Notice, be declared null and void. India Infoline Finance Limited is contesting the matter and the matter is pending before the DRT.

#### ***Samasta Microfinance Limited (“SMFL”)***

1. A complaint dated December 11, 2013 was filed by Ayusha Dairy Private Limited (“**Complainant**”) before the Judicial Magistrate, Coimbatore against Sabari Ayyappa Dairy Farms Private Limited (“**Accused**”) (which subsequently merged with SMFL), under Section 138 of the Negotiable Instruments Act, 1881 for dishonor of cheques for an aggregate of ₹ 2.50 million. The Judicial Magistrate, Coimbatore, directed that the case be transferred to Judicial Magistrate, Udumalpet, as the cheques which were dishonored were initially presented at Udumalpet. The parties mutually agreed that the Accused will pay ₹ 2.30 million to the Complainant. However, the Complainant has only received ₹ 1.09 million till date. The matter is currently pending.

#### ***IIHL Home Finance Limited (“IIHFL”)***

1. IIHFL has filed 16,096 proceedings against various borrowers under Section 138 of the Negotiable Instruments Act, 1881 and Section 25 of Payment and Settlement System Act, 2007, for dishonour of cheques/ electronic clearance service/ automated clearing house in various courts. The aggregate of claim amounts filed by IIHFL are approximately ₹ 4,088.00 million. The matters are pending before the courts at various stages of adjudication.
2. A first information report dated April 6, 2016 was filed by IIHFL at the Ashok Nagar Police Station, Bengaluru, against Tanveer Pasha and other co-borrowers (“**Accused**”) alleging, inter alia, cheating and criminal breach of trust under Sections 420 and 406 of the Indian Penal Code, 1860. It was alleged that the Accused had conspired with certain builders to cause a loss to IIHFL by way of wrongfully inducing IIHFL

to disburse a loan in their favour. The claim involved in the matter is ₹11.75 million. The matter is pending investigation.

3. A first information report dated September 10, 2015 was lodged by IIHFL at the Vidhayak Puri, Police Station, Jaipur against Prem Chand Sharma and other co-borrowers (**"Accused"**) alleging *inter alia*, cheating and criminal breach of trust under Sections 420 and 406 of the Indian Penal Code, 1860. It was alleged that the Accused had conspired to cause a loss to IIHFL by transferring the title and possession of the mortgage property to third parties, despite the subsistence of an existing mortgage on the property, in favour of IIHFL. The matter is pending investigation.
4. A first information report dated February 15, 2017 was lodged by IIHFL at the Navrangpura Police Station, Ahmedabad, against Mihir Desai and other co-borrowers (**"Accused"**) alleging *inter alia*, cheating and criminal breach of trust under Sections 420 and 406 of the Indian Penal Code, 1860. It was alleged that the Accused had conspired to cause a loss to IIHFL by creating a subsequent mortgage and making a transfer of title and possession of the mortgage property to third parties despite the subsistence of an existing mortgage on the property in favour of IIHFL. The matter is pending investigation.
5. A first information report dated November 8, 2016 (**"FIR"**) was registered by IIHFL at the Kalyan Police Station, District Thane, Mumbai against Anand Rajaram Yadav and other co-borrowers (**"Accused"**), alleging *inter alia*, cheating and criminal breach of trust. It was alleged that the Accused had conspired to cause a loss to IIHFL by raising funds on the same property from different lenders multiple times. The matter is pending investigation.
6. A first information report dated May 21, 2019 and October 16, 2018 (**"FIR"**) was registered by IIHFL at the Malad Police Station, District Mumbai against Subir Chakraborty and other co-borrowers and also at the Jahangirabad Police Station, against Ramesh Bachhani (**"Accused"**), alleging *inter alia*, trespassing and damaging the mortgaged property. It was alleged that the Accused had conspired to cause a loss to IIHFL. The matter is pending investigation.
7. A first information report dated September 7, 2019 (**"FIR"**) was registered by IIHFL at the Udyog Vihar Police Station, Gurgaon against Dwarkadeesh Project Private Limited and five borrowers, alleging that the accused had conspired to cause a loss to IIHFL. The matter is pending investigation.
8. IIHFL, in relation to its mortgage loan portfolio, has filed six Section 156(3) applications under Criminal Procedure Code, 1973 filed against the Borrowers, for cheating and criminal breach of trust under Sections 420 and 406 of the Indian Penal Code, 1860. The aggregate of claim amounts filed by IIHFL are approximately ₹226.07 million. The matters are pending before the different Courts for adjudication.
9. There are 25 proceedings filed by IIHFL under section 138 of NI Act and section 25 of Payment and Settlement Act against Kajal Gupta. Against the proceedings, Kajal Gupta, owner of Shri Venkateshwar Enterprises (**"Borrower"**) has filed a Transfer Petition dated April 1, 2018 before the High Court at Chandigarh to transfer all the pending proceedings, which were initiated under dishonor of instrument under Section 138 of the Negotiable Instrument Act, 1881 and/or Section 25 of the Payment and Settlement Systems Act, 2007. These cases were initiated by IIHFL due to non-payment of ₹ 24.25 million by the Borrower. IIHFL is contesting the matter and the matter is pending before the Court.

#### ***IIFL Securities Limited ("ISL")***

1. A complaint dated March 7, 2008 was filed by ISL before the Metropolitan Magistrate's Court, Tis Hazari, Delhi, against Kuldeep Singh and Surender Kumar, ex-employees, for theft and criminal conspiracy under sections 120A and 379 of Indian Penal Code, 1860. The matter is currently pending.
2. A complaint dated February 25, 2013 was filed by ISL before the Chief Judicial Magistrate Court, Pune against Devdutt Musale a former employee of ISL, for the offences of criminal breach of trust, cheating and forgery. The matter is currently pending.
3. A criminal revision petition dated December 22, 2016 was filed by ISL before the District and Sessions Court, Hisar, against Tarun Malhotra for restoration of the complaint filed by ISL for the offence of, cheating, criminal breach of trust and also for offences punishable under the provisions of the Information Technology Act, 2000. The matter is currently pending.

4. A complaint dated November 2, 2007 was filed by ISL before the Metropolitan Magistrate Court, Ahmedabad against Ragvendra Singh (former employee), Harsh Dinesh Kaushik (former employee) for offences of, cheating and criminal breach of trust for carrying out unauthorized trading in a client account. The matter is presently pending for hearing.
5. A complaint was filed by ISL with the Police Station PS Kotwali, Bharatpur, Rajasthan against Mukesh Kuntal (“**Accused**”) for the alleged offences of cheating, forgery and theft as a consequence of which, a first information report was registered against the Accused. The matter is presently pending for investigation.
6. A complaint was filed by ISL with the Civil Line Police Station, Amritsar against Pankaj Ohri (“**Accused**”) for the alleged offences of cheating, forgery and theft as a consequence of which, a first information report was registered against the Accused. The matter is presently pending for investigation.
7. A first information report dated May 20, 2011 was filed by ISL before Gautam Buddha Nagar Police Station, Uttar Pradesh against Mohammed Tariq (“**Accused**”) for the alleged offences of cheating and forgery of documents as a consequence of which, a first information report was registered against the Accused. The matter is presently under investigation.
8. A complaint dated December 23, 2015 was filed by ISL before Kothrud Police Station, Pune against certain former employees of ISL including Ashpak Hamid Sayyad, Rakesh Natwarlal Solanki, Kalpesh Kantilal Waghela, Prabhat Bhura Patel (collectively, the “**Accused**”) for the alleged offences of cheating and forgery of documents as a consequence of which, a first information report was registered against the Accused. The matter is presently under investigation.
9. ISL filed 17 proceedings against defaulting customers under Section 138 of the Negotiable Instruments Act, 1881 for dishonour of cheques, in various courts. The aggregate amount involved in these matters filed by ISL is approximately ₹ 431.46 million. The matters are pending before various courts at various stages of adjudication.

#### **Pending action by statutory or regulatory authorities against our Group Companies**

Except as disclosed below, there are no pending actions by statutory or regulatory authorities against our Group Companies, as on the date of this Information Memorandum.

#### ***IIFL Commodities Limited (“IICL”) (formerly India Infoline Commodities Limited)***

1. A show cause notice dated October 28, 2016 was issued to IICL by the Designated Authority, SEBI, (“**SEBI**”) under Regulation 25(1) of the SEBI (Intermediaries) Regulations, 2008 and SEBI (Stock Brokers and Sub Brokers) Regulations, 1992 in the matter of the payout default involving NSEL. IICL filed a reply to the show cause notice, along with supporting documents on November 25, 2016. Subsequently, SEBI issued a fresh show cause notice dated April 24, 2017, to IICL under Regulation 28(1) read with Regulation 7(2) of the SEBI (Intermediaries) Regulations, 2008, along with a copy of the enquiry report seeking IICL’s reply and clarification. IICL sought inspection of the relevant documents and appeared in personal hearings held on January 24, 2018 and February 7, 2018 before the whole-time member of SEBI. IICL also submitted its reply to the show cause notice along with all the supporting documents with SEBI on June 18, 2018. Subsequently, SEBI passed an interim order dated August 30, 2018 directing IICL to submit any additional written submissions, if any within two weeks from the date of the order and appear for a personal hearing on September 27, 2018. Pending hearing before whole time member of SEBI (“**WTM**”), IICL, pursuant to its letter dated September 17, 2018, applied for withdrawal of its application for registration with the stock exchanges and SEBI as a commodity derivatives broker (“**Application**”). SEBI pursuant to its letter dated September 4, 2018 and the stock exchanges vide their emails dated August 21, 2018 and August 23, 2018 informed IICL that pending the enquiry, the application for withdrawal of the Application cannot be entertained. IICL filed a writ petition before the Bombay High Court against the letter dated September 4, 2018 issued by SEBI, which was rejected by the Bombay High Court pursuant to its order dated October 4, 2018.

A second show cause notice dated December 27, 2018 was issued by SEBI to IICL based on an report issued by the Serious Fraud Investigation Office, whereby IICL was called upon to show cause as to why

the report should not be considered, based on which IICL may not be considered to be a 'fit and proper person' and accordingly, reject their Application. IICL submitted its reply along with all the supporting documents with SEBI pursuant to its letter dated January 23, 2019. The company filed its consent application with SEBI on December 31, 2018 under the SEBI (Settlement of Administrative & Civil Proceedings) Regulation 2017. The said application was returned by SEBI, pursuant to its letter dated January 11, 2019. Thereafter, SEBI has vide its order dated February 22, 2019 ("**Order**"), declared that IICL is "not a fit and proper person" to hold directly or indirectly, the certificate of registration as a commodity derivative broker and rejected the Application. IICL has filed an appeal against the Order before Securities Appellate Tribunal on April 11, 2019. The appeal filed by IICL was last listed before SAT on June 20, 2019, when an intervening application was filed by NSEL before SAT. At the request of the lawyers representing SEBI, who sought time to reply to the intervening application, the matter was adjourned to September 16, 2019. They also directed SEBI to file its reply to the intervening application as well as to the appeal filed by IICL within six weeks from the date of the order and IICL to file its reply to the intervening application within three weeks. The matter is presently pending.

2. MCX pursuant to its letter dated April 12, 2018, alleged violation of exchange bye-laws and business rules due to alleged discrepancies in the reporting be made to MCX by IICL for the fiscal year 2014-2015 and levied a penalty of ₹ 33.00 million. IICL challenged the penalty levied by MCX before the Securities Appellate Tribunal by way of an appeal dated May 11, 2018. The matter is currently pending.
3. MCX pursuant to its letter dated April 12, 2018 alleged violation of certain exchange bye-laws and business rules due to alleged discrepancies in the reporting to MCX for the fiscal year 2015-2016, pursuant to which they levied a penalty of ₹ 11.92 million on IICL. IICL challenged the penalty levied by MCX before the Securities Appellate Tribunal by way of an appeal dated May 11, 2018. The matter is currently pending.

***IIFL Insurance Brokers Limited ("IIBL") (formerly known as India Infoline Insurance Brokers Limited)***

1. A show cause notice dated February 26, 2019 was received by IIBL from the Designated Authority, IRDA under clause 3(c) of Schedule VII of Regulation 39 of IRDA (Insurance Brokers) Regulations, 2013 in the matter of on-site inspection covering the inspection period 2014-15 and 2015-2016 of insurance broking business. The IRDA observations mainly pertain to procedural violations, non-maintenance of specific records and related party transactions. A detailed reply to the said show cause notice was submitted vide letter dated April 8, 2019 mentioning compliance of the relevant observations along with documentary evidences. The matter is currently pending.

***India Infoline Finance Limited***

1. A direction dated July 17, 2018 was received by IIFL from Pension Fund Regulatory and Development Authority ("**PFRDA**"), listing out the required actions to be complied with, in regard to pending amount of ₹ 0.76 million by the subscribers deposits with IIFL as registered Point of Presence for National Pension Scheme as on March 31, 2018. In this regard, IIFL had initiated the required compliances and due periodical reports are being submitted to PFRDA. The compliances on the direction are under progress.

***IIFL Securities Limited ("ISL")***

1. An enquiry notice dated May 2, 2017 was received by ISL from SEBI, basis an inspection conducted by SEBI during the period between January 30, 2014 and February 3, 2014 covering the period from 2011 to 2014. The matter relates to SEBI's observations for non-segregation of own funds from clients' funds, misuse of credit balance of clients' funds for debit balance clients' funds; and improper designation of the client bank account. ISL had applied for the inspection of documents, which were relied upon by SEBI, in relation to issuance of the enquiry notice. Upon receiving such documents, ISL submitted reply to the SEBI notice providing clarifications along with supporting documents and highlighting the corrective measures adopted and implemented including compliance with the SEBI circular on enhanced risk-based supervision. During the period of three years beginning the date of conclusion of the onsite inspection, three supplementary reports were issued in this matter which have been suitably replied to. Further, a consent application was filed on January 16, 2018 before SEBI and the same was rejected by SEBI vide its letter dated April 1, 2019. A fresh consent application was filed under the SEBI (Settlement Proceedings) Regulations, 2018 before SEBI on May 30, 2019. No further communication has been received thus far and the matter is pending.

2. ISL received a show cause notice dated April 9, 2019 under Rule 4 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 read with Section 151 of the Securities and Exchange Board of India Act, 1992 in the matter of Vimla Devi Kalantri in relation to the script of Saint Gobain Sekurit Limited. As per the show cause notice, SEBI has alleged that a Atul Saroagi was trading through the account of Vimla Devi Kalantri without ISL having received any authorization/ supporting document in this regard and that ISL has failed in exercising due skill, care and diligence in the conduct of its business which is allegedly, in violations of Clause A(2) of the Code of Conduct for Stock Brokers. ISL had submitted its reply to SEBI on May 20, 2019. SEBI, through its order dated July 31, 2019, imposed a penalty for ₹ 300,000 against ISL. ISL is in the process of filing an appeal against this order.

#### ***IIFL Finance Limited (Formerly IIFL Holdings Limited)***

1. The Ministry of Corporate Affairs, through the office of Registrar of Companies, Mumbai has issued an order dated December 17, 2018 under Section 206(4) of the Companies Act, 2013 (“**Order**”) to IIFL Finance Limited, *inter alia*, seeking information / details of its business, directors, capital structure, financial statements, profit and loss account and other schedules, reports and documents filed by IIFL Finance Limited from time to time. IIFL Finance Limited has submitted the information / details sought in the Order on January 14, 2019 with the Registrar of Companies, Mumbai. The matter is pending.

#### **Tax proceedings involving our Group Companies**

Except as stated below, there are no outstanding tax proceedings involving our Group Companies, as on the date of this Information Memorandum.

<b>Nature of case</b>	<b>Number of cases</b>	<b>Amount involved (₹ in million)</b>
<b><i>IIFL Finance Limited (Formerly IIFL Holdings Limited)</i></b>		
Direct tax	8	467.36
Indirect tax	7	622.26
<b><i>India Infoline Finance Limited</i></b>		
Direct tax	5	179.78
<b><i>IIFL Alternate Asset Advisors Limited</i></b>		
Direct tax	1	86.61
<b><i>IIFL Commodities Limited</i></b>		
Indirect tax	1	6.52
<b><i>IIFL Securities Limited</i></b>		
Indirect tax	2	335.80
Direct tax	1	22.41

#### **Outstanding material litigation involving our Group Companies**

##### ***Material litigation against our Group Companies***

Except as stated below, there is no pending material civil litigation against our Group Companies, as on the date of this Information Memorandum.

#### ***IIFL Commodities Limited (“IICL”) (formerly India Infoline Commodities Limited)***

1. A commercial suit admitted on January 19, 2017 was filed by Harish Thawani a client of National Spot Exchange Limited (“**NSEL**”), before the Bombay High Court (“**Court**”), against India Infoline Commodities Limited (“**IICL**”) its directors and ISL, IIFL Holdings Limited, and its directors, including its key managerial personnel and employees, alleging losses, refund of brokerage, warehouse charges, damages and legal costs. IICL filed its written statement before the Court and the matter is pending hearing. The claim is valued at ₹ 168.10 million.
2. Demand notices dated June 5, 2014 and September 1, 2014 were received by IICL from the Rajasthan Stamp Office, demanding payment of stamp duty, for the period commencing from September 2007 to March 2012 in relation to the trades carried out by IICL’s clients (“**Clients**”), residing in the state of Rajasthan. IICL, pursuant to its reply, stated that the stamp duty with respect to the trades, was paid to state of Maharashtra until 2011, as the central office of IICL was located in Mumbai. Subsequently, the central

office was shifted to the state of Tamil Nadu wherein no stamp duty was levied. Hence, the same was not levied and collected from the client. The contract notes for the above period were issued to the Clients from both, the Mumbai and Chennai offices. Aggrieved by the demand notice, IICL filed a writ petition dated December 30, 2015 before Rajasthan High Court, requesting it to quash the demand notice. The matter has not been listed and is pending.

3. A commercial suit dated July 19, 2016 was filed by Vishvanidhi Dalmia, a client of National Spot Exchange Limited (“**NSEL**”), before the Bombay High Court (“**Court**”), against IICL, its directors, employees including the chairman of IIFL Finance Limited (Formerly IIFL Holdings Limited) and NSEL, claiming (a) an amount of ₹ 76 million along with interest thereon at the rate of 18% per annum from August 1, 2013 to May 6, 2016 amounting to ₹ 37.85 million and further interest thereon on the total claim at the rate of 18% per annum from the date of filing of the suit till final realization. It was also prayed for interim/ad-interim relief (b) pending hearing and final disposal appropriate orders for injunction restraining IICL from directly or indirectly assign, selling, mortgage, creating any third party on movable and immovable assets (c) pray for injunction restraining IICL from using ₹ 113.85 million without the leave of the court (d) independent audit or investigating agency like forensic audit to examine the affairs of IICL (e) order and direction to IICL to pay any amount realized from NSEL and to preserve all the records of the relevant period. The total amount involved in the matter is ₹ 113.85 million. IICL received the summons on September 11, 2018. The matter is yet to be admitted.
4. A civil suit dated January 7, 2014 has been filed by Modern India against NSEL and other brokers including IIFL Commodities Limited towards losses suffered by the plaintiff in respect of the contracts transacted on NSEL platform before the High Court of Bombay (“**Court**”). IICL is a party in this suit as a pro-forma party and there are no claims as against IICL. IICL has filed its written statement before the Court. The matter is currently pending.

#### ***IIFL Facilities Services Limited (“IFSL”)***

A civil suit dated October 12, 2017 was filed by Abhijit Kabir against Siddhivinyak Constructions Private Limited (“**SCPL**”) and others, including IFSL before the High Court of Bombay for specific performance of the MoU dated August 17, 2013, executed by and between the Plaintiff and SCPL. The Plaintiff also claimed for cancellation of the agreement for sale executed between the Dream Motels Private Limited and IFSL and the handover of the possession of the property purchased by IFSL. IFSL is a party in this suit as a pro-forma party and there are no claims as against IFSL. IFSL has filed the written statement in this matter. The matter is currently pending.

#### ***IIFL Finance Limited (formerly knowns as IIFL Holdings Limited)***

A commercial suit dated August 4, 2016 was filed by Harish Thawani, a client of National Spot Exchange Limited (“**NSEL**”), before the Bombay High Court (“**Court**”), against our Company, IIFL Commodities Limited, its directors and the directors of its group companies including Kranti Sinha, Nirmal Bhanwarlal Jain, Venkatraman Rajamani, Arun Purwar, Nilesh Vikamsay, Subbaraman Narayan, Chandan Ponnaiah, Geeta Mathur, Mohan Radhakrishnan, Narendra Jain, Anirudha Dange, Eledath Prashanth, Chintan Modi, Mohanlal Sharma, Abay Shah and Yogesh Tharate (“**Defendants**”), alleging losses, refund of brokerage, warehouse charges, damages and legal costs. The Defendants filed its written statement before the Court. The matter is currently pending. The claim is valued at ₹ 168.10 million.

#### ***IIFL Wealth (UK) Limited (“IIFL UK”)***

A civil suit has been filed before the High Court of Justice, Business and Property courts of England and Wales, Queens Bench division, Commercial Court (“**Court**”) against IIFL UK, Ramu Ramasamy, Palaniyapan Ramasamy and Amit Shah (collectively, the “**Defendants**”) by Prashant Hasmukh Manek, Sanjay Chandi and EAGM Ventures (India) Private Limited (“**Claimants**”). The Claimants claim that they had agreed to sell their shares in Hermes i-Tickets Private Limited to Great Indian Retail Private Limited as a result of certain representations purportedly made by the Defendants. IIFL UK and Amit Shah filed a joint statement of defence with the Court and also responded to Claimants’ request for further information. In June 2018, the Claimants filed their reply to the joint statement of defence with the Court. The claim amount in the matter is € 26.53 million, in addition to such further sums that are to be assessed in respect of consequential losses relating to the earn out consideration. Ramu Ramasamy & Palaniyapan Ramasamy have, vide their application dated 25 April 2019 to



the Court, challenged the jurisdiction of the Court. The Claimants have submitted their reply to the said jurisdictional challenge on July 5, 2019. The matter is currently pending.

### ***India Infoline Finance Limited***

1. An application dated November 3, 2017 was filed by Sandeep Narender Aggarwal (“**Borrower**”) before the Debt Recovery Tribunal, at Delhi against India Infoline Finance Limited seeking that the demand notice dated June 22, 2017 and the possession notice dated September 22, 2017, issued by India Infoline Finance Limited in relation to the alleged default in repayment of ₹ 20.32 million by the Borrower, be declared null and void. The matter is currently pending.
2. An application dated March 9, 2017 was filed by Sangeeta Pandey (“**Borrower**”) before the Debt Recovery Tribunal, at Delhi (“**DRT**”) against India Infoline Finance Limited seeking that the demand notice dated August 25, 2016 and the possession notice dated November 15, 2016, issued by India Infoline Finance Limited in relation to the alleged default in repayment of ₹ 45.63 million by the Borrower, be declared null and void. The matter is currently pending.
3. An application dated February 16, 2017 was filed by N.M. Roof Designers Limited (“**Borrower**”) before the Debt Recovery Tribunal, at Jaipur (“**DRT**”) against India Infoline Finance Limited seeking that the demand notice dated August 29, 2016 and the possession notice dated November 29, 2016 (“**Possession Notice**”), issued by India Infoline Finance Limited be declared null and void. India Infoline Finance Limited had issued the Possession Notice in accordance with the provisions of the SARFAESI Act, for the possession and sale of the property mortgaged by Borrower, due to the alleged non-repayment of ₹ 64.39 million in relation to a loan availed by Borrower. Further, Mr. Vimal Mandal (“third party”) has also filed an application before the Debt Recovery Tribunal, at Jaipur (“**DRT**”) against India Infoline Finance Limited seeking that the demand notice dated August 29, 2016 and the possession notice dated November 29, 2016 (“**Possession Notice**”), issued by India Infoline Finance Limited to N.M Roof Designers Limited (“**Borrower**”) be declared null and void. India Infoline Finance Limited is contesting the matter and the matter is pending before the DRT.
4. An application dated September 14, 2018 was filed by Nikhil Kothari (“**Borrower**”) before the Debt Recovery Tribunal, at Jabalpur against India Infoline Finance Limited seeking that the demand notice dated April 30, 2018 and the possession notice dated July 13, 2018, issued by India Infoline Finance Limited in relation to the alleged default in repayment of ₹ 37.40 million by the Borrower, be declared null and void. The matter is currently pending.
5. A writ petition dated November 12, 2018 by Jaipuria Buildcon against India Infoline Finance Limited before the High Court at Allahabad under Article 226 of Constitution of India for seeking order under Writ of Mandamus against India Infoline Finance Limited to set aside the notice dated August 25, 2016 and the possession notice dated November 16, 2016 (“**Possession Notice**”), issued by India Infoline Finance Limited be declared null and void. India Infoline Finance Limited had issued the Possession Notice in accordance with the provisions of the SARFAESI Act, for the possession and sale of the property mortgaged by Jaipuria Buildcon Private Limited (“**Borrower**”), due to the alleged non-repayment of ₹ 110.61 million in relation to a loan availed by Borrower. India Infoline Finance Limited is contesting the matter and the matter is pending before the DRT.
6. An application dated October, 28 2018 was filed by Sahil Infra before the Debt Recovery Tribunal, at Indore (“**DRT**”) against India Infoline Finance Limited and challenged the SARFAESI Proceeding. In this matter, India Infoline Finance Limited initiated Sec.14 proceeding against the borrower due to the alleged non-repayment of ₹13.31 million in relation to a loan availed by Borrower. India Infoline Finance Limited is contesting the matter and the matter is pending before the DRT.
7. A summons received by India Infoline Finance Limited on September 12, 2018 in an application dated June 30, 2018 filed by Madhur Parcel Services before the Debt Recovery Tribunal, at Jabalpur (“**DRT**”) against India Infoline Finance Limited seeking that the demand notice dated August 29, 2016 and the possession notice dated November 05, 2016 (“**Possession Notice**”), issued by India Infoline Finance Limited be declared null and void. India Infoline Finance Limited had issued the Possession Notice in accordance with the provisions of the SARFAESI Act, for the possession and sale of the property mortgaged by Pharma Traders Private Limited (“**Borrower**”), due to the alleged non-repayment of ₹44.68 million in relation to a loan availed by Borrower. India Infoline Finance Limited is contesting the matter and the matter is pending before the DRT.

8. An application dated August 29, 2018 was filed by AVJ Developers (India) Limited ("**Borrower**") before the Debt Recovery Tribunal, at Delhi ("**DRT**") against India Infoline Finance Limited seeking that the demand notice dated March 5, 2018 and the possession notice dated May 24, 2018 ("**Possession Notice**"), issued by India Infoline Finance Limited be declared null and void. India Infoline Finance Limited had issued the Possession Notice in accordance with the provisions of the SARFAESI Act, for the possession and sale of the property mortgaged by the Borrower, due to the alleged non-repayment of ₹ 936.58 million in relation to a loan availed by Borrower. India Infoline Finance Limited is contesting the matter and the matter is pending before the DRT.
9. A summons was received by India Infoline Finance Limited on November 21, 2018 in an application dated August 05, 2018 filed by Pharma Traders Pvt. Ltd. ("**Borrower**") before the Debt Recovery Tribunal, at Jabalpur ("**DRT**") against India Infoline Finance Limited seeking that the demand notice dated August 29, 2016 and the possession notice dated November 05, 2016 ("**Possession Notice**"), issued by India Infoline Finance Limited be declared null and void. India Infoline Finance Limited had issued the Possession Notice in accordance with the provisions of the SARFAESI Act, for the possession and sale of the property mortgaged by Borrower, due to the alleged non-repayment of ₹ 44.68 million in relation to a loan availed by Borrower. India Infoline Finance Limited is contesting the matter and the matter is pending before the DRT.
10. A summons was received by India Infoline Finance Limited on November 19, 2018 in an application dated August 31, 2018 was filed by Manivanan ("**Borrower**") before the Debt Recovery Tribunal, at Chennai ("**DRT**") against India Infoline Finance Limited seeking that the demand notice dated September 14, 2017 and the possession notice dated December 05, 2017 ("**Possession Notice**"), issued by India Infoline Finance Limited be declared null and void. India Infoline Finance Limited had issued the Possession Notice in accordance with the provisions of the SARFAESI Act, for the possession and sale of the property mortgaged by Borrower, due to the alleged non-repayment of ₹ 91.59 million in relation to a loan availed by Borrower. India Infoline Finance Limited is contesting the matter and the matter is pending before the DRT.
11. An application dated November 19, 2018 was filed by Colorhome Developers ("**Borrower**") before the Debt Recovery Tribunal, at Chennai ("**DRT**") against India Infoline Finance Limited seeking that the demand notice dated July 27, 2018 and the possession notice dated October 16, 2018 ("**Possession Notice**"), issued by India Infoline Finance Limited be declared null and void. India Infoline Finance Limited had issued the Possession Notice in accordance with the provisions of the SARFAESI Act, for the possession and sale of the property mortgaged by Borrower, due to the alleged non-repayment of ₹ 19.46 million in relation to a loan availed by Borrower. India Infoline Finance Limited is contesting the matter and the matter is pending before the DRT.
12. Rakesh Sheth ("**Petitioner**") has filed a public interest litigation on January 21, 2019 against SEBI, the Ministry of Corporate Affairs, Serious Fraud Investigation Office and India Infoline Finance Limited before the High Court of Madras. The Petitioner has stated that India Infoline Finance Limited is set to raise ₹ 2000 crore via retail bonds and since India Infoline Finance Limited Commodities Limited (an associate company of India Infoline Finance Limited with common shareholders and common directors) is an accused in the NSEL scam case, India Infoline Finance Limited should not be allowed to access funds from the market. Upon hearing and recording the submissions made on behalf of the petitioner, the Hon'ble High Court refused to stay NCD issue and ordered issue of notice to the Respondents. The matter is currently pending.
13. An application dated June 1, 2016 was filed by K Rajarajan ("**Borrower**") before Principal District Judge, Pondicherry under Section 34 of Arbitration and Conciliation Act, 1996 to set aside of the Award passed by Ld. Arbitrator. In this matter Award has been passed by the Ld. Arbitrator in favour of India Infoline Finance Limited due to the alleged non-payment of ₹16.34 million in relation to the home loan/loan against property portfolio availed by the Borrower. India Infoline Finance Limited is contesting the matter and the matter is pending for adjudication.
14. There are two applications dated March 23 2019 and March 28, 2019 was filed by Balaji Cars ("**Borrower**") before the Debt Recovery Tribunal, at Pune ("**DRT**") against India Infoline Finance Limited India Infoline Finance Limited seeking that the demand notice dated October 18, 2016 and the possession notice dated May 26, 2018 ("**Possession notice**"), issued by India Infoline Finance Limited be declared null and void. India Infoline Finance Limited had issued the Possession Notice in accordance with the provisions of the SARFAESI Act, for the possession and sale of the property mortgaged by Borrower, due

to the alleged non-repayment of ₹ 87.77 million in relation to a loan availed by Borrower. India Infoline Finance Limited is contesting the matter and the matter is pending before the DRT.

15. An application dated June 17, 2019 was filed by Lalit Garg (M/S Manak Enterprises “**Borrower**”) before the Debt Recovery Tribunal, at Jaipur (“**DRT**”) against India Infoline Finance Limited and challenged the SARFAESI Proceeding initiated by India Infoline Finance Limited and seeking that the demand notice dated December 22, 2018 and the possession notice dated May 3, 2019 (“**Possession Notice**”), issued by India Infoline Finance Limited be declared null and void. India Infoline Finance Limited had issued the Possession Notice in accordance with the provisions of the SARFAESI Act, for the possession of the property mortgaged by Borrower, due to the alleged non-repayment of ₹ 19.02 million in relation to a loan availed by Borrower. India Infoline Finance Limited is contesting the matter and the matter is pending before the DRT.
16. An application for permanent injunction was filed by Sri Singhi Brothers on December 18, 2013 against India Infoline Finance Limited and its managing director before the III Assistant City Civil Court seeking that the respondents be restrained from taking possession of the certain mortgaged property, due to the alleged non-payment of ₹ 36.84 million. The matter is currently pending.
17. A complaint dated August 1, 2017 was filed by Risabh Gupta before the State Consumer Redressal Commission, at Delhi against ICICI Lombard General Insurance Company Limited and India Infoline Finance Limited, challenging an insurance policy worth ₹ 2.00 million on a loan amount of ₹ 72.00 million. The total amount claimed is ₹ 74.18 million. The matter is currently pending.
18. An application dated June 3, 2017 was filed by Santosh Bipinbhai Shah (“**Borrower**”) before the Debt Recovery Tribunal at Nagpur (“**DRT**”) against India Infoline Finance Limited seeking that proceedings under the SARFAESI Act be declared null and void. Mortgaged property was auctioned by India Infoline Finance Limited. The total amount claimed is ₹ 26.54 million in relation to a loan availed by the Borrower. India Infoline Finance Limited is contesting the matter and the matter is pending before the DRT.
19. A complaint dated April 20, 2018 was filed by M Adinarayana Rao before the State Commission, Hyderabad against India Infoline Finance Limited and its managing director for and causing mental agony and seeking damages for unnecessary withdrawals by India Infoline Finance Limited, which affected scheduled payments for other liabilities. The complainant is seeking a compensation of ₹ 4.86 million. The matter is currently pending.

#### ***IIHL Home Finance Limited (“IIHFL”)***

1. An application under Section 17 of the SARFAESI Act, dated June 6, 2018, was filed by Kiran Ravindra Dhumal in the Debt Recovery Tribunal at Pune, challenging the proceedings initiated by IIHFL for enforcement of secured assets under the SARFAESI Act. The claim amount involved is ₹40.36 million and the matter is pending.
2. An application dated May 01, 2017 was filed by Supreet Business Enterprises (Third Party) before the Debt Recovery Tribunal II, at Hyderabad (“**DRT**”) against Sethi Housing India Private Limited (Borrower) and IIHFL seeking that the demand notice dated March 19, 2015 and the possession notice dated June 29, 2015 (“**Possession Notice**”), issued by IIHFL be declared null and void. IIHFL had issued the Possession Notice in accordance with the provisions of the SARFAESI Act, for the possession of the property mortgaged by Sethi Housing India Private Limited (“**Borrower**”), due to the alleged non-repayment of ₹ 40.29 million in relation to a loan availed by Borrower. IIHFL is contesting the matter and the matter is pending before the DRT.
3. A civil suit dated March 7, 2018 filed by Jagdeep against IIHFL and its director before the Addl. Civil Judge Senior Division at Kharar and seeking permanent injunction of the property mortgaged by his brother’s company namely Best Zone Builders and Developers Pvt. Ltd. IIHFL is contesting the matter and the matter is pending before the Court. In this matter IIHFL initiated SARFAESI proceeding against the borrower due to the alleged non-payment of ₹ 18.49 million.
4. A civil suit dated August 22, 2017 filed by Bharatkumar Tharumal Somai (“**Borrower**”) against IIHFL before the City Civil Court at Ahmedabad and seeking permanent injunction of the property and also not to take any coercive action by IIHFL against the mortgaged property. IIHFL is contesting the matter and

the matter is pending before the Court. In this matter IIHFL initiated SARFAESI proceeding against the borrower due to the alleged non-payment of ₹16.14 million.

5. A writ petition dated November 26, 2018 by Satva Infratech Private Limited (“**Borrower**”) against IIHFL before the High Court at Hyderabad under Article 226 of Constitution of India for seeking order under Writ of Mandamus against IIHFL to set aside the notice dated November 13, 2018 of the Security Interest Enforcement Rules 2002 and public notice for auction cum sale dated November 14, 2018 due to the alleged non-payment of ₹ 14.59 million. IIHFL is contesting the matter and the matter is pending before the Court.
6. A civil suit dated February 28, 2019 filed by Srinivasan Venkataraman against Moorthy E (“**Borrower**”) and also against IIHFL before the Civil Judge (Jr. Division) at Kanchipuram and seeking permanent injunction of the property and also not to take any coercive action by IIHFL against the mortgaged property. IIHFL is contesting the matter and the matter is pending before the Court. In this matter IIHFL initiated SARFAESI proceeding against the borrower due to the alleged non-payment of ₹ 31.98 million.
7. An application dated December 12, 2018 was filed by Prem Prakash (“**Borrower**”) before the Debt Recovery Tribunal II, at Lucknow (“**DRT**”) against IIHFL seeking that to set aside the Sale process followed by IIHFL. In this matter, IIHFL has initiated SARFAESI proceeding due to the alleged non-repayment of ₹ 15.70 million in relation to a loan availed by Borrower. IIHFL is contesting the matter and the matter is pending before the DRT.
8. An application dated May 5, 2019 was filed by Yamuna Reality (“**Borrower**”) before the Debt Recovery Tribunal, Mumbai (“**DRT**”) against IIHFL seeking that to set aside the SARFAESI Proceeding. In this matter, IIHFL has initiated SARFAESI proceeding due to the alleged non-repayment of ₹112.83 million in relation to a loan availed by Borrower. IIHFL is contesting the matter and the matter is pending before the DRT.
9. An application dated June 10, 2019 was filed by Corporation Bank (the “**Third Party**”) before the Debt Recovery Tribunal II, at Delhi (“**DRT**”) against IIHFL and Elegant Infracon Private Limited (“**Borrower**”) seeking to create security interest on the units funded by Corporation Bank. They funded seven units out of which, five were sold and two remained unsold, whereas the entire project was funded by IIHFL. In this matter, IIHFL has initiated SARFAESI proceedings due to the alleged non-repayment of ₹ 105.58 million in relation to a loan availed by the Borrower. IIHFL is contesting the matter and the matter is pending before the DRT.
10. An application was filed by Archana Nirman Private Limited under Section 17 of the SARFAESI Act, on June 19, 2019 at the Debt Recovery Tribunal, Calcutta, challenging the proceedings initiated by IIHFL for enforcement of secured assets under the SARFAESI Act. The amount involved is ₹15.38 million and the matter is currently pending.
11. A civil suit dated June 22, 2019 was filed by Premkumar Sagarmal Modi against IIHFL and Praful Nanji Satra and Minaxi Satra before the Bombay High Court. The petitioner sought permanent injunction to injunct IIHFL from taking any coercive action against certain property mortgaged by the petitioner. IIHFL had initiated proceedings under the SARFAESI Act against the borrower due to the alleged non-payment of ₹58.27 million. IIHFL is contesting the matter and the matter is pending before the Bombay High Court.

#### ***IIFL Securities Limited (“ISL”)***

1. An arbitration application dated April 1, 2010 was filed by GHCL Employees Trust (“**GHCL**”) before the NSE Arbitration Tribunal (“**Tribunal**”) against ISL, alleging unauthorized sale of shares by ISL. The Tribunal partly passed an award (“**Award**”) dated September 17, 2013 in favour of GHCL stating that: (i) GHCL was entitled to an interest of ₹ 0.52 million and ISL was required to pay interest at the rate of 9% per annum from the date on which the arbitration started till the final payment is made; (ii) ISL must retrieve the 856,466 shares which were sold on the NSE, failing which it should pay ₹ 41.65 million to GHCL within 30 days of the Award; and (iii) 466,273 shares of GHCL with ISL should be released to GHCL immediately or the present-day value of the same i.e., ₹ 14.15 million should be paid to it. ISL and GHCL filed applications (“**Applications**”) dated May 13, 2014 and May 20, 2014, respectively, before the High Court of Delhi (“**Court**”) under Section 34 of the Arbitration and Conciliation Act, 1996, (“**Act**”) challenging the Award. An application was filed by GHCL under Section 9 of the Act before the Court, seeking return the shares lying with the NSE. The Court allowed the release of shares to GHCL subject to

providing a bank guarantee by GHCL and the outcome of pending Applications. GHCL had also filed an application under Section 9 of the Act claiming voting rights and dividends in respect of the shares lying with NSE. The GHCL shares were deposited by ISL with the NSE in compliance with the award dated September 17, 2013 passed by Tribunal. The Court clubbed the Applications filed by GHCL as well as ISL and directed the parties to file their respective written synopsis. The matters are currently pending. The claim is valued at approximately ₹ 56.32 million as on the date of Award i.e., September 17, 2013, along with 9% per annum interest from the date of award till the actual payment.

2. An arbitration application dated January 24, 2014 (**“Claim”**) was filed by GHCL Employees Trust (**“GHCL”**) before the BSE Arbitration Tribunal (**“Tribunal”**) against ISL, claiming a total of 723,456 shares of GHCL. The Tribunal rejected the application vide its award dated July 22, 2014 (**“Award”**), on the grounds of the Claim being beyond the limitation period. GHCL filed an appeal before the BSE Appellate Arbitration Panel on September 9, 2014. The BSE Appellate Arbitration Panel by its order dated March 5, 2015, set aside the Award and held that the Claim was within the prescribed period of limitation and the matter was remanded back to the Tribunal to be decided afresh, on merits. Aggrieved by the award passed by the BSE Appellate Arbitration Panel, ISL filed an application dated May 25, 2015 before the Delhi High Court (**“Court”**), under Section 34 of the Arbitration and Conciliation Act, 1996, challenging the findings of the BSE Appellate Arbitration Panel. The Court pursuant to its order dated May 27, 2015 stayed the operation of the award passed by the BSE Appellate Arbitration Panel. The matter is presently pending. The claim relates to return of 723,458 GHCL shares.
3. A demand notice dated June 5, 2014 (**“Notice”**) was received by ISL from the Rajasthan Stamp Office, demanding payment of stamp duty for the period commencing from September 2007 to March 2012, in relation to the trades carried out by ISL’s clients residing in the state of Rajasthan. ISL, through its reply dated June 21, 2014, stated that the stamp duty with respect to the trades was paid to the state of Maharashtra as the central office of ISL is located in Mumbai and contract notes were issued to the clients from the Mumbai office. Aggrieved by the notice, ISL filed a writ petition before Rajasthan High Court on April 25, 2015, requesting it to quash the notice. The matter is presently pending.
4. An arbitration application dated August 24, 2010 was filed by T.N.T. Rajsekhar before a private arbitration tribunal against ISL and claimed that ISL unilaterally terminated the lease agreement by way of a termination notice dated October 14, 2009 and demanded refund of security deposit and to take possession of the property immediately and also claimed huge dues and damages, *inter alia*, for the alleged damage caused to the property, the rent for the remaining lease period and non-payment of service tax on the monthly rent being paid for the property. The matter is presently pending, and the Claim is valued at ₹ 33.86 million.
5. A suit dated August 23, 2012 was filed by Ramesh Chandra Mahavir Prasad before the Small Causes Court at Bandra, Mumbai against ISL in relation to a leave and licence agreement dated February 6, 2007, alleging that the same is valid and subsisting and demanded the arrears of compensation/ license fee from February 1, 2009 till January 14, 2012. ISL filed written submissions denying all the allegations. The matter is currently pending, and the claim is valued at ₹ 13.76 million.
6. A suit dated December 15, 2010 was filed by official liquidator Delhi in the matter of Dimension Invest & Securities, the official liquidator, Delhi before the High Court at Delhi against ISL under section 446 of Companies Act, 1956 seeking recovery of ₹ 32.74 million from ISL for wrongfully withholding the funds of Dimension Investment & Securities. ISL has filed its detailed response as regards the Claim. The matter is currently pending.
7. An arbitration application dated June 17, 2013 (**“Claim”**) was filed by Ranjit Makkuni before the NSE Arbitration Tribunal (**“Tribunal”**) against ISL, claiming a sum of ₹ 34.97 million. The Tribunal rejected the application vide its award dated April 2, 2014 (**“Award”**), on the grounds of the Claim is not maintainable. Ranjit Makkuni filed an appeal before the NSE Appellate Arbitration Panel dated May 17, 2014. The NSE Appellate Arbitration Panel by its order dated September 9, 2014, set aside the Award and case is remanded to the Arbitration Panel below for deciding the claim petition afresh on merit. Aggrieved by the award passed by the NSE Appellate Arbitration Panel, ISL filed an appeal on November 26, 2014 before the Delhi High Court (**“Court”**), under Section 34 of the Arbitration and Conciliation Act, 1996, challenging the findings of the NSE Appellate Arbitration Panel. The matter is presently pending.

8. An arbitration application dated August 25, 2015 was filed by Central Business Services Limited (“**CBSL**”) and Jain Industrial & Commercial Services Private Limited (“**JICSL**”, together with CBSL, the “**Claimants**”) before a private arbitration tribunal (“**Tribunal**”) against ISL. A statement of claim (“**Claims**”) for an amount of ₹ 260 million along with interest thereon was filed by the Claimants before the Tribunal. A statement of defense was filed by ISL along with preliminary objections on the maintainability of the claim filed by JICSL and on the clubbing of Claims filed by the Claimants. The Tribunal dismissed the preliminary objections filed by ISL. The Claimants filed a rejoinder and an affidavit of evidence. The pleadings in the matter are completed. The hearing of the matter concluded on March 26, 2018 and the claim is valued at approximately ₹ 260 million. An award dated October 3, 2018 (“**Award**”) was received partly in favour of ISL and partly in favour of CBSL. ISL is in the process of filing of an execution petition in respect of the net receivable of ₹ 3.2 million and application for the return of the amount held in escrow. CBSL has filed an arbitration application under Section 34 of the Arbitration and Conciliation Act, 1996 before the High Court, Kolkata challenging the Award. ISL is in the process of filing its reply. The matter is currently pending.

#### *Material litigation by our Group Companies*

Except as stated below, there is no pending material civil litigation by our Group Companies, as on the date of this Information Memorandum.

#### *IIFL Management Services Limited (“IMSL”)*

Company Application nos.171/2019 & 173/2019 dated April 9, 2019 was filed by IMSL before the High Court, Bombay (“**Court**”) against Shree Urban Infrastructure Limited to seek leave of this Hon’ble Court under Section 446 of the Companies Act, 1956 to file proceedings against Shree Ram Urban Infrastructure Limited, before this Hon’ble Court thereby seeking specific performance of the Agreement for sale of the premises. The matter is currently pending.

#### *India Infoline Finance Limited*

1. An arbitration proceeding was initiated by India Infoline Finance Limited on December 29, 2015 before a sole arbitrator at Mumbai, against Pannalal Shivratan Bagdia under the provisions of the Arbitration and Conciliation Act, 1996, due to default in repayment of ₹ 33.17 million towards home loan /loan against property facility and for recovery of the same. The matter is pending adjudication.
2. An arbitration proceeding was initiated by India Infoline Finance Limited on July 23, 2019 before a sole arbitrator at Mumbai, against Mohamed Ibrahim G L under the provisions of the Arbitration and Conciliation Act, 1996, due to the alleged default in repayment of ₹ 37.57 million towards home loan/loan against property facility and for recovery of the same. The matter is pending adjudication.
3. An arbitration proceeding was initiated by India Infoline Finance Limited on July 23, 2019 before a sole arbitrator at Mumbai, against Heena Builders and Developers under the provisions of the Arbitration and Conciliation Act, 1996, due to the alleged default in repayment of ₹ 23.39 million towards home loan/loan against property facility and for recovery of the same. The matter is presently pending adjudication.
4. An arbitration proceeding was initiated by India Infoline Finance Limited on July 23, 2019 before a sole arbitrator at Mumbai, against Paras Sundarji Dedhia under the provisions of the Arbitration and Conciliation Act, 1996, due to the alleged default in repayment of ₹ 45.83 million towards home loan / loan against property facility and for recovery of the same. The matter is pending adjudication.
5. An arbitration proceeding was initiated by India Infoline Finance Limited on July 24, 2018 before a sole arbitrator at Mumbai, against Sai Medisolution Private Limited under the provisions of the Arbitration and Conciliation Act, 1996, due to the alleged default in repayment of ₹ 19.82 million towards a healthcare finance loan facility and for recovery of the same. The matter is pending adjudication.
6. An arbitration proceeding was initiated by India Infoline Finance Limited on July 11, 2018 before a sole arbitrator at Mumbai, against Ayursundra Health Care Private Limited under the provisions of the Arbitration and Conciliation Act, 1996, due to the alleged default in repayment of ₹ 25.63 million towards a healthcare finance loan facility and for recovery of the same. The matter is pending adjudication.

7. An arbitration proceeding was initiated by India Infoline Finance Limited on July 28, 2018 before a sole arbitrator at Mumbai, against Om Shivam Maternity and Nursing Hospital Private Limited under the provisions of the Arbitration and Conciliation Act, 1996, due to the alleged default in repayment of ₹ 15.87 million towards a healthcare finance facility and for recovery of the same. The matter is pending adjudication.
8. An arbitration proceeding was initiated by India Infoline Finance Limited on November 30, 2018 before a sole arbitrator at Mumbai, against V S Agency under the provisions of the Arbitration and Conciliation Act, 1996, due to the alleged default in repayment of ₹ 43.91 million towards SME finance facility and for recovery of the same. The matter is pending adjudication.
9. An arbitration proceeding was initiated by India Infoline Finance Limited on December 14, 2018 before a sole arbitrator at Mumbai, against Vardhman Roller Flour Mill Private Limited under the provisions of the Arbitration and Conciliation Act, 1996, due to the alleged default in repayment of ₹ 55.14 million towards SME finance facility and for recovery of the same. The matter is pending adjudication.
10. An arbitration proceeding was initiated by India Infoline Finance Limited on November 30, 2018 before a sole arbitrator at Mumbai, against Rahul Foundation under the provisions of the Arbitration and Conciliation Act, 1996, due to the alleged default in repayment of ₹ 37.71 million towards healthcare finance facility and for recovery of the same. The matter is pending adjudication.
11. An arbitration proceeding was initiated by India Infoline Finance Limited on November 30, 2018 before a sole arbitrator at Mumbai, against Rahul Foundation under the provisions of the Arbitration and Conciliation Act, 1996, due to the alleged default in repayment of ₹ 15.86 million towards healthcare finance facility and for recovery of the same. The matter is pending adjudication.
12. An arbitration proceeding was initiated by India Infoline Finance Limited on March 14, 2019 before a sole arbitrator at Chennai, against Vasan Health Care Private Limited under the provisions of the Arbitration and Conciliation Act, 1996, due to the alleged default in repayment of ₹ 22.00 million towards health care finance facility and for recovery of the same. The matter is pending adjudication.
13. An arbitration proceeding was initiated by India Infoline Finance Limited on March 14, 2019 before a sole arbitrator at Chennai, against Way Two Health Diagnostics Private Limited under the provisions of the Arbitration and Conciliation Act, 1996, due to the alleged default in repayment of ₹11.49 million towards Health Care Finance facility and for recovery of the same. The matter is pending adjudication.
14. An arbitration proceeding was initiated by India Infoline Finance Limited on December 27, 2018 before a sole arbitrator at Gurgaon, against Shivani Jain under the provisions of the Arbitration and Conciliation Act, 1996, due to the alleged default in repayment of ₹ 17.55 million towards home loan/loan against property facility and for recovery of the same. The matter is pending adjudication.
15. An arbitration proceeding was initiated by India Infoline Finance Limited on December 27, 2018 before a sole arbitrator at Delhi, against Bharat Mittal under the provisions of the Arbitration and Conciliation Act, 1996, due to the alleged default in repayment of ₹ 14.66 million towards home loan/loan against property facility and for recovery of the same. The matter is pending adjudication.
16. An execution proceeding was initiated by India Infoline Finance Limited on April 2, 2016 before the District Court, Ahmedabad (“**Court**”), for execution of an award passed by the sole arbitrator under the provisions of the Arbitration and Conciliation Act, 1996 against Jitendrakumar Mansukhlal Shah, for default in repayment of ₹18.26 million towards home loan/loan against property facility and for recovery of the same. The matter is pending before the Court for hearing.
17. An execution proceeding was initiated by India Infoline Finance Limited on July 22, 2016 before the District Court, Kolhapur (“**Court**”), for execution of an award passed by the sole arbitrator under the provisions of the Arbitration and Conciliation Act, 1996 against Atul Vishwasrao Salunkhe, for default in repayment of ₹12.52 million towards home loan/loan against property facility and for recovery of the same. The matter is pending before the Court for hearing.
18. An execution proceeding was initiated by India Infoline Finance Limited on February 6, 2017 before the High Court, Mumbai (“**Court**”), for execution of an award passed by the sole arbitrator under the

provisions of the Arbitration and Conciliation Act, 1996 against Thakare Multitherapy Hospital Private Limited, for default in repayment of ₹33.06 million towards home loan/loan against property facility and for recovery of the same. The matter is pending before the Court for hearing.

19. An execution proceeding was initiated by India Infoline Finance Limited on February 14, 2019 before the District Delhi (“**Court**”), for execution of an award passed by the sole arbitrator under the provisions of the Arbitration and Conciliation Act, 1996 against SBR Diagnostic Private Limited, for default in repayment of ₹ 18.54 million towards health care finance facility and for the recovery of the same. The matter is pending before the Court for hearing.
20. An execution proceeding was initiated by India Infoline Finance Limited on February 28, 2019 before the District Court, Patiala House (“**Court**”), for execution of an award passed by the sole arbitrator under the provisions of the Arbitration and Conciliation Act, 1996 against Innovative Life Discoveries Private Limited, for default in repayment of ₹13.56 million towards Health Care Finance facility and for recovery of the same. The matter is pending before the Court for hearing.
21. An execution proceeding was initiated by India Infoline Finance Limited on February 02, 2016 before the High Court, Madras (“**Court**”), for execution of an award passed by the sole arbitrator under the provisions of the Arbitration and Conciliation Act, 1996 against Singhi Brothers, for default in repayment of ₹27.00 million towards home loan/loan against property facility and for recovery of the same. The matter is pending before the Court for hearing.
22. An execution proceeding was initiated by India Infoline Finance Limited on July 14, 2016 before the District Court, Uttar Pradesh (“**Court**”), for execution of an award passed by the sole arbitrator under the provisions of the Arbitration and Conciliation Act, 1996 against Kaushal Kumar, for default in repayment of ₹46.56 million towards home loan/loan against property facility and for recovery of the same. The matter is pending before the Court for hearing.
23. An execution proceeding was initiated by India Infoline Finance Limited on March 8, 2019 before the District Court, Jabalpur (“**Court**”), for execution of an award passed by the sole arbitrator under the provisions of the Arbitration and Conciliation Act, 1996 against Brijendra Kumar Jain, for default in repayment of ₹ 17.69 million towards home loan/loan against property facility and for recovery of the same. The matter is pending before the Court for hearing.
24. An execution proceeding was initiated by India Infoline Finance Limited on January 18, 2019 before the District Court, Jabalpur (“**Court**”), for execution of an award passed by the sole arbitrator under the provisions of the Arbitration and Conciliation Act, 1996 against Gulshan Kumar Makker, for default in repayment of ₹ 10.11 million towards home loan/loan against property facility and for recovery of the same. The matter is pending before the Court for hearing.
25. An execution proceeding was initiated by India Infoline Finance Limited on January 10, 2017 before the District Court, Fatehgarh Sahib (“**Court**”), for execution of an award passed by the sole arbitrator under the provisions of the Arbitration and Conciliation Act, 1996 against Vishal Bansal, for default in repayment of ₹ 63.64 million towards home loan/loan against property facility and for recovery of the same. The matter is pending before the Court for hearing.
26. An execution proceeding was initiated by India Infoline Finance Limited on January 20, 2017 before the District Court, Pune (“**Court**”), for execution of an award passed by the sole arbitrator under the provisions of the Arbitration and Conciliation Act, 1996 against Yogesh Chandrakant Zagade, for default in repayment of ₹ 53.72 million towards home loan/loan against property facility and for recovery of the same. The matter is pending before the Court for hearing.
27. Company petition was filed by India Infoline Finance Limited on May 29, 2019 before the National Company Law Tribunal at Bangalore, against M/s Unishire Regency Park, LLP under the provision of the Insolvency and Bankruptcy Code, due to the alleged default in repayment of ₹ 152.21 million towards a construction finance facility and for the recovery of the same. The said petitions is pending for clearance of the observation and matter is yet to be admitted.
28. Company application nos.222/2019 to 227/2019 dated May 22, 2019 were filed by India Infoline Finance Limited before the High Court, Bombay (“**Court**”) against Shree Urban Infrastructure Limited to seek



leave of the Court under Section 446 of the Companies Act, 1956 to file proceedings against Shree Ram Urban Infrastructure Limited, before the Court thereby seeking specific performance of the agreement for sale of the premises. The matter is currently pending.

29. India Infoline Finance Limited (“**Petitioner**”) filed a writ petition number 7508 of 2012 (“**Writ**”) dated March 6, 2012 before the High Court of Bangalore against the State of Karnataka (“**Respondent**”) under Article 226 of the Constitution of India challenging the notice dated August 17, 2011 seeking to bring the Petitioner under the provisions of the Karnataka Money Lenders Act, 1961 and the Karnataka Prohibition of Charging Exorbitant Interest Act, 2004. The Petitioner has submitted that the said notice is illegal and unconstitutional and violative of the Reserve Bank of India Act, 1934. The matter is currently pending.
30. India Infoline Finance Limited filed the Appeal bearing Nos. 255/18, 256/18 and 257/18 dated May 11, 2018 before the Debt Recovery Appellate Tribunal, Delhi (“**DRAT**”) against Yakati E services, Akshita, Antriksh cold storage, Sumeer Infotech pvt ltd., the investors in the project together with the Borrower and Builder M/s Jaipuria Buildcon and its directors, against the order passed DRT due to non-repayment of ₹ 110.61 million in relation to a loan availed by Borrower. India Infoline Finance Limited is contesting the matter and the matter is pending before the DRAT.
31. India Infoline Finance Limited filed an Appeal being No. 666/2019 dated May 3, 2019 before the Debt Recovery Appellate Tribunal, Mumbai (“**DRAT**”) against Hamduley Salim Abdul Rashid, Latif Muley (Borrower) against the Order passed by Debt Recovery Tribunal. In this matter, India Infoline Finance Limited initiated SARFAESI proceeding due to non-repayment of ₹ 14.94 million in relation to a loan availed by Borrower. India Infoline Finance Limited is contesting the matter and the matter is pending before the DRAT.
32. India Infoline Finance Limited filed an Appeal bearing No. 3085/2019 dated June 3, 2019 before the PMLA Appellate Tribunal, Delhi against the order passed by the Adjudicating Authority (PMLA Tribunal). In this matter, the Enforcement Directorate has attached the property which is mortgaged with India Infoline Finance Limited and India Infoline Finance Limited challenged the before the PMLA Appellate Tribunal. In this mater, India Infoline Finance Limited initiated SARFAESI proceedings due to the alleged non-repayment of ₹ 13.29 million in relation to a loan availed by the Borrower (Arvind Casting). India Infoline Finance Limited is contesting the matter and the matter is pending before the PMLA Appellate Tribunal, Delhi.
33. An arbitration proceeding was initiated by India Infoline Finance Limited before a sole arbitrator at Mumbai, against Harshad Hirji Thakkar, under the provisions of the Arbitration and Conciliation Act, 1996 due to the alleged default in the repayment of ₹ 100.00 million extended pursuant to a master credit facility and for recovery of the same. The matter is pending adjudication.

#### ***IIFL Home Finance Limited (“IIHFL”)***

1. IHFL filed two appeals bearing nos. 44/2019 and 211/ 2019 dated May 15, 2019 and February 25, 2019 before the Debt Recovery Appellate Tribunal, Mumbai against Subir Chakrabourty and Ramsinghbhai Laxmanbhai Makwana (OK Matching Centre) against the order passed by DRT. In this matter, IIHFL initiated SARFAESI proceeding due to the alleged non-repayment of ₹ 49.91 million and 34.44 million in relation to a loan availed by Borrowers. IIHFL is contesting the matter and the matter is pending before the DRAT.
2. An arbitration proceeding was initiated by IIHFL on May 31, 2019 before a sole arbitrator at Delhi, against Kariappa BA under the provisions of the Arbitration and Conciliation Act, 1996, due to the alleged default in repayment of ₹ 10.20 million towards a home loan / loan against property facility and for recovery of the same. The matter is pending adjudication.
3. An arbitration proceeding was initiated by IIHFL on July 23, 2019 before a sole arbitrator at Delhi, against Rajesh Agarwal under the provisions of the Arbitration and Conciliation Act, 1996, due to the alleged default in repayment of ₹ 14.26 million towards a home loan / loan against property facility and for recovery of the same. The matter is pending adjudication.
4. An arbitration proceeding was initiated by IIHFL on July 23, 2019 before a sole arbitrator at Delhi, against Indra Kumar Jain under the provisions of the Arbitration and Conciliation Act, 1996, due to the alleged default

in repayment of ₹ 25.23 million towards a home loan / loan against property facility and for recovery of the same. The matter is pending adjudication.

5. An arbitration proceeding was initiated by IIHFL on 5. July 23, 2019 before a sole arbitrator at Delhi, against Sachin Sanjeev Gupta under the provisions of the Arbitration and Conciliation Act, 1996, due to the alleged default in repayment of ₹ 25.65 million towards a home loan / loan against property facility and for recovery of the same. The matter is pending adjudication.
6. An arbitration proceeding was initiated by IIHFL on July 23, 2019 before a sole arbitrator at Delhi, against Heena Builders and Developers under the provisions of the Arbitration and Conciliation Act, 1996, due to the alleged default in repayment of ₹ 20.31 million and 20.13 million towards a home loan / loan against property facility and for recovery of the same. The matter is pending adjudication.
7. An arbitration proceeding was initiated by IIHFL on July 23, 2019 before a sole arbitrator at Delhi, against Iconic Products India Private Limited under the provisions of the Arbitration and Conciliation Act, 1996, due to the alleged default in repayment of ₹ 28.72 million towards a home loan / loan against property facility and for recovery of the same. The matter is pending adjudication.
8. An arbitration proceeding was initiated by IIHFL on July 23, 2019 before a sole arbitrator at Delhi, against Ashok J Jain under the provisions of the Arbitration and Conciliation Act, 1996, due to the alleged default in repayment of ₹ 24.77 million towards a home loan / loan against property facility and for recovery of the same. The matter is pending adjudication.

#### ***IIFL Securities Limited (“ISL”)***

1. An application under section 9 of the Arbitration and Conciliation Act, 1996 dated February 13, 2019 was filed by ISL before the High Court, Mumbai (“**Court**”) against Harshad Thakkar, claiming an amount of ₹ 302.94 million for the alleged default in payment of outstanding dues. The Court allowed the application and issued an interim order. The Court subsequently issued an order of injunction on the pledged shares and also attachment order on all the properties disclosed in income tax returns. The Court has directed the issue of notice to the respondent and publication of the notice. The matter is currently pending.
2. An application under section 9 of the Arbitration and Conciliation Act, 1996 dated February 13, 2019 was filed by ISL before the High Court, Mumbai (“**Court**”) against Harshben Hirji Thakkar, claiming an amount of ₹ 33.03 million for the alleged default in the payment of the outstanding dues. The Court was allowed the application and issued an interim order in the petition. The Court issued an order of injunction on the pledged shares and also attachment order on all the properties disclosed in income tax returns. The Court has directed the issue of notice to the respondent and publication of the notice. The matter is currently pending.
3. ISL filed a writ petition dated January 27, 2012 before the High Court of Madhya Pradesh (“**High Court**”) against the State of Madhya Pradesh (“**Respondent**”) under Article 226 of the Constitution of India challenging the demand notice dated December 1, 2012 issued by the State of Madhya Pradesh seeking to levy stamp duty on the transactions done by the clients of ISL through their trading accounts. The contention raised by the Writ is that unless there is a provision made under the relevant act, no demand for payment of stamp duty in such transaction can be made. The High Court passed an order dated February 10, 2012 directing that no coercive steps be taken against the petitioner till further consideration of the interim prayer. The matter is currently pending.

#### **Disciplinary action against our Group Companies**

There is no outstanding disciplinary action by stock exchanges or regulatory authorities against our Group Companies.

In addition to the aforesaid, there are approximately 10,361 matters pending involving an amount of ₹ 6,515.39 million (to the extent quantifiable) involving our Group Companies.

#### **F. Litigation involving members of our Promoter Group**

##### **Criminal proceedings against members of our Promoter Group**

Except as stated below, there are no outstanding criminal proceedings against members of our Promoter Group, as on the date of this Information Memorandum.

#### **Criminal proceedings by members of our Promoter Group**

Except as stated below, there are no outstanding criminal proceedings by members of our Promoter Group, as on the date of this Information Memorandum.

#### **Pending action by statutory or regulatory authorities against members of our Promoter Group**

Except as stated below, there are no pending actions by statutory or regulatory authorities against members of our Promoter Group, as on the date of this Information Memorandum.

#### **Tax proceedings involving members of our Promoter Group**

There are no outstanding tax proceedings involving members of our Promoter Group, as on the date of this Information Memorandum.

#### **Outstanding civil litigation involving our members of our Promoter Group**

There are no pending civil litigation involving members of our Promoter Group, as on the date of this Information Memorandum.

#### **Disciplinary action against members of our Promoter Group**

There is no outstanding disciplinary action by stock exchanges against members of our Promoter Group.

#### **Outstanding dues to small scale undertakings or any other creditors**

Except as stated below, there are no outstanding overdues to creditors of our Company determined to be material by our Board, as on March 31, 2019.

As of March 31, 2019, the total trade payables of our Company, on a consolidated basis, were ₹ 514.73 million. For the purposes of disclosure in this Information Memorandum the Board has identified a materiality threshold of ₹ 16.50 million, pursuant to a resolution dated June 25, 2019, and the amounts owed, as of March 31, 2019, by our Company to any creditor equal to or exceeding such materiality threshold is identified below.

As of March 31, 2019, based on a threshold amount of at least ₹ 16.50 million, the Company does not have any material creditors. The details of outstanding dues to creditors of our Company and outstanding overdues to material creditors on a standalone basis, as on March 31, 2019 are as follows:

<b>Particulars</b>	<b>No. of creditors</b>	<b>Amount due (in ₹ million)</b>
Micro, small or medium enterprises	-	-
'Material' creditors	-	-

For complete details about outstanding dues to creditors of our Company, see "*Financial Statements*" beginning on page 125.

## GOVERNMENT APPROVALS

*The list below is an indicative list of material approvals applicable to our Company and its material Subsidiaries. In view of these approvals, our Company and the material Subsidiaries can undertake their business activities. Unless stated otherwise, we have obtained necessary material approvals from the relevant governmental and regulatory authorities and these are valid as on the date of this Information Memorandum. The approvals disclosed below for which applications have been made and are yet to be received, and those for which applications are yet to be made, are independent of the approvals that are being / will be transferred to our Company pursuant to the Scheme.*

### **Material approvals of our Company**

#### **a) Incorporation details**

Certificate of incorporation dated January 17, 2008 issued to our Company by the Registrar of Companies, Maharashtra at Mumbai.

#### **b) Approvals from taxation authorities**

- (i) The permanent account number of our Company is AABCI8294C.
- (ii) The tax deduction account number of our Company is MUMI08087C.
- (iii) A state-wise break down of the goods and services tax registration number of our Company is as follows

State	GSTIN
Maharashtra	27AABCI8294C1ZH
Karnataka	29AABCI8294C1ZD
Goa	30AABCI8294C1ZU
Delhi	07AABCI8294C1ZJ
Chandigarh	04AABCI8294C1ZP
Uttar Pradesh	09AABCI8294C1ZF
Telangana	36AABCI8294C1ZI
Gujarat	24AABCI8294C1ZN
West Bengal	19AABCI8294C1ZE
Punjab	03AABCI8294C1ZR
Tamil Nadu	33AABCI8294C1ZO
Rajasthan	08AABCI8294C1ZH
Madhya Pradesh	23AABCI8294C1ZP
Kerala	32AABCI8294C1ZQ

#### **c) Approvals in relation to our general business activities:**

Regulator	Business Activity	Registration No.	Date of Registration	Date of Expiry (where applicable)
SEBI	Portfolio management	INP000002676	May 18, 2017	Not applicable
	Depository participant	IN-DP-271-2016	June 30, 2016	June 29, 2021
	Investment advisory	INA000007067	February 8, 2017	Not applicable
	Research analyst	INH000005290	October 24, 2017	Not applicable
	Stock broking	INZ000011437	December 10, 2015	Not applicable
AMFI	Mutual Fund Distribution	ARN - 59563	March 14, 2019	March 13, 2022
U.S. Securities and	Investment advisory	302103	July 26, 2019	-

Regulator	Business Activity	Registration No.	Date of Registration	Date of Expiry (where applicable)
Exchange Commission				

d) **Pending applications for fresh approvals / renewals made by our Company**

Nil

e) **Approvals for which applications are yet to be made**

Nil

**Material approvals of our material Subsidiary**

a) **Approvals in relation to our material Subsidiary's general business activities:**

Entity	Regulator	Business Activity	Registration No.	Date of Registration	Date of Expiry (where applicable)
IIFL Wealth Finance Limited	RBI	NBFC	B-13.00361	March 18, 1998	Not applicable
	IRDAI	Corporate agent	CA0466	March 4, 2017	March 3, 2020

b) **Pending applications for fresh approvals / renewals made by our material Subsidiaries**

Nil

c) **Approvals for which applications are yet to be made**

Nil

## **REGULATORY AND STATUTORY DISCLOSURES**

### **Authority for listing**

The NCLT, vide its order dated March 7, 2019, approved the composite scheme of arrangement between IIFL Finance Limited, India Infoline Media and Research Services Limited, IIFL Securities Limited, India Infoline Finance Limited, IIFL Distribution Services Limited, our Company and their respective shareholders. Pursuant to the Scheme, the Wealth Business Undertaking is transferred to and vested in our Company with effect from the Appointed Date, in accordance with Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The Effective Date of the Scheme is May 13, 2019, except in relation to the amalgamation of India Infoline Finance Limited with IIFL Finance Limited, which shall be made effective upon receipt of requisite regulatory approvals by IIFL Finance Limited to carry on the lending business.

In accordance with the Scheme, the Equity Shares of our Company, issued pursuant to the Scheme, shall be listed and admitted to trading on BSE and NSE. Such admission and listing is not automatic and will be subject to fulfilment by our Company of the respective listing criteria of the Stock Exchanges and also subject to such other terms and conditions as may be prescribed by the respective Stock Exchanges at the time of the application made by our Company seeking approval for listing.

### **Eligibility criterion**

There being no initial public offering or rights issue, the eligibility criteria prescribed under the SEBI ICDR Regulations are not applicable. However, SEBI, vide its letter no. CFD/DILII/YJ/AR/23650/2019 dated September 11, 2019, granted relaxation of clause (b) to sub-rule (2) of Rule 19 of SCRR thereof by making an application to SEBI under sub-rule (7) of Rule 19 of the SCRR as per the SEBI Circular. Our Company submitted this Information Memorandum, containing information about our Company, making disclosures in line with the disclosure requirement for public issues, as applicable to BSE and NSE and the Information Memorandum shall be made available to public through the respective websites of the Stock Exchanges i.e., [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com). Our Company has also made the Information Memorandum available on its website at [www.iiflwealth.com](http://www.iiflwealth.com). Our Company has also published an advertisement in the newspapers containing its details as per the SEBI Circular with the details required in terms of Annexure A Part III (A) para 2 sub-clause 5 of the SEBI Circular on September 16, 2019, drawing specific reference to the availability of the Information Memorandum on our Company's website.

### **Prohibition by Securities and Exchange Board of India**

Our Company, Directors, Promoters, Promoter Group and the natural persons in control of our Company are not prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

### **Compliance with Companies (Significant Beneficial Ownership) Rules, 2018**

Our Company, Promoters and Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.

### **Association with the Securities Market**

Nirmal Jain, Venkataraman Rajamani, Sandeep Naik, and Shantanu Rastogi are associated with entities (apart from our Company) that are engaged in securities market related business and are registered with SEBI. Except as disclosed elsewhere in this Information Memorandum, if any, no action has been initiated by SEBI against any of our Directors in the past five years preceding the date of this Information Memorandum.

### **Identification as wilful defaulter by Reserve Bank of India**

Our Company, Promoters and Directors have not been identified as wilful defaulters by the Reserve Bank of India.

### **Disclaimer Clause of the BSE**

BSE vide its letter (bearing reference no. DCS/AMAL/BA/R37/1266/2018-19 dated September 14, 2018,

approved the Scheme of Arrangement under Regulation 37 of the SEBI Listing Regulations and by virtue of the said approval, BSE's name has been included in this Information Memorandum as one of the stock exchanges on which our Company's Equity Shares are proposed to be listed.

As required, a copy of this Information Memorandum has been submitted to BSE.

#### **Disclaimer Clause of the NSE**

NSE has vide its letter (bearing reference no. NSE/LIST/15624 dated September 11, 2018, approved the Scheme of Arrangement under Regulation 37 of the SEBI Listing Regulations and by virtue of the said approval, NSE's name is included in this Information Memorandum as one of the stock exchanges on which this Company's Equity securities are proposed to be listed.

As required, a copy of this Information Memorandum has been submitted to NSE.

#### **General Disclaimer from our Company**

Our Company accepts no responsibility for statements made otherwise than in this Information Memorandum or in the advertisements to be published in terms of Annexure A Part III (A) para 2 sub-clause 5 of the SEBI Circular or any other material issued by or at the instance of our Company and anyone placing reliance on any other source of information would be doing so at his or her own risk. All information shall be made available by our Company to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner.

#### **Listing**

Applications have been made to BSE and NSE for an official quotation of the Equity Shares of our Company. Our Company has nominated the NSE as the Designated Stock Exchange for the aforesaid listing of the Equity Shares. Our Company has taken steps for completion of necessary formalities for listing and commencement of trading at all the Stock Exchanges mentioned above within a period as approved by SEBI.

#### **Listing Approval from BSE and NSE**

Our Company has obtained in-principle listing approvals from BSE and NSE on August 21, 2019 and August 19, 2019, respectively. Our Company shall make the applications for final listing and trading approvals from BSE and NSE.

#### **Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957**

Our Company was granted an exemption from the application of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957 by the SEBI *vide* the letter no. CFD/DILII/YJ/AR/23650/2019 dated September 11, 2019.

#### **Filing**

A copy of this Information Memorandum has been filed with BSE and NSE.

#### **Demat Credit**

Our Company has executed a Tripartite Agreement with the Depositories i.e. NSDL and CDSL, on September 8, 2010 and October 20, 2014, respectively for admitting our Equity Shares in dematerialised form. Our Company has been allotted INE466L01020 as the ISIN. Our Company has credited the new Equity Shares to depository participant accounts of the Eligible Shareholders on June 12, 2019, June 13, 2019, and June 17, 2019 through NSDL and on June 12, 2019 through CDSL.

#### **Expert opinions**

Save as stated elsewhere in this Information Memorandum, we have not obtained any expert opinions.

#### **Dispatch of share certificates**

In accordance with the Scheme, new Equity Shares have been issued and allotted to the Eligible Shareholders of on the Record Date i.e. May 31, 2019.

**Particulars regarding public or rights issues by our Company during the last five years**

Our Company has not made any public or rights issues during the five years preceding the date of this Information Memorandum.

**Underwriting Commission, Brokerage and Selling Commission paid on previous issues of the Equity Shares**

No sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares in the five years preceding the date of this Information Memorandum.

**Capital issue during the previous three years by our Company, listed Group Companies and listed Subsidiaries of our Company**

Our Company has not undertaken a capital issue to the public in the last three years preceding the date of this Information Memorandum. Our Company has no listed subsidiary and except as set forth below, our listed Group Companies have not undertaken any capital issue to the public during the previous three years preceding the date of this Information Memorandum:

- The board of directors of 5paisa Capital Limited, at its meetings held on July 17, 2018 and September 12, 2018 approved the proposal of issue of equity shares by way of a rights issue to the existing shareholders of our Company in the ratio of one equity share of ₹ 10 each for every one equity share of ₹ 10 each held in our Company at a premium of ₹ 70 per equity share, i.e. at an issue price of ₹ 80 each aggregating to ₹ 101.91 crore, in accordance with the erstwhile Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended. 5paisa Capital Limited allotted 12,738,646 equity shares having face value of ₹ 10 each at a premium of ₹ 80 per share aggregating to ₹ 1,019.10 million. 5paisa Capital Limited received the listing approval for the equity shares from the NSE and the BSE on August 21, 2019 and August 20, 2019 respectively and the trading commenced on those shares from August 22, 2019.

**Performance vis-à-vis objects – Public/ rights issue of our Company**

Our Company has not undertaken any public or rights issue in the five years preceding the date of this Information Memorandum.

**Performance vis-à-vis objects – Public/ rights issue of the listed Subsidiaries and Group Companies of our Company**

Our Company has no listed subsidiary and except in relation to 5paisa Capital Limited, as set forth above, our listed Group Companies have not undertaken any public or rights issue in the five years preceding the date of this Information Memorandum. 5paisa Capital Limited has recently concluded the rights issue of its equity shares, pursuant to which the equity shares commenced trading on August 22, 2019. Accordingly, 5paisa Capital Limited has recently received the issue proceeds and is currently in the process of deploying such funds in accordance with the disclosures made in the letter of offer issued by it.

**Disposal of Investor Grievances**

Our Company has the following platforms for addressing investors' grievances:

- E-mail ID: [ir@iiflw.com](mailto:ir@iiflw.com)
- SCORES

Shareholders can express their grievances by sending mails to above e-mail id or raise complaints in SCORES (common portal introduced by SEBI). Further, the Shareholders can also raise their grievances with our Company Secretary. As on the date of this Information Memorandum our Company, has not received any investor complaints since incorporation.



## **Company Secretary and Compliance Officer**

### **Ashutosh Naik**

8<sup>th</sup> Floor, IIFL Centre  
Kamala City, Senapati Bapat Marg  
Lower Parel, Mumbai – 400 013  
Maharashtra, India  
Tel: +91 (22) 4876 5600  
E-mail: [secretarial@iiflw.com](mailto:secretarial@iiflw.com)

## **Capitalisation of reserves or profits or revaluation of assets**

There has been no capitalization of our reserves or profits or revaluation of our assets since incorporation to the date of this Information Memorandum, except in relation to the bonus issue of shares, as disclosed in the section “*Capital Structure*” on page 28.

## **Other confirmations**

There has been no default in payment of listing fees to any stock exchange in the last three years by our Company, Promoters, Group Companies, or members of the Promoter Group.

Neither our Company, nor our Group Companies, or entities forming part of our Promoter Group have been delisted from any stock exchange.

Neither our Promoters, nor individuals forming part of our Promoter Group, are or were promoters or directors of any company which was delisted from any stock exchange.

Neither the shares our Company, nor those of our Group Companies, or entities forming part of our Promoter Group have been suspended from trading on any stock exchange.

Neither our Promoters, nor individuals forming part of our Promoter Group, are or were promoters or directors of any company whose shares were suspended from being traded on any stock exchange during the term of their directorship or them being promoters in such company.

There have been no proceedings initiated by the SEBI or any other regulatory authority in connection with investor related issues, or otherwise, against our Company, Promoters, Group Companies, or members of the Promoter Group, except to the extent, if any, disclosed in the section “*Outstanding Litigation and Other Material Developments*” on page 151.

## **SECTION VIII– OTHER INFORMATION**

### **MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION**

#### **PART I**

##### **I. PRELIMINARY**

1. The Regulations contained in Table “F” of the First Schedule to the Companies Act, 2013 hereinafter referred to as Table “F” shall be deemed to be incorporated with the form part of these Articles with the exception of such portions of Table “F” as are hereinafter expressly or by necessary implication excluded altered or modified.
2. In these articles of association:
  - (i) “Act” means (a) the Companies Act, 2013 and any amendment thereto or any other succeeding enactment for the time being in force and (b) the Companies Act, 1956 to the extent not replaced by the Companies Act, 2013.
  - (ii) “Company” means IIFL Wealth Management Limited.
  - (iii) “Seal” means the Common Seal of the Company.
  - (iv) “Shares or other securities” mean equity shares, fully convertible debentures, partly convertible debentures or any other securities, which would be convertible into or exchanged with equity shares at a later date.
3. Unless the context otherwise required, words or expressions contained in these regulations shall bear the same meanings as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company.

##### **II. SHARE CAPITAL AND VARIATION OF RIGHTS**

- (i) The Authorised Share Capital of the Company shall be in accordance with the clause V of the Memorandum of Association of the Company.
  - (ii) Minimum paid up capital of the Company shall be Rs. 5,00,000/-.
4. The Company in a general meeting may, from time to time, by Ordinary Resolution increase the Capital by the creation of new shares or other securities, such increase to be of such aggregate amount and to be divided into shares or other securities of such respective amounts as the resolution shall prescribe. The new shares or other securities shall be issued upon such terms & conditions, and with such rights and privileges annexed thereto, as the general meeting shall direct and if no direction be given, as the Directors shall determine, and in particular, such shares or other securities may be issued with a preferential or qualified right as to dividends and in the distribution of the assets of the Company and with a right of voting at general meetings of the Company.
5. Subject to the provisions of Section 62 of the Act and these Articles, the shares or other securities shall be under the control of the directors who may issue, allot or otherwise dispose off the same to such persons, in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to the compliance with the provision of Sections 53 and 54 of the Act) and at such time as they think fit and with full power and subject to the sanction of the Company in a general meeting to give any person or persons the option or right to call for or any shares or other securities of the Company either at a premium or at par or at a discount during such time and for such consideration as the directors think fit, and may issue and allot shares or other securities in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares, provided that option to call shall not be given to any person except with the consent of the General Meeting.

6. **FURTHER ISSUE OF SHARES**

6.1. Where at any time it is proposed to increase the subscribed capital of the Company by allotment of further shares or other securities:

- (a) Such further shares or other securities shall be offered to the persons who, at the date of the offer, are holders of the equity shares in the Company, in proportion, as nearly as circumstances admit, to the capital paid-up on those shares at that date;
- (b) Such offer shall be made by a notice specifying the number of shares or other securities offered and stipulating a time not being less than 15 days and not exceeding 30 days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;
- (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares or other securities offered to him or any of them in favour of any other person and the notice referred to hereinabove shall contain a statement of this right; and
- (d) After the expiry of the time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares or other securities offered, the Board may dispose off such shares or other securities in such manner as the Board thinks most beneficial to the Company.

6.2. Notwithstanding anything contained in Article 6.1, the Company may:

- (a) by a special resolution is passed to such effect in a general meeting; or
- (b) where no such special resolution is passed, if the votes cast (whether on a show of hands or on a poll, as the case may be) in favour of the proposal contained the resolution moved in that general meeting (including the casting vote, if any, of the chairman) by members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members so entitled and voting, and the central government is satisfied, on an application made by the board of directors in this behalf, that the proposal is most beneficial to the Company;

issue further shares or other securities to any person or persons, and such person or persons may or may not include the persons who at the date of the offer, are the holders of the equity shares of the Company.

6.3. Nothing in Article 6.1(c) hereof shall be deemed:

- (a) to extend the time within which the offer should be accepted; or
- (b) to authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

6.4. Subject to the provision of this Article and subject to the provisions of the Act, the Directors shall have full power and authority to issue further share capital from time to time including to decide as to the manner in which such further capital may be issued, to whom the same may be issued, the issue price or consideration including the terms of payment thereof and whether the same may be issued for cash or for consideration other than cash.

6.5. Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debentures issued by the Company:

- (a) to convert such debentures or loans into shares in the Company; or
- (b) to subscribe for shares in the Company.

PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term has been approved by the special resolution passed by the Company in a General Meeting before the issue of such debentures or raising of such loans.

- 7 Subject to the provisions of the Act, the Company in general meeting, from time to time, by Ordinary Resolution alter the conditions of its Memorandum of Association so as to:
- 7.1 increase its authorised share capital by such amount as it thinks expedient;
  - 7.2 consolidate and divide all or any of its share capital into shares or other securities of larger amount than its existing shares;
  - 7.3 convert all or any of its fully paid – up shares or other securities into stock, and reconvert that stock into fully paid –up shares or other securities of any denomination;
  - 7.4 sub-divide its shares or other securities, or any of them, into shares or other securities of smaller amount than is fixed by the memorandum, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share or other security shall be the same as it was in the case of the share or other security from which the reduced share or other security is derived;
  - 7.5 cancel shares or other security which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares or other securities so cancelled.
- 8 If at any time share capital is divided into different classes, the right attached to any class of shares or other securities (unless otherwise provided by the terms of the issue of shares of that class or other securities) may subject to the provisions of the Section 48 of the Act be modified, commuted, effected, abrogated or varied (whether or not the company is being wound up) with the consent in writing of the holders of not less than three- fourth of the issued shares of that class or other securities or with the sanction of the special resolution passed at a separate meeting of the holders of that class of shares or other securities and all the provisions hereinafter contained as to General Meeting shall mutatis mutandis apply to every such meeting.

### III. **SHARES, SHARE CERTIFICATES AND DEBENTURES**

- 9 (i) Every member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in their name, or if the directors so approve (upon paying such fee as the directors may determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Subject to the Act, certificates of shares or other securities shall be issued under the seal of the Company as signed by two Directors and Secretary or some other person appointed by the Board for the purpose. Every certificate of shares or other securities shall bear the name of the member and denote the number and the distinctive number of shares or other securities in respect of which it is issued, and amount paid thereon and shall be in such form as the directors may prescribe and approve.
- (ii) Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the general meeting, appointment of directors and otherwise debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the general meeting by a special resolution.
- 10 If two or more persons are required as joint holders of any shares or other securities, any one of such persons may give effectual receipt for any dividends, bonus or moneys payable in respect of such share or other security.
- 11 The Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one or several joint holders shall be a sufficient delivery to all such holders.

- 12 Save as herein otherwise provided, the Company shall be entitled to treat the registered holder of a share or other security as the absolute owner thereof, and accordingly no person shall be recognised by the Company as holding any share or other security upon the trust and the Company as shall not be bound by or recognise any equitable, contingent, future, or partial interest in any fractional part of a share or other security or (except only as by the statute or under order of court) any other right in respect of any share or other security except an absolute right to the entirety thereof as the registered holder.
- 13 The rights conferred upon the holders of the shares of any class or other security issued with preferred or other rights shall unless otherwise expressly provided by the terms of issue of the shares of that class or other security, not be deemed to be varied by the creation or issue of further shares or other securities ranking *pari passu* therewith.
- 14 If any share certificate is worn out, defaced, mutilated or torn or if there is no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under the article shall be issued without payment of fees if the directors so decide, or on payment of such fees (not exceeding Rupees Two for each certificate) as the directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any stock exchange or the rules made under the Act or rules made under the Securities Contracts (Regulation) Act, 1956 or any other act, or rules applicable thereof in this behalf.

The provisions of this Article shall *mutatis mutandis* apply to debentures of the Company.

- 15 (i) The Company shall have a first and paramount lien upon all the shares or other securities (other than fully paid-up shares or other securities) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares or other securities and no equitable interest in any share or other security shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares or other securities. Unless otherwise agreed the registration of a transfer of shares or other securities shall operate as a waiver of the company's lien if any, on such shares or other securities. The directors may at any time declare any shares or other securities wholly or in part to be exempt from the provisions of this Article.
- (ii) The fully paid up shares shall be free from all lien and in the case of partly paid shares, the Company's lien shall be restricted to monies called or payable at a fixed time in respect of such shares.
- (iii) Pursuant to Section 106 of the Act, no member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

#### IV. **CALLS ON SHARES**

- 16 The Directors may, from time to time make such calls as they think fit, upon the members in respect of all monies unpaid on their shares or other securities and subject to, if any, special terms upon which any shares or other securities may have been issued. All the calls shall be made on a uniform basis on shares falling under the same class or such other securities.
- (i) The directors may, if they think fit, subject to the provisions of Section 50 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys

due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The directors may at any time repay the amount so advanced.

- (ii) The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.
- (iii) The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.

17 A call be deemed to have been made at the time when the resolution of Board authorising the call was passed and may be required to be paid by installments at the discretion of the Directors or on such subsequent date as shall be determined by the Directors.

18 The joint holder of the shares or other securities shall be jointly and severally liable to pay calls in respect thereof.

#### V. **FORFEITURE OF SHARES**

19 Regulation 28 to 34 of Table "F" shall apply.

#### VI. **TRANSFER AND TRANSMISSION OF SHARES**

20 With respect to physical shares of the Company, if any, there shall be a common form of transfer. The instrument of transfer shall be in writing and all the provisions of Section 56 of the Act and any statutory modification thereof for the time being shall be complied with in respect of all such transfers and the registration thereof. Every instrument of transfer shall be signed by or on behalf of the transferee and the transferor and the transferor shall be deemed to remain the holder of such share or other security until the name of the transferee is entered in the Register of Members in respect thereof.

21 No fee will be charged for the registration of any transfer, transmission, grant of probate, succession certificate, grant of letter of administration, certificate of death or marriage, power of attorney or other similar instruments.

22 No shares or other securities shall be transferred to the outsiders until the existing shareholders of the Company refuse to accept the offer of such transfer at the value determined by the Directors.

23 The Company shall keep a book to be called the "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share or other security.

24 The Company shall keep a book to be called the "Register of renewed and Duplicate Certificates" and there in shall be fairly and distinctly entered the particulars of the issue of the renewed, duplicate certificates in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn or old decrepit, worn out or rendered useless.

25 The instrument of transfer after registration shall be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall, on demand be returned to the person depositing the same.

26 Subject to the provisions of Section 58 of the Act, or any statutory modification these Articles and other applicable provisions of the Act or any other law thereof for the time being in force, the Board of Directors may at any time at their discretion in pursuance of any power of the Company under these Articles or otherwise and by giving reasons or grounds, decline to register or acknowledge any transfer of, or the transmission by operation of law of the right to, any shares or other securities or interest of a member and in particular may so decline in any case in which the Company has a lien upon the shares or other securities desires to be transferred on which call remains unpaid. The registration of the transfer shall be conclusive evidence of the approval of the Board of Directors of the transferee. Provided that

registration of the transfer shall not be refused on the grounds of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except a lien on shares or other securities. If the Company refuses to register the transfer of any shares or other securities or transmission of any right therein, the Company shall, within one month from the date on which the instrument of transfer or intimation of the transmission was delivered to the Company, send notice of refusal to transferee and transferor or to the person giving intimation of the transmission, as the case may be, giving reasons for such refusal and thereupon the provisions of the Act or any statutory modification or re-enactment thereof shall apply.

- 27 Every transmission of a share or other security shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or unless an indemnity be given to the Company with regard to such registration which the directors at their discretion shall consider sufficient provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.
- 28 The Company has facilitated dematerialization of all of its existing shares with the depositories and has obtained International Security Identification Number (ISIN) for its shares. Accordingly, notwithstanding anything contained in Articles 20 to Article 27, pursuant to Rule 9A of Companies (Prospectus and Allotment of Securities) Rules 2014, every holder of securities who intends to transfer securities shall get such securities dematerialized before the transfer. The shares of the Company being in dematerialized form, the provisions of Depositories Act 1966 will be applicable with respect to transfer and transmission of all shares of the Company.

## VII. **GENERAL MEETING**

- 29 A General Meeting of the Company may be called by giving not less than 21 days clear notice, in writing or through electronic mode.
- 30 The accidental omissions to give any such notice or the non-receipt of any such notice by any of the members to whom it should be given shall not invalidate any resolution passed or proceeding held at any such meeting.
- 31 Five members or such higher number as required pursuant to Section 103 of the Act, present personally shall be quorum for all purpose at any General Meeting.
- 32 No business shall be transacted at any General Meeting unless the quorum requisite shall be present at the commencement of the business.
- 33 The directors shall on the requisition of such member or members of the Company as is specified in Section 100 of the Act forthwith proceed duly to call an Extraordinary General Meeting of the Company and in the case of such requisition the provisions of the said Section shall have effect.
- 34 The Chairman of the Board of Directors shall be entitled to take the chair at every General Meeting. If there is no such Chairman or if at any meeting or if he shall not be present within fifteen minutes after the time appointed for holding such meeting or being present declines to take the chair, the Directors present may choose one of their member to be the Chairman and in default of their doing so, the members present shall choose one of the directors to be the Chairman, and if no director present be willing to take the Chair, shall on a show of hands, elect one of the members to be the Chairman of the meeting. If a poll is demanded on the election of the Chairman, it shall be taken forthwith in accordance with the provisions of the Act and the Chairman so elected shall exercise all the powers of the Chairman under the said provisions. If some other person is elected Chairman as a result of poll, he shall be the Chairman for the rest of the meeting.
- 35 At any General Meeting a resolution put to the vote of the meeting shall unless a poll is demanded be decided on a show of hands.
- 36 Before or on the declaration of the result of the voting on any resolution on show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that before by one or more member holding shares or other securities of prescribed amount and having the right to vote on the resolution and present in person or by proxy.

- 37 The demand for poll may be withdrawn at any time by the person or persons who made the demand.
- 38 The Chairman of a General Meeting may with the consent of the meeting, adjourn the same from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

#### **VIII. VOTING**

- 39 Subject to any rights or restrictions for the time being attached in any class or classes of shares or other securities the voting shall be done by following way:
- 40 On a show of hand, every member holding shares or other securities and present in person shall have one vote, and
- 41 On a poll, he shall have number of votes as the number of shares or other securities held by him.

#### **IX. DIRECTORS**

- 42 Unless and until otherwise determined by the Company in general meeting the number of Directors shall not be less than 3 (Three) and more than 12 (Twelve) including nominee Directors.
- 43 The first Directors of the Company are:
- (i) Shri Nirmal Jain
  - (ii) Shri Rajamani Venkataraman
  - (iii) Shri Mukesh Kumar Singh.
- 44 Quorum for the Board meeting shall be two Directors or 1/3 rd of the total strength of the Board whichever is higher.
- 45 A Director shall not be required to hold any share in the capital of the Company to qualify him as a Director.
- 46 The Directors may at any time appoint any person as Directors to fill any casual vacancy or as an additional Director to their number subject to the maximum number herein before provided in Article 42 above and the Additional Director so appointed shall retain his office until the next annual general meeting and shall then be eligible for reappointment by the Company in that meeting.
- 47 The office of Directors shall be vacated in accordance with the provisions contained in the act and also if he is removed from his office in accordance with the provisions of the Act.
- 48 Subject to the provisions of any agreement for the time being in force the Company may by an ordinary resolution remove any Director and may also by an ordinary resolution appoint a person in his place, but special notice shall be required in either case.
- 49 If at any time the Company obtains any loans or any assistance in connection therewith by way of guarantee or otherwise from any person, firm, body corporate, local authority, or public body (hereinafter called 'The Institution') debentures or debenture-stock and enters into any contract or arrangement with the institution whereby the institution subscribes for or underwrites the issue of the Company's shares or other securities or debentures or debenture-stock or provides any assistance to the Company in any manner whatsoever and it is a term of the relative loan, assistance or contract or arrangement that the Institution shall have the right to appoint one or more Director or Directors to the Board of the Company, then subject to the provisions of Section 152 of the Act and subject to the terms and conditions of such loan, assistance, contract or arrangement the institution shall be entitled to appoint one or more Director or Directors, as the case may be, to the Board of the Company, and to remove from office any Director so appointed and to appoint another in his place or in the place a Director so appointed who resigns or otherwise vacates his office. Any such appointment or removal shall be made in writing and shall be served at the office of the Company.



50 The Director or Directors so appointed shall neither be required to hold any qualification share nor be liable to retire by rotation and shall continue in office for so long as the relative loan, assistance, contract or arrangement, as the case may be, subsists or so long as the Institution holds any shares or other securities of the Company in terms thereof.

51 The Directors shall receive out of the funds of the Company a sum as the Board may from time to time determine for every meeting attended by him. The Directors shall also be entitled to be paid travelling, hotel and other reasonable expense incurred in connection with their attendance at Board meetings or any committee thereof or otherwise in the execution of their duties as Directors.

52 If any Directors shall be called upon to perform extra services either as Technical Advisory or otherwise, or to make special exertion for any of the purpose of the Company or giving special attention to the business of the Company or as a member of a committee of the Directors, then subject to the provisions of the Act, the Directors may pay remuneration which may be either in addition to or in substitution of any other remuneration to which he may be entitled.

#### **X. MANAGING DIRECTOR / WHOLE-TIME DIRECTOR**

53 The Board may from time to time appoint one or more Directors to be Managing Directors or Whole time Directors for such terms, and at such remuneration (whether by way of salary or commission or participation in profits or partly in one way and partly in another) as it may think fit, and a Director so appointed shall, while holding that office, be subject to retirement by rotation. But his appointment shall be subject to determination ipso facto if he ceases from any case to be a Director of the Company & General Meeting resolve that his tenure of office of Managing Director/Whole time Director be determined.

#### **XI. SECRETARY**

54 Subject to the provision of the Applicable Law, a manager or secretary may be appointed by the Board on such terms, at such remuneration and upon such conditions as it may think fit and any Secretary so appointed may be removed by the Board.

55 A Director may be appointed as Secretary subject to Section 188 of the Act.

56 The Board of Directors may subject to the provision of the Act from time to time delegate any of their powers to Committee consisting of such member or members as they think fit and may from time to time revoke such delegation. Any committee so formed shall in the exercise of the powers so delegated, conform to any regulation that may from time to time be imposed upon it by the Directors.

57 The meeting and proceedings of any such committee consisting of two or more members shall be governed by the provisions herein contained for regulation made by Directors under these Articles.

#### **VII. BUY-BACK OF SHARES**

58 Notwithstanding anything contained in these Articles, the Board of Directors may, when and if thought fit, buy-back such of the Company's own shares or other securities as it may think necessary, subject to such limits, upon such terms and conditions, and subject to such approvals, as required by law.

#### **VIII. UNCLAIMED DIVIDEND**

59 Where the dividend has been declared by the Company but has not paid or claimed within 30 days or such prescribed days under applicable laws, from the date of declaration to any shareholder entitled to the payment thereof, the Company shall within 7 days from the date of expiry of said prescribed days, transfer the total amount of dividend which remain unpaid or unclaimed to a special account to be opened by the Company in that behalf in any scheduled bank.

60 Any money transferred to the unpaid dividend account of the Company in pursuance of Article 59 hereof which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund of the central government but a claim to any money not transferred to the Investor Education and Protection Fund may

be referred to the Central Government by the person to whom the money is due and shall be dealt with as if such transfer to the Investors Education and Protection Fund had not been made.

- 61 The Company shall, when making any transfer under Article 59 hereof to the Investor Education and Protection Fund of the Central Government any unpaid or unclaimed dividend furnish to such office as the Central Government may appoint in this behalf a Statement in the prescribed form in respect of all sums included in such transfer the nature of the sums, the names and last known addresses of the person entitled to receive the sum, the amount to which each person is entitled and the nature of his claim thereto and such other particulars as may be prescribed.

- 62 No unclaimed dividend shall be forfeited by the Board unless the claim thereto become barred by law.

#### **IX. DIVIDEND AND BONUS SHARES**

- 63 No dividend shall be payable except in cash. Provided that nothing in this Article shall be deemed to prohibit the capitalisation of the profits or reserves of the Company for the purpose of issuing fully paid up bonus shares or paying up any amount for the time being unpaid on any Shares held by the Members of the Company.

#### **X. SEAL**

- 64 **The seal, its custody and use.**

The Board shall provide a Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu of the same, and the Board shall provide for the safe custody of the seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.

The Company shall also be at liberty to have an official seal in accordance with provisions of the Act, for use in any territory, district or place outside India.

- 65 **Deeds how executed.**

Every Deed or other instrument, to which the seal of the Company is required to be affixed shall unless the same is executed by a duly constituted attorney, be signed by two Directors or one Director and Secretary or some other person appointed by the Board for the purpose provided that in respect of the Share Certificate the Seal shall be affixed in accordance with Article 64.

#### **XI. AUDIT**

- 66 In every year, the accounts of the Company shall be examined and audited at least once by an auditor who shall be duly appointed. The payment of remuneration to auditor will be in accordance with Section 142 of the Act and rules made thereunder.

#### **XII. SECRECY**

- 67 Every Director, manager, auditor, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall observe strict secrecy in respect of all transaction of the Company with the customers and the state of accounts with individuals and in matters relating thereto and shall not reveal in the discharge of his duties except when required to do so by the Directors as such or by any meeting or by Court of law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

#### **XIII. WINDING UP**

- 68 If the Company shall be wound up and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid up capital, such assets, shall be distributed so that as nearly as may be the losses shall be borne by the members in proportion to the Capital paid up or which ought to have been paid up as at the Commencement of the winding up on the shares or other

securities held by them respectively. And if in a winding up the assets available for distribution among the member shall be more than sufficient to repay the whole of the capital at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding up, paid up or which ought to have been paid up on the shares or other securities held by them respectively. But this Article is to be without prejudice to the rights of the holder of shares or other securities issued upon special terms and conditions.

- 69 If the Company shall be wound up whether voluntary, or otherwise, Liquidators may with the sanction of a Special Resolution, divide amongst the members in specie or kind any part of the assets of the Company as the Liquidators, with the like sanction, shall think fit.

#### XIV. INDEMNITY

- 70 Subject to the provisions of the Act, every Director, officer or agent for the Company shall be indemnified out of the Company's fund against any liability incurred by him in defending any proceedings, whether, civil or criminal, in which judgements is given in his favour or in which he is acquitted or in connection with any application under Section 463 of the Act in which relief is granted to him by court.

### PART II

- 71 Notwithstanding anything to the contrary contained in the preceding Articles 1 to 70, the provisions of Article 71 to Article 110 contained in Part II of these Articles shall also apply in accordance with their terms and in the event of any inconsistency or contradictions between the provisions of Part I of these Articles and the provisions of Part II of these Articles, the provisions of Part II of these Articles shall override and prevail over the provisions of Part I of these Articles. Part II of these Articles shall cease to apply in entirety when the Shareholders' Agreement is terminated as against all the parties thereto.

- 72 In the event any provisions of the Shareholders' Agreement, which are incorporated in these Articles, are amended or varied in accordance with the Shareholders' Agreement, such amendment or variation shall be considered as applying to these Articles as well. It being clarified that if any provision of the Shareholders' Agreement is varied only for a specific circumstance or is a one-time variation, the same shall not vary the terms of the Shareholders' Agreement and consequently these Articles beyond such specific circumstance or time.

#### XV. INTERPRETATION

- 73 In addition to the terms defined in other parts of Part II of these Articles, whenever used in this Part II unless repugnant to the meaning or context thereof, the following responses shall have the meanings set forth below:

**Affiliate(s)** means, with respect to:

- (i) New Promoters, their respective Relatives, estate planning trusts in which the beneficiaries are only the New Promoters and their respective Relatives, companies wholly owned or other body corporates wholly Controlled by the New Promoters together with their respective Relatives;
- (ii) Existing Investor, another Person that Controls or is Controlled by or is under common Control with the Existing Investor;
- (iii) Existing Promoters, the other Existing Promoters and any Person that Controls or is Controlled by or is under common Control with either Existing Promoter;
- (iv) Any other Person, another Person that Controls or is Controlled by or is under common Control with such Person;

**Applicable Law** means: (i) any applicable statute, law, regulation, ordinance, rule, judgement, rule of law, order, decree, clearance, approval, directive, guideline, policy, requirement, or other governmental restriction; or (ii) any similar form of decision, or determination by, or any interpretation or administration of any of the foregoing by, any statutory or regulatory authority;

**Articles** mean the articles of association of the Company, as may be amended from time to time;

**Assignee** means the respective Affiliates and transferees to whom Shares are Transferred by the Assignors in accordance with these Articles;

**Assignor** means the Existing Investor, and/or Existing Promoters;

**Assignor Group** means the Assignor and Assignee, jointly;

**Board** means board of Directors and includes committees of the Board;

**Business Day** means any day on which banks in Mumbai, India are open for business;

**Company** means IIFL Wealth Management Limited;

**Control** including with its grammatical variations such as **Controlled by, that Controls** and **under common Control with**, when used with respect to any Person, means and includes the possession, directly or indirectly, of, acting alone or together with another Person, the ability to direct the management and policies of such Person, whether (i) through the ownership of more than 50% of the voting rights of such Person; (ii) through the power to appoint more than ½ of the board of directors or similar governing body of such Person; or (iii) pursuant to Applicable Law or contractual arrangements or otherwise;

**Director** means a Person who is appointed as a director of the Company pursuant to the Shareholders' Agreement and these Articles;

**Equity Shares** mean equity shares of the face value of INR 2.00 in the capital of the Company;

**Existing Investor** means General Atlantic Singapore Fund Pte. Ltd.;

**Existing Promoters** mean Mr. R. Venkataraman and Mr. Nirmal Jain and their respective Relatives;

**Existing Promoter Director** has the meaning assigned to it at Article 78;

**Fully Diluted Basis** means that the calculation is to be made assuming that all outstanding securities (whether or not by their terms then currently convertible, exercisable or exchangeable), share options including but not limited to any outstanding commitments to issue Equity Shares at a future date whether or not due to the occurrence of an event or otherwise, have been so converted, exercised or exchanged;

**INR** means Indian Rupees, i.e., the lawful currency of India;

**Investor Director** has the meaning assigned to it at Article 77;

**Management Director** shall have meaning assigned to it at Article 79;

**New Promoters** mean Mr. Karan Bhagat and Mr. Yatin Shah;

**Person** means a natural or juristic entity and wherever necessary (by implication or otherwise) includes firms and, or, associations and any authority;

**Relatives** shall mean to include only the spouse and children;

**Shares** mean: (i) equity shares; (ii) preference shares; and (iii) Share Equivalents;

**Share Equivalents** means all instruments issued by the Company which entitle the holder to Equity Shares of the Company at a future date;

**Shareholders** mean Persons who hold Shares and **Shareholding** shall be construed accordingly;

**Shareholders' Agreement** means the shareholders' agreement dated 24 October 2015 entered into between *inter alia* the Company, IIFL Holdings Limited, New Promoters and the Existing Investor, as amended from time to time;

**Threshold Event 1** means an event whereby the relevant Assignor Group ceases to hold at least 10% of the Company's share capital on a Fully Diluted Basis;

**Threshold Event 2** means an event whereby the relevant Assignor Group ceases to hold at least 5% of the Company's share capital on a Fully Diluted Basis;

**Transfer** means any transfer or other disposition of Shares or voting interests or any interest therein by any means whatsoever and includes any attempt to do any of the foregoing and **Transferor** and **Transferee** will be construed accordingly;

74 In these Articles:

74.1 Capitalised terms used in these Articles shall (unless the context otherwise requires) bear the meaning assigned to them in Article 73;

74.2 Words and phrases used but not expressly defined in these Articles bear the meaning commonly ascribed to them in Indian law or in India as the case may be;

74.3 References to statutory provisions shall be construed as references to those provisions and any regulations made in pursuance thereof as respectively amended or re-enacted or as their application is modified by other provisions (whether before or after the date of these Articles) from time to time and shall include any provisions of which they are re-enactments (whether with or without modification);

74.4 Unless otherwise indicated the terms 'hereof', 'herein', 'hereby', 'hereto' and derivative or similar words refer to the entire Articles;

74.5 The words 'including' and 'among others' and words and phrases of a like nature used in these Articles are deemed to be followed by the words 'without limitation' or 'but not limited to' or words or phrases of a like nature whether or not such latter words or phrases are expressly set out;

74.6 Headings and bold type face are only for convenience and shall be ignored for the purposes of interpretation;

74.7 Words importing (i) the singular include the plural; and (ii) any gender include every gender;

74.8 The performance of the obligations specified in these Articles is subject to and shall be performed in accordance with Applicable Laws;

74.9 "In writing" or "written" includes faxes, any non-transitory form of visible reproduction or words, digital signatures and electronic mail but excludes text messaging via mobile phone, unless otherwise specified;

74.10 All references to share numbers and share prices shall be adjusted appropriately for splits, combinations, bonus issues or other similar adjustments and similar corporate actions;

XVI. All obligations and liabilities of the parties to the Shareholders' Agreement shall continue to apply under these Articles (to the extent incorporated in these Articles) in the same manner as provided under the Shareholders' Agreement.

## XVII. **DIRECTORS**

75 The Company shall be managed by the Board of Directors (Board) who shall have powers to do all acts and take all actions that the Company is authorised to do; subject to those matters that are statutorily required under Applicable Law to be approved by the Shareholders. Notwithstanding anything set under these Articles, all Directors shall discharge their duties keeping in mind the best interest of the Company.

- 76 The Board shall consist of a maximum of 12 Directors.
- 77 The Existing Investor shall have the right to nominate (i) 2 Directors until the occurrence of Threshold Event 1; and (ii) 1 Director until the occurrence of Threshold Event 2 (**Investor Director**).
- 78 The Existing Promoters shall collectively have the right to nominate (i) 2 Directors until the occurrence of Threshold Event 1 and (ii) 1 Director until the occurrence of Threshold Event 2 (**Existing Promoter Director**).
- 79 Each of the New Promoters shall have the right to nominate themselves as Directors (**Management Director**).
- 80 2 independent Directors or such higher number as may be prescribed under Applicable Law shall be nominated by the Nomination & Remuneration Committee of the Company. One of the independent directors shall be a woman unless any of the nominee directors satisfies this requirement.
- 81 Any Director appointed to the Board shall be entitled to nominate an alternate to attend and vote at Board meetings in his or her absence.

#### **Appointment, Removal and Replacement**

- 82 The Board shall ensure that each nomination, removal or replacement of the Investor Director(s) or Existing Promoter Director(s) in terms of Article XVII is implemented without delay and where necessary, meetings of the Shareholders of the Company, or meetings of the Board, as applicable, are convened for this purpose.

#### **Casual Vacancies**

- 83 If any Investor Director or Existing Promoter Director resigns, vacates or is removed from office before his term expires, the resulting casual vacancy may only be filled by the Shareholder nominating such Director.

#### **Meetings of the Board**

- 84 Board meetings will be convened at regular intervals at least once every quarter and at least 4 times every calendar year. Board meetings shall be held at such place, within or outside India, as mutually decided by the Board, from time to time.
- 85 Subject to Applicable Law, all reasonable expenses and costs incurred for such meetings of the Board shall be borne as per the Company policy.

#### **Chairman of the Board**

- 86 The initial Chairman of the Board is Mr Nirmal Jain. The Existing Promoter Directors have the right to designate themselves or one of the independent directors recommended by the Nomination & Remuneration Committee as Chairman of the Board. The Chairman will not have a casting vote.

#### **Board Meeting and Notice of Board Meetings**

- 87 Any Director may convene, or may request the Company's secretary to convene, a Board meeting in accordance with these Articles.
- 88 Unless all Directors otherwise agree in writing, at least 7 days' written notice in the normal course will be given to all Directors for convening a Board meeting.
- 89 Every notice convening a meeting of the Board shall set forth in full and sufficient detail each item of the business to be transacted thereat, and no item or business shall be transacted at such meeting, unless the same has been stated in full and in sufficient detail in the notice convening the meeting. The notice shall be accompanied by any relevant papers for discussion at such meeting.

- 90 All Persons entitled to attend the meeting will be sent such notice (together with all attachments thereto) by facsimile or email.

#### **Committees of the Board**

- 91 The Company shall constitute such committees as may be required under Applicable Law. Only the Board can constitute a committee of Directors or delegate its powers to any Persons.
- 92 The Company shall constitute a Compliance and Risk Committee. The terms of reference of the Compliance and Risk Committee shall be approved by the Board and its chairman shall be a non-executive Director.
- 93 Subject to compliance with requirements under Applicable Law, at least (i) 1 Investor Director; and (ii) 1 Existing Promoter Director shall be appointed on all the committees formed by the Board.
- 94 Subject to compliance with requirements under Applicable Law, the Nomination and Remuneration Committee shall have at least 3 non-executive Directors and its chairman shall also be a non-executive Director and/or independent director.
- 95 All information relating to and, or copies of any notices, orders or communication in respect of any litigation, any application for winding up, suit or legal process or any event that would materially affect the operations or financial health of the Company shall be placed before the Audit Committee.
- 96 The provisions relating to the proceedings of meetings of the Board contained herein shall apply *mutatis mutandis* to the proceedings of the meetings of any committees of the Board.

#### **Electronic Participation**

- 97 The Board shall have the power to allow electronic or remote participation in Board meetings, subject to compliance with the relevant requirements under Applicable Law.

#### **Circular Resolutions**

- 98 The Board may act by written resolution, or in any other legally permissible manner, on any matter, except in respect of matters specified otherwise in these Articles, or which by Applicable Law may only be acted upon at a meeting. Subject to any restrictions imposed by Applicable Law, no written resolution shall be deemed to have been duly adopted by the Board, unless such written resolution shall have been approved by the requisite majority of Directors under Applicable Law and as provided in various provisions of these Articles.

#### **Liability of Investor Directors and Existing Promoter Directors**

- 99 The Investor Directors shall be non-executive Directors. The Existing Promoter Directors shall be deemed to be non-executive Directors so long as: (i) they are not in whole time employment of the Company; and (ii) they do not draw any remuneration and/or reimbursements from the Company.
- 100 Subject to Applicable Law, the Investor Directors and the Existing Promoter Directors shall not be identified as officers in charge/ default of the Company or occupiers of any premises used by the Company or an employer of the employees of the Company. Further, the Management Directors or other suitable persons shall be nominated as officers in charge and for the purpose of statutory compliances, occupiers and/or employers as the case may.

#### **Director Indemnity**

- 101 The Company shall, subject to Applicable Law, indemnify and keep indemnified all the Directors against:
- (i) any act, omission or conduct of or by the Company or its employees or agents as a result of which any Director is made, in whole or in part, a party to, or otherwise incurs any loss

pursuant to, any proceedings arising out of or relating to any such conduct;

- (ii) any action or omission by any Director at the request of or with the consent of the Company; and
- (iii) any contravention of any Applicable Law and any action or proceedings taken against any Director in connection with any such contravention or alleged contravention.

## **XVIII. SHAREHOLDERS MEETINGS**

### **General Meetings**

- 102 An annual general meeting of the Shareholders shall be held as per the provisions of Applicable Law. Subject to the foregoing, the Board, on its own or at the request of the Shareholders in accordance with Applicable Law, may convene an extraordinary general meeting of the Shareholders, whenever it may deem appropriate.
- 103 English shall be the language used at all Shareholder meetings.

### **Notices for General Meetings**

- 104 No meeting of the Shareholders shall be convened unless the agenda items to be placed at such meeting of the Shareholders has been discussed and approved at a meeting of the Board.
- 105 At least 21 days' prior written notice of every annual general meeting of Shareholders shall be given by email to all Shareholders whose names appear on the register of members of the Company. A meeting of the Shareholders may be called by giving shorter notice with the written consent of the minimum number of Shareholders as provided by Applicable Law.

### **Contents of Notice**

- 106 The notice shall specify the place, date and time of the meeting. Every notice convening a meeting of the Shareholders shall set forth in full and sufficient detail the business to be transacted thereat, and no business shall be transacted at such meeting unless the same has been stated in the notice convening the meeting.

### **Chairman for General Meeting**

- 107 The chairman of the Board shall be the chairman for all general meetings. Provided that if he is not present, one of the Directors may be selected as the chairman of the general meeting. The chairman of the general meeting shall not have any second or casting vote.

### **Proxies and Authorised Representatives**

- 108 Any Shareholder of the Company may appoint another Person as his proxy (and in case of a corporate shareholder, its authorized representative) to attend a meeting and vote thereat on such Shareholder's behalf, provided that the power given to such proxy or representative must be in writing. Any Person possessing a proxy or other such written authorization with respect to any Shares shall be able to vote on such Shares and participate in meetings as if such Person were a Shareholder, subject to Applicable Law.

## **XIX. ASSIGNMENT & TERMINATION**

- 109 The rights of the Assignor attached to the Shares held by them or detailed in these Articles and, or, Shareholders Agreement shall be freely transferable and assignable by the Assignor and its respective successors in interest to the Assignees on such terms and conditions as the Assignor may deem fit without any restriction or requirement of consent or approval from any other Shareholder of the Company, provided further that, in such case, all the rights of the Assignor hereunder shall be jointly exercised by the Assignor Group) as a block and not by each member of the Assignor Group separately. Such rights shall be exercised as may be mutually agreed amongst the Assignor Group and through such member as



nominated by the Assignor Group and intimated to the Company in writing.

Notwithstanding anything contained in these Articles, upon the occurrence of the Threshold Event 2 with respect to an Assignor Group, all its rights and obligations under these Articles shall automatically terminate, as if the relevant Articles reflecting its rights and obligations were never in place.

## **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

Copies of the following documents will be available for inspection at the registered office of our Company on any working day (i.e. Monday to Friday) between 10:00 AM and 2:00 PM for a period of seven days from the date of filing of this Information Memorandum with the Stock Exchanges.

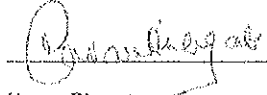
### *Documents for Inspection:*

- Memorandum and Articles of Association of our Company, as amended till date.
- Certificate of incorporation of our Company dated February 13, 2008.
- Statement of special tax benefits dated June 12, 2019 issued by Sanjay Rane & Associates, Chartered Accountants.
- Order dated March 7, 2019 of the National Company Law Tribunal, Mumbai bench approving the Scheme of Arrangement.
- Letters issued by BSE and NSE under Regulation 37 of the SEBI Listing Regulations, bearing reference no. DCS/AMAL/BA/R37/1266/2018-19 dated September 14, 2018 and no. NSE/LIST/15624 dated September 11, 2018, respectively, approving the Scheme of Arrangement.
- SEBI's letter (bearing reference no. CFD/DILII/YJ/AR/23650/2019) dated September 11, 2019 granting relaxation of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957 as per the SEBI Circular issued by SEBI dated March 10, 2017 for the purpose of listing of the shares of our Company.
- BSE letter no. DCS/AMAL/DS/IP/1554/2019-20 dated August 21, 2019 granting in-principle approval for listing.
- NSE letter no. NSE/LIST/6 dated August 19, 2019 granting in-principle approval for listing.
- Tripartite Agreement dated September 8, 2010 with NSDL, Registrar and Transfer Agent and our Company.
- Tripartite Agreement dated October 20, 2014 with CDSL, Registrar and Transfer Agent and our Company.

## DECLARATION

All relevant provisions of the Companies Act and the guidelines issued by the Government of India and the regulations or guidelines issued by the SEBI, as the case may be, have been complied with and no statement made in this Information Memorandum is contrary to the provisions of the Companies Act, the SCRA, the SEBI Act, or the rules or regulations made thereunder, or guidelines issued, as the case may be. We further certify that all statements in this Information Memorandum are true and correct.

For and on behalf of the Board of Directors of HFL Wealth Management Limited



Karam Bhagat  
Managing Director  
DIN: 03247753



Venkataraman Rajamani  
Director  
DIN: 00011919



Mihir Nanavati  
Chief Financial Officer



Ashutosh Naik  
Company Secretary and Compliance Officer

Date: September 14, 2019  
Place: Mumbai