



D I M E N S I O N
2.0

ANNUAL REPORT 2018 - 19





D I M E N S I O N
2.0

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CHAIRMAN'S MESSAGE

Dear Shareholders,

It gives me great pleasure to write to you my first letter as the Chairman of your company. From humble beginnings, your company has come a long way.

Under leadership of Mr. Karan Bhagat - MD & CEO, your Company has been able to create an effective framework consisting of regular product innovations, continuing client confidence, investment in people, improving processes and a robust organisation structure, which will continue to hold your company in good stead in the long run.

I believe that the company's focus on products and processes will lead to depth, and depth will lead to excellence in performance.

I remain optimistic on India's outlook and believe that the country remains an attractive destination for the longer-term investor. As India grows we are likely to see a corresponding growth in the size and number of wealthy. With increasing wealth, more global exposure and a new generation of wealthy taking over the



NILESH VIKAMSEY

Chairman,
IIFL Wealth Management



mantle, change in the way wealth is managed and preserved is inevitable. Over the last 10 years, the wealth management industry in India has undergone a striking metamorphosis as it shifts to a more holistic model of financial advisory.

The last decade has been fairly kind to the industry as a confluence of factors that include a changing mind-set, a burgeoning set of wealthy and a thriving investment environment have contributed to its growth. More recently, the percolation of digital technology and its accompanying benefits, is once again changing the shape of the wealth management industry and compelling firms to re-centre their strategy to product innovation & customisation and seamless delivery.

On the Wealth Management front, your company is moving towards a steadier and more predictable revenue model. Your company has partnered with the leading consulting firms to define a strategic growth path for the next decade. The vision for our AMC business is to be the premier investment provider for alternates in India

Your company understands the need to constantly evolve in response to the changing landscape and client expectations. I firmly believe the alignment of interest with our clients, shareholders and employees will help your company stay ahead of the curve as we continue to reinvent ourselves.

The Board of Directors of your Company's through board procedures ensure high levels of corporate governance.

Finally, I would like to thank your Company's employees, and all other stakeholders for their consistent commitment, engagement and encouragement in our journey. I would also express my gratitude to co-directors of the Board, for their deep insight on company's businesses, and their contribution towards achieving high standards of governance, controls, accounting and transparency.

NILESH VIKAMSEY

Chairman,
IIFL Wealth Management

FROM THE CEO'S DESK

DIMENSION 2.0:

DRIVING TRUST AND TRANSPARENCY IN WEALTH STEWARDSHIP

Dear Investors,

FY2019 was a defining year for IIFL Wealth & Asset Management and our clients. For years, we focused on building the expertise clients need to manage their wealth in the 21st century. Our efforts shaped IIFL Wealth & Asset Management as one of the formidable leaders in wealth management. With Dimension 2.0, we deepened our longstanding commitment to trust and transparency-led stewardship of our clients' wealth. IIFL Wealth & Asset Management is now ready to help our clients advance their wealth with increased efficiency and predictability.

Your company registered strong growth in AUM, just as it entered Dimension 2.0 of a breakthrough transformation.

It was a fairly challenging fiscal punctuated by the NBFC crisis and industrial slowdown in India, and global trade wars, leading to subdued investor sentiments, and towards the end of the year a pre-election status quo. Despite global and domestic headwinds, we reported a robust performance.

We remained resolute in focusing on our two strategic priorities: first, building an open, transparent, fee-based wealth management model

- IIFL-ONE; and second, moving ahead with a focus on alternate investments in the asset management business. In fact, during the year, IIFL-ONE already started delivering on cost synergies ahead of expectations.

Let me outline how clients are poised to enter Dimension 2.0 of their wealth management journey, and how this translates to growth for IIFL Wealth & Asset Management, and a paradigm shift in the wealth management industry.

THE GENESIS OF A TURNAROUND

In FY19, India continued its quest to become the next global superpower. Every regulatory move and bilateral agreement signified the country's efforts in this direction. Consequently, we retained our position as the world's fastest growing economy during the fiscal. The impact of the robust economy on the performance of the wealth management industry was noteworthy. According to the IIFL Wealth Index 2018, published along with Wealth-X, India was home to 284,140 HNIs with a combined fortune of INR 95 trillion. The momentum is expected to accelerate further over the next few years as the industry size is expected to nearly double to over INR 188 trillion by 2021 .

KARAN BHAGAT

Founder, Managing Director & Chief Executive Officer,
IIFL Wealth & Asset Management



While the potential is immense, fiduciary responsibility is a glaringly missing element in the wealth management industry narrative. Further, the swiftly growing markets are also characterised by growing complexity of customer demands. The practice of product promotion has been moderating industry prospects and eroding trust. In response, the largely traditional industry needs to imbibe new terms of trusteeship in client servicing. It needs a game-changing disruption in the form of genuine, goal-oriented counsel and completely transparent fee-based advisory. Your company recognized this and set out on the path of addressing it swiftly with IIFL-ONE.

A NEW DIMENSION FOR DISRUPTION IN WEALTH MANAGEMENT

With IIFL-ONE, we engage with clients in an advisory relationship for a single fee, with all investments in direct code and trail income. The model redefines client engagement in India's wealth management industry in terms of its approach to transparent conduct, open disclosures and fiduciary advice.

The strategy pioneers a radical shift in the wealth management approach and is integral to our differentiated value proposition as one of the

industry leaders. Over the next few years, we aim to evolve into a predictable, revenue-led, AUM-driven organization, genuinely different from an industry dominated by product promotion and distribution.

AN ALTERNATE FOCUS IN ASSET MANAGEMENT

The traditional approach to asset management focuses a great deal on mutual funds. However, in an industry-first approach, we are consciously moving away from this strategy. Instead, we are harnessing our focus on alternative investments. In fact, we set up a structured credit vertical by bringing in a high calibre team from the industry. Further, we have upgraded the technology stack and digitized our back office to facilitate error-free, efficient processes.

During the year, we rolled out two products, IIFL India PE Fund and IIFL Income Opportunities Fund (a structured credit fund). The move augurs well for our investor community in terms of value creation. Alternatives have low correlation as compared to standard asset classes and often move counter to stock markets. This factor makes them suitable instruments for portfolio diversification – especially in a bearish market scenario.



ACCELERATED CHANGE IS THE ONLY WAY FORWARD

We are beginning to see the contours of Dimension 2.0 as a pioneering, industry-first move in wealth management: moving from distribution to true trust, transparency and technology-driven transformation.

Our first dimension was defined largely by rigorous, research-driven wealth management underpinned by a scientific investment process and robust technology platform.

In Dimension 2.0 of our transformation, clients will begin to benefit from increased efficiency and superior experience, as IIFL Insights – our internal analytics platform - is already demonstrating.

We are moving clients to Dimension 2.0 of their wealth transformation with our unique integration of innovative technology, digitization, industry expertise and a reputation for trust and security earned over decades. Our efforts have been enhanced by our acquisition of Altiore. A strategically important acquisition, it is a continuation of our investment for future growth. It is a transformational transaction that will add data and analytics-driven insights to our service range and mark the beginning of a fintech-led transformation.

During the last fiscal, IIFL Wealth & Asset Management touched over INR 1.3 trillion in assets under distribution, advice and management. Our team size has expanded to more than 900

professionals, as we partnered with over 13,000 of India's uber rich families in managing, multiplying, structuring and bequeathing their wealth. Today, our footprint spans over 26 offices across the world. Indeed, we have come a long way from the time when we commenced operations in 2008. We were a team of less than 10 members working from a single office and managing a clientele of 300 families.

In the first phase of our transformation plan, we are restoring the basics so that we can deliver, sustainable, profitable, and predictable growth to investors, colleagues, and communities in which we operate.

Our prime objective is to ensure that clients achieve the long-term wealth outcomes that they expect. We remain focused on this goal. While we anticipate that global markets may continue to present some challenges in our new financial year, we are committed to driving technology and process-led efficiencies in their favor.

We have a great team at IIFL Wealth & Asset Management and we tap into their loyalty and passion to deliver on this transformation journey. I thank them for their hard work and dedication and owe it to them to make change an imperative, to strengthen our culture, and create a faster-growing, more predictable business.

By working together, I am optimistic that focusing on our clear roadmap for transformation, we can make IIFL Wealth & Asset Management a game-changing disruptor in wealth management.

LAYING A STRONG FOUNDATION FOR THE NEXT PHASE OF GROWTH

The execution of our two critical strategies coincides with the listing of IIFL Wealth & Asset Management – which will happen during the current fiscal. In March 2019, the National Company Law Tribunal (NCLT) approved the demerger of our parent entity, IIFL Holdings. The introduction of an industry-changing value proposition at this critical juncture upholds our commitment of driving responsible growth, always.

We enter the new year in a strong financial position, with a pivot in our business model, our priorities remain focused on ensuring the efficient integration of IIFL-ONE as well as the continuity of high-quality client service. For our AMC business, we will focus keenly on developing advanced digital tools for analytics and risk monitoring. On the product side, we have identified certain niche segments, where we will look to launch new products. We remain confident that, over the longer term, we will be able to deliver attractive returns, both for our investment clients and our shareholders.

Our primary objective remains unchanged – to ensure that our clients achieve the long-term outcomes that they expect – and we remain fully focused on this goal. We enter the new financial year with a healthy balance sheet and as a trusted market leader to enable us to remain competitive in a rapidly evolving market.

WELL-POSITIONED TO TRANSFORM AND LEAD

In summary, we have reinforced our capabilities to leverage growth. We have positioned IIFL Wealth & Asset Management's services and people to enable clients to write the next chapter of their wealth transformation. And we have done it all while reaffirming IIFL Wealth & Asset Management's longstanding reputation for trust, integrity and responsibility.

I want to thank all of our clients for partnering with us while we transformed IIFL Wealth & Asset Management, and for choosing us for their own journeys of wealth transformation.

I also would like to thank our investors for their confidence in IIFL Wealth & Asset Management and welcome our new shareholders to the IIFL Wealth & Asset Management family. Finally, I would like to thank each member of our team whose expertise has prepared us to lead in this new chapter of Dimension 2.0.

I am filled with optimism about the prospects that the world's fastest growing economy holds in the wealth management sector. I am honored to steward this great company, and excited about what we can achieve in partnership with our clients and society.

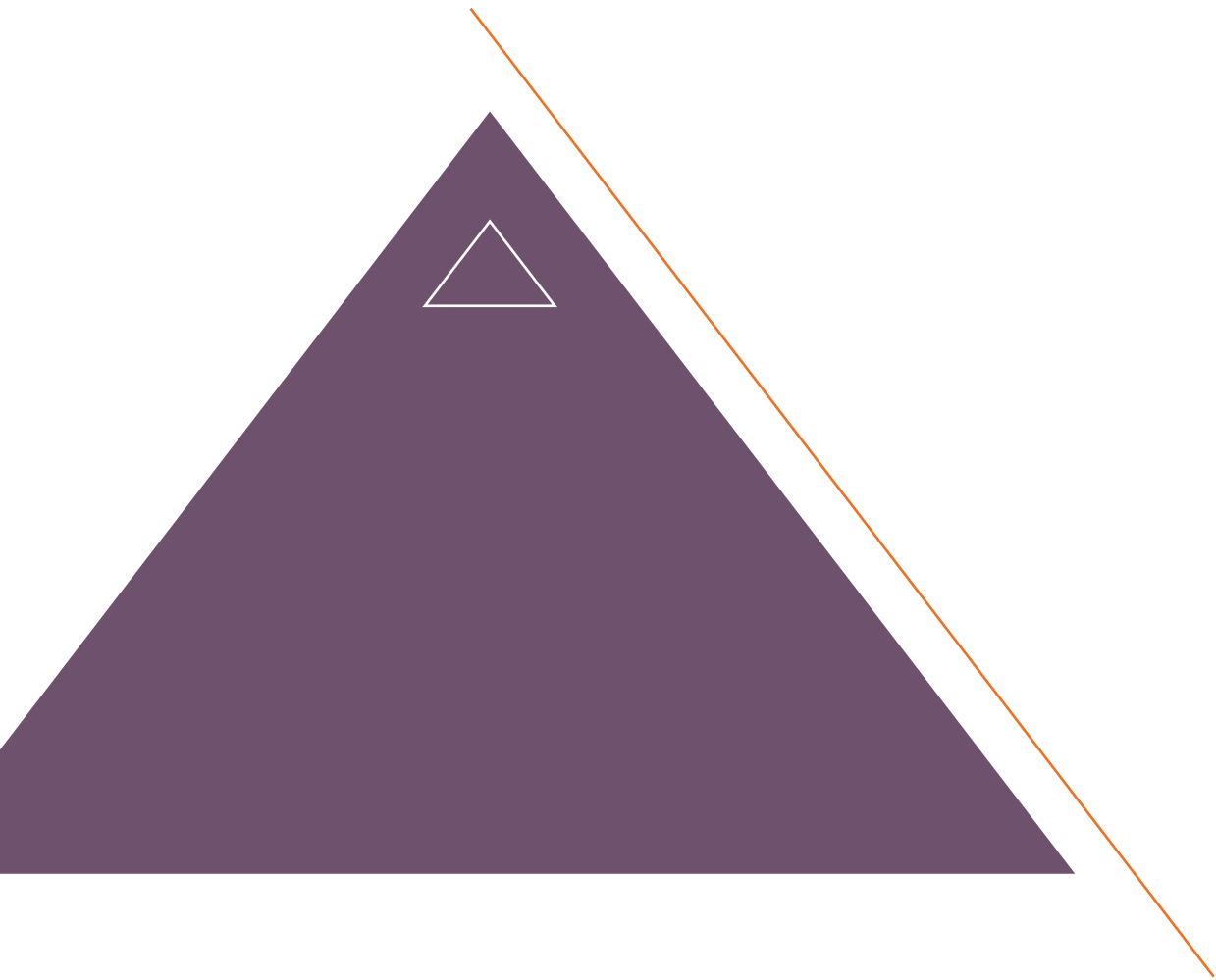
Together, we will be change-agents for the wealth management sector, not only the way it is offered and consumed but ultimately, the way the industry functions as a whole.

Regards,

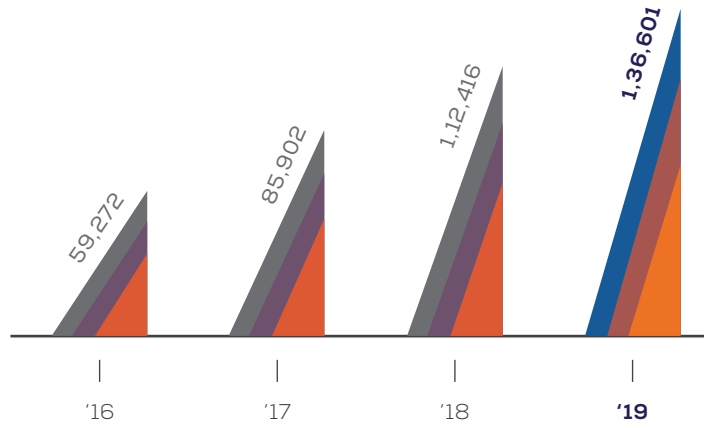
KARAN BHAGAT

Founder, Managing Director & Chief Executive Officer
IIFL Wealth & Asset Management

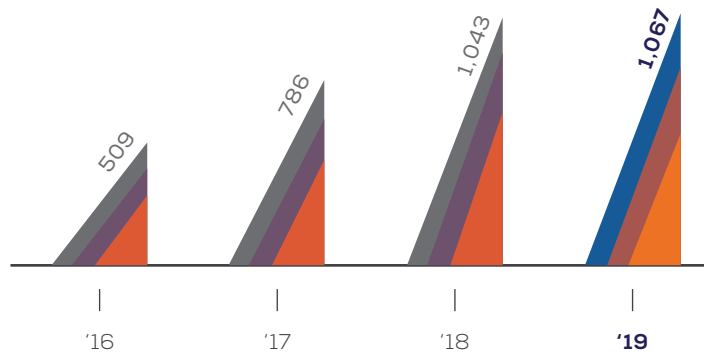
FINANCIAL HIGHLIGHTS



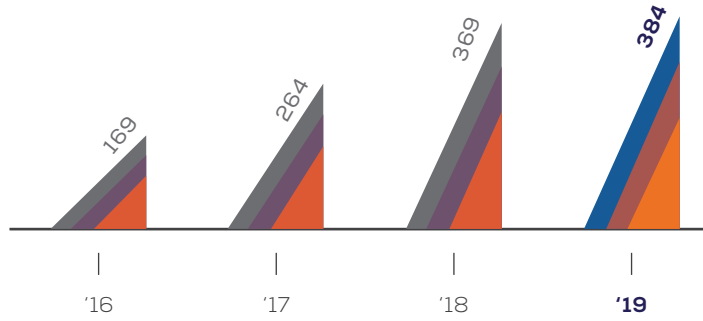
ASSETS UNDER MANAGEMENT (₹ CR.) EXCLUDING CUSTODY



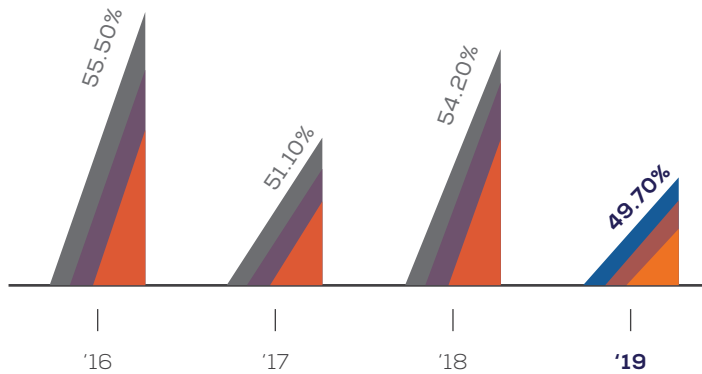
NET REVENUES (₹ CR.)



PROFITABILITY (₹ CR.)

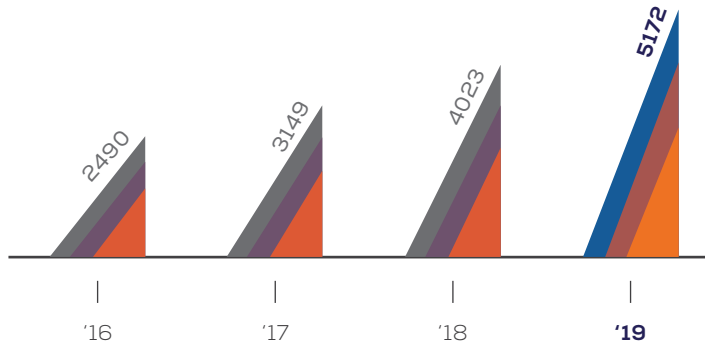


COST TO INCOME RATIO*



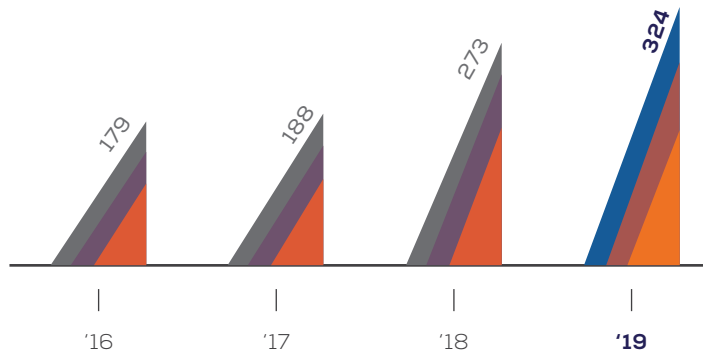
*Cost to income ratios have been calculated basis Net Revenues

COUNT OF RELEVANT FAMILIES



Relevant families is basis number of families with AUM in excess of ₹. 1 Cr

NUMBER OF BANKERS



CORPORATE STRUCTURE



- Financial Product Distribution
- Broking
- Research
- Non-Discretionary Portfolio Management Services
- Discretionary Portfolio Management Services
- Advisory for Corporate Advisory

Investment Advisory:

- Asset Allocation
- Investment Policy Statement
- Review Mechanism and Portfolio analytics



Estate Planning:

- Wealth Structuring
- Succession Planning
- Entity Structuring Solutions



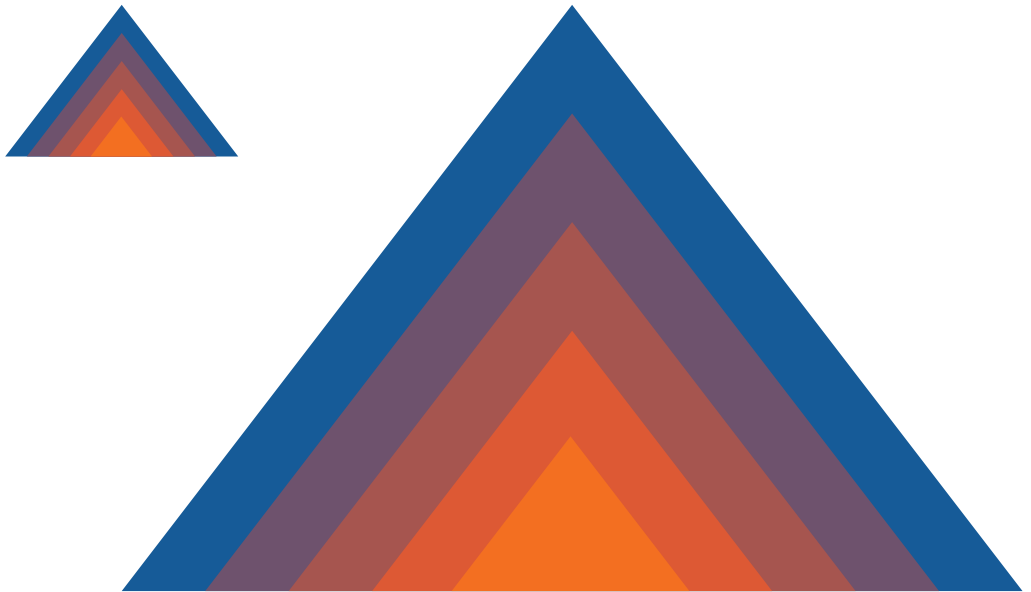
A large, stylized triangle graphic composed of several concentric, overlapping triangles in shades of blue, purple, and orange, pointing upwards. It is located on the left side of the page.

ASSET MANAGEMENT
<ul style="list-style-type: none">• IIFL ASSET MANAGEMENT LIMITED• IIFL ALTERNATE ASSET ADVISORS LTD.• IIFL ASSET MANAGEMENT (MAURITIUS) LIMITED• IIFL CAPITAL PTE LTD.

- Mutual Fund
- Alternative Investment Funds
- Portfolio Management Services

VISION

TO BE INDIA'S LEADING WEALTH AND
ASSET MANAGEMENT COMPANY,
ALIGNING INTERESTS OF CLIENTS,
SHAREHOLDERS AND EMPLOYEES.



CORE BUSINESSES

The International Monetary Fund (IMF), in the April 2019 edition of the World Economic Outlook Report, identified India as the fastest growing major economy globally. The country has witnessed growth averaging about 7% over the last five years. It is expected to maintain a similar growth average over the next few years. The fast-paced development is supported by the decisive mandate delivered in the general elections of 2019. The re-election of the government will enable incumbents to implement strategies and initiatives planned during the last term. This, in turn, will result in high investment volumes and robust consumption. Further, the pace of growth will find impetus in the expansionary stance of monetary and fiscal policies¹.

The country's strong economic prospects augur well for its affluent population. According to the findings of the IIFL Wealth & Asset Management Index 2018 report, the population of high net-worth individuals (HNIs) has expanded by just under 40% over the last five years. Their wealth levels have also increased by ~37% during the same period². The global number of HNIs and their wealth multiplied by 3.2% and 4.2% during the same period³. If these numbers are impressive, there's more. The report also forecasts that the number of wealthy Indians and their wealth will increase by ~85% over the next five years⁴. As the GDP per capita grows, Ultra HNIs will have greater opportunities to generate wealth.

As the number of wealthy Indians surges, the demand for wealth management services is set to multiply. To remain relevant to new-age audiences, wealth managers need to reinvent themselves to meet modern customer expectations. In the era of fast-paced technological advancements and personalised services, wealth managers need to offer innovative and cutting-edge services.

At IIFL Wealth & Asset Management, our ability to continually advance our services to match client expectations has been a fundamental success factor. We understand that trust and transparency are among the most critical factors in choosing wealth managers. Technology is another vital aspect in the digital era. Our business approach is an amalgamation of these three elements.

The success of our client relationships has compelled

us to evolve our offerings into an end-to-end service suite. Today, IIFL Wealth & Asset Management offers solutions that enable clients to preserve, multiply, donate, and structure their wealth. The outcome of our efforts can be gauged by our position as one of India's largest private wealth management firms – a feat that we have achieved in less than a decade of our existence.

WEALTH MANAGEMENT

Our offerings include brokerage, distribution of third-party products, and customised key portfolio mandates.

On the strategic front, the year witnessed the launch of the IIFL-ONE model. With this, we aim to transcend the traditional commission-based wealth management business model to a fee-based one. The complete transition will take about three to five years to take effect, but it bodes well for customers as it lends absolute transparency in transactions, thus establishing trust. For IIFL Wealth & Asset Management, a fee-based strategy will enable better predictability of revenues.

ASSET MANAGEMENT

Strategically, we reined our focus on alternates. Our endeavour is to create investment products that generate sustainable risk-adjusted returns. Our differentiated product suite includes mutual funds (MFs), portfolio management services (PMS) and alternate investment funds (AIFs) spanning across public and private equity, private fixed income and real estate. IIFL AMC has been playing a pivotal role in the growth of the AIF industry in India.

While we are the largest player in this segment currently, we are working on expanding our portfolio and presence significantly. We aim to become the go-to brand for global institutional investors in India's alternates space. The last fiscal marked an important milestone wherein we added some marquee international names to our list of institutional clients.

¹ <https://www.imf.org/-/media/Files/Publications/WEO/2019/April/English/text.ashx?la=en>

² <https://www.iiflwealth.com/wealth-x-2018>

³ <https://www.iiflwealth.com/wealth-x-2018>

⁴ <https://www.iiflwealth.com/wealth-x-2018>

IIFL-ONE

A GAMECHANGER

INDIA'S WEALTH MANAGEMENT INDUSTRY: SIGNALLING THE NEXT REVOLUTION

When we found IIFL Wealth & Asset Management, India's wealth management industry was in its nascent stages. In 2008, the country was home to 84,000 high net-worth individuals (HNIs)¹. Over the last decade, the industry has grown by leaps and bounds. By 2021, the number of HNIs in the country would have risen to 529,940 with estimated investible assets of Rs 188 trillion². The country's high net-worth individuals (HNIs) population is expanding at a rapid CAGR of 14.7%³ – which is the fastest growth rate across the globe. The rapid pace of wealth generation is a result of a robust economy and strong equity market performance.

The seismic shifts in India's wealth scenario necessitate an evolution of traditional operating models prevalent in the industry. New-age client expectations lay emphasis on performance over products. Since they are financially savvy and harbour a greater understanding of financial products, their involvement in the investment decision-making process is also higher. Consequently, HNIs are opening their wallets to more evolved products such as alternative investment funds, hedged strategies, direct-fixed income opportunities, exchange credit funds etc. The share of investments in traditional avenues such as mutual funds, real estate and gold is shrinking.

Another factor that needs to be addressed in this evolving scenario is fee structuring. According to the findings of the IIFL Wealth & Asset Management Index 2018, fees attract scrutiny among the wealthy: the wealthier the client, the more mindful he/she is of how much of their money will be eaten by fees⁴. In our experience at IIFL Wealth & Asset Management, one of the biggest challenges for a UHNI or HNI client is to decipher the net of fees alpha/value-add and going past the opacity of total expense ratio including asset management fee and wealth manager fee/brokerage.

THE AEGIS OF IIFL-ONE

As pioneers in the wealth management industry, the team at IIFL Wealth & Asset Management has often led and set new industry trends. We recognised that a rudimentary operational model was unsuitable for new-age needs. At the same time, the industry was yet to transition to a fiduciary servicing mode.

As leaders, we decided to lead from the front. IIFL-ONE is the first attempt to introduce an institutional approach to wealth management in India. The approach demonstrates our commitment to keep our long-term interests wholly aligned with that of our clients through potential co-investment into their portfolios and offering a transparent all-in-fee structure.

WHAT IS IIFL-ONE?

IIFL-ONE is a new platform that institutionalises a range of investment options for clients under a competitive and transparent fee structure. It is an aggregation of our product expertise, active advice and discretionary services. Through this initiative, we aim to re-define client engagement for wealth management in India.

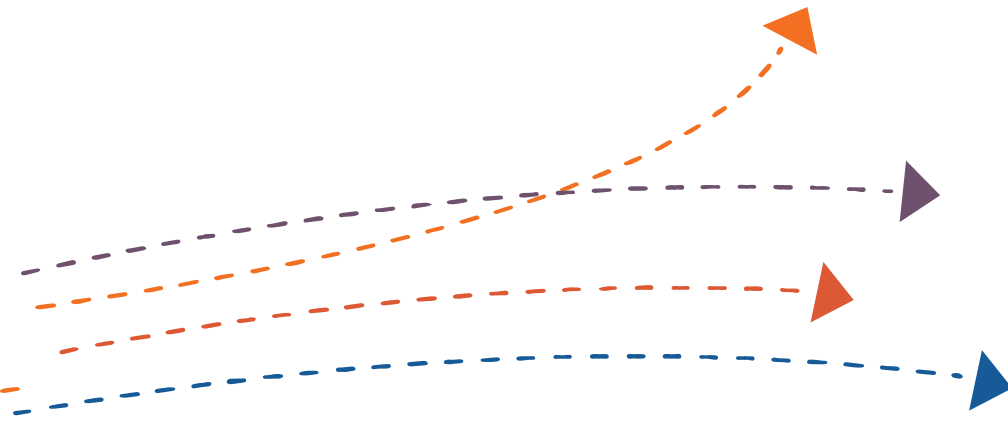
THE ENGAGEMENT MODEL IS FOUNDED ON FIVE CORE TENETS. THESE ARE:

- **Strength of platform:**

IIFL-ONE leverages our award-winning wealth management platform. Our scale enables us to design, access and price product ideas. Our expertise has helped in the formulation of a sound investment process. Additionally, our innovative and robust technology platform ensures efficient and timely action.

- **Portfolio management approach:**

Our portfolio management approach is at the core of IIFL-ONE. It comprises of professional portfolio management, scientific deployment processes and institutional grade reviews. This approach enables us to treat every family as an institution – with



its specific framework, aspirations and goals. Our award-winning specialist teams collaborate to deliver value for clients in continually changing market conditions.

- **Focus on process:**

Our processes derive momentum from industry experience. The IIFL-ONE model offers bespoke solutions that are tailored to suit specific client needs. We curate an investment policy based on client needs. We then construct and align the portfolio to meet these objectives. A periodic review of investments enables clients to modify their strategy and suit their changing needs.

- **Unique privileges:**

The IIFL-ONE platform is coupled with a host of privileges such as access to preferred lending terms, wealth structuring and estate planning services. Besides, partnerships with other industry leaders, such as American Express and IATSL, opens up new opportunities for our clients. Further, our industry-leading education initiatives such as DIVE, Herself, Young Leaders Program and Class Apart, are formulated to coach segments of our client communities.

- **Transparent Pricing:**

The essence of the IIFL-ONE platform lies in its transparent pricing. We endeavour to lead the industry trend of eliminating commission and brokerage fees. With no return, other than the client fees to churn, our focus is firmly on process and return optimisation. Our unique pricing models – Fee-based and All-In cost – ensure that our efforts are completely in alignment with our

client objectives.

IIFL-ONE: PORTFOLIO MANAGEMENT OFFERINGS

- **IIFL-ONE Consult:**

IIFL-ONE Consult is a guided strategy. Under this, we use our expertise to create a customised investment framework for our clients. The portfolio guidelines are defined by specific client needs. We then work alongside investors to provide bespoke product recommendations to suit their needs, goals and risk inclinations.

- **IIFL-ONE Mandate:**

Under the IIFL-ONE Mandate model, clients define the portfolio guidelines and entrust the entire investment management process to our team of experts. Our team, in turn, defines a customised investment strategy based on the guidelines. This is followed by the construction of a portfolio that ensures a scientific product fitment.

¹ https://www.capgemini.com/us-en/wp-content/uploads/sites/4/2017/08/World_Wealth_Report_2009.pdf

² <https://www.iiflwealth.com/wealth-x-2018>

³ <https://www.iiflwealth.com/wealth-x-2018>

⁴ <https://www.iiflwealth.com/wealth-x-2018>

IIFL AMC: STRATEGY

OUR ENDEAVOR IS TO CREATE INVESTMENT PRODUCTS THAT GENERATE SUSTAINABLE RISK-ADJUSTED RETURNS.

- OUR DISTINCTIVE PRODUCTS ENABLE INVESTORS ACROSS THE WORLD TO PARTICIPATE IN INDIA'S UNIQUE GROWTH STORY.



- UPGRADED OUR TECHNOLOGY STACK AND DIGITIZED OUR BACK OFFICE.



- IDENTIFIED CERTAIN NICHE SEGMENTS, WHERE WE EXPECT TO LAUNCH NEW PRODUCTS.



- WE ADDED SOME MARQUEE INTERNATIONAL NAMES TO OUR LIST OF INSTITUTIONAL CLIENTS.



RESILIENT AND INNOVATIVE

IIFL Asset Management (IIFL AMC) is an India-focused, global asset management firm. Our distinctive products enable investors across the world to participate in India's unique growth story. IIFL AMC offers capabilities in onshore and offshore asset management through its subsidiaries based in Singapore, India and Mauritius.

Our endeavor is to create investment products that generate sustainable risk-adjusted returns. Our differentiated suite includes mutual funds (MFs), portfolio management services (PMS) and alternate investment funds (AIFs) spanning across public and private equity, private fixed income and real estate. IIFL AMC has been playing a pivotal role in the growth of the AIF industry in India. As of March 31, 2019, IIFL Asset Management's AUM (assets under management) stood at Rs.20,103 cr, a 48% increase over the previous year.

During the year, we made significant investments in technology and people. We have upgraded the technology stack and digitized our back office to facilitate error free, efficient processes. We have launched a new website, rich in features such as web log-in based access for clients and distributors, enabling them to view their portfolios and transactions. In terms of people, we have strengthened the team, by hiring skilled, senior people from the industry. In August 2018, Anup Maheshwari joined IIFL AMC as its joint chief executive officer and chief investment officer. He brings with him 24 years of experience, primarily with DSP BlackRock. We set up the structured credit vertical by bringing in a high caliber team from the industry. We also enhanced the private equity (PE) capability by hiring a senior resource to lead the mid-market PE practice.

During the year, we rolled out two products, IIFL India PE Fund and IIFL Income Opportunities Fund (a structured credit fund). Over the years, IIFL AMC has been a thought leader in products, be it the IIFL Special Opportunities Fund (a fund designed to invest

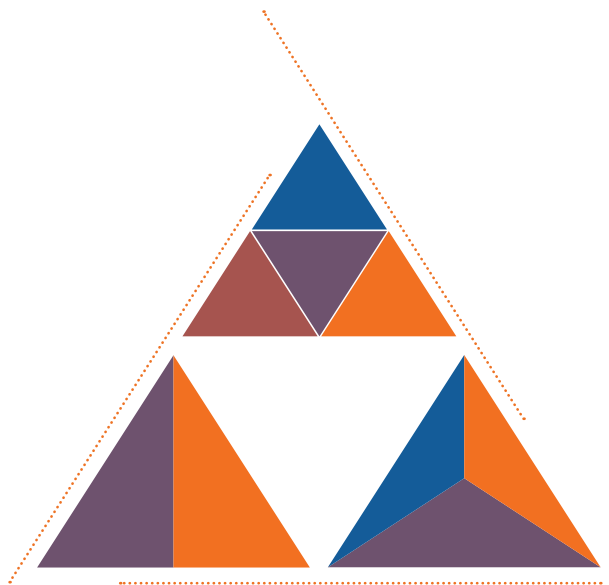
in pre-IPO opportunities) or the IIFL Seed Ventures Fund (the only fund available to HNIs (high net worth individuals) that offers investment into fund of funds and direct deals).

The year also marked an important milestone wherein we added some marquee international names to our list of institutional clients.

For the coming year, we have identified two priorities – technology and products. We will focus keenly on developing advanced digital tools for analytics and risk monitoring. On the product side, we have identified certain niche segments, where we will look to launch new products.

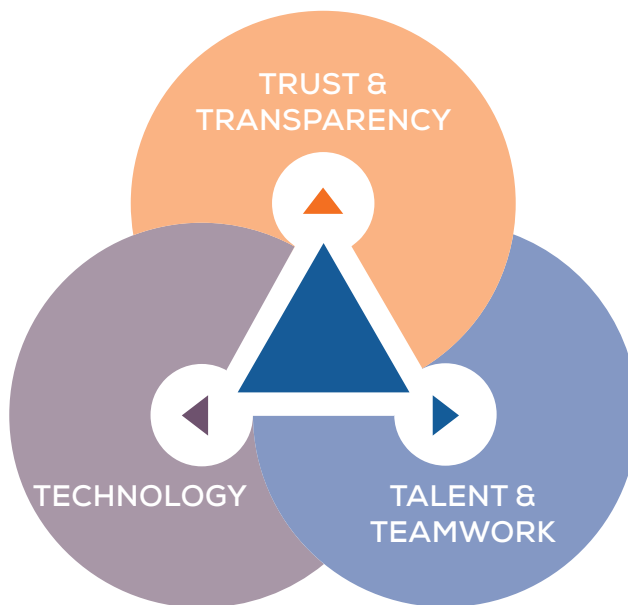
IIFL AMC's structure with significant employee ownership empowers our people. Employees work like owners and act with a fiduciary responsibility to deliver results. We derive our investment edge from a strong, resilient team that is adept at identifying high-yield opportunities and proactively recognizing evolving macroeconomic trends. Our investors gain access to cross-functional experts with local specialization, who predominantly adopt a long-term approach based on fundamentals.

We look forward to an exciting year ahead for IIFL AMC and we look forward to making it a year that is rewarding for our investors and our shareholders.



OUR SUCCESS MANTRA

India is amidst an unprecedented phase of economic expansion. The rapid rate of development generates more opportunities for UHNIs to create wealth and augurs well for the wealth management industry as a whole. As industry leaders, we are well positioned to gain a greater share in this phase of financial growth. The success of our efforts comprises of three enablers:



TRUST AND TRANSPARENCY:

Trust and transparency underpin our organisational culture. In fact, they define the guiding principles behind the inception of IIFL-ONE. In this model, our approach to portfolio management will ensure greater focus on our clients' interests, their requirements, mindsets and risk appetite. The model is aimed at aligning our efforts to clients' interests at all times. In the IIFL-ONE Mandate model, for instance, our co-investments align with client success. This level of commitment is unique but also an industry-leading advantage of the model.

Besides, we are committed to adhering to the highest levels of transparency. This commitment is illustrated in our innovative and transparent pricing structure in both the IIFL-ONE Mandate, as well as the IIFL-ONE Consult models. By eliminating vendor commissions and transaction brokerages, we ensure that our focus is firmly on return optimisation for our clients' investments. To do this successfully, it is imperative that we offer a clear framework of fees. Also, every action on our part is backed by fiduciary responsibility. We aim to transition to the fee-based

model entirely over the next three to five years.

Further, we aim to evolve our AMC business strategy to focus on alternates as against mutual funds, over the next few years. Currently, a sizeable part of our asset mix comprises of mutual funds. To ensure better transparency, we have moved away from an upfront fee model to a trail fee model. This enables mutual funds to afford us better rates of interest since their cost to the company is proportionate to the behaviour of an asset and/or life of investment.

TALENT AND TEAMWORK:

At IIFL Wealth & Asset Management, we pride ourselves on our talent and teamwork. Specialist teams – across departments and geographies – join hands to ensure that our customers capitalise on opportunities by leveraging on our product expertise and active advice. A cohesive team culture is at the core of the delivery of IIFL-ONE. However, the change in the business model requires a shift in their approach to client engagement.

Consequently, with the implementation of IIFL-ONE, our team members will transcend from selling products to acquiring fee-bearing assets. Their client conversations will be more advisory-centric and

process-oriented. We have designed an extensive training programme to equip our team members better to handle their roles in the new portfolio. This comprises of initiatives such as role-plays, training by members of top management, external interventions and online huddles.

On the AMC front, we reined our focus on alternates as a strategy rather than mutual funds. Over the years, IIFL AMC has established itself as a thought leader in products, be it the IIFL Special Opportunities Fund (a fund designed to invest in pre-IPO opportunities) or the IIFL Seed Ventures Fund (the only fund available to HNIs that offers investment into fund of funds and direct deals). As a part of the new alternatives-focused strategy, we rolled out two products, IIFL India PE Fund and IIFL Income Opportunities Fund (a structured credit fund).

The year witnessed the formation of new business teams, such as the private debt team, helmed by industry veterans. In August 2018, Anup Maheshwari joined IIFL AMC as its Joint Chief Executive Officer and Chief Investment Officer. He brings with him 24 years of experience, primarily with DSP BlackRock. We set up the structured credit vertical by bringing in a high calibre team from the industry. We also enhanced the private equity (PE) capability by hiring a senior resource to lead the mid-market PE practice.

Further, we recognise that not just our products but also our work culture needs to align with the sensibilities of the millennial generation. Hence, we actively strategise workplace initiatives to engage and encourage this section of our workforce. We have found their inputs to be especially useful in product ideation for new-gen customers. Our organisation structure facilitates significant employee ownership. This strategy empowers our people to work like owners and act with a fiduciary responsibility to deliver results.

TECHNOLOGY:

Today, the wealth management industry is at the cusp of digitalisation. Global players are leading the change. At IIFL Wealth & Asset Management, we recognise that digitalisation is essential for us to remain relevant and retain our leadership position.

Technological integration is, therefore, an important aspect of the IIFL-ONE platform.

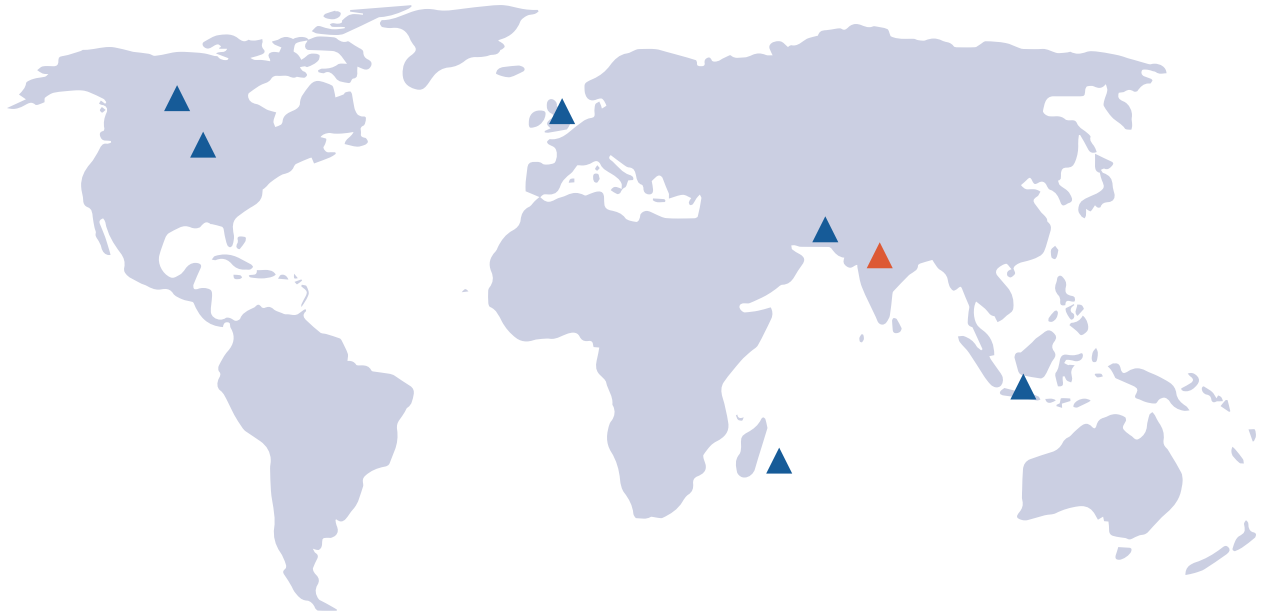
The ability of consumers to access and process services are important parameters to measure an organisation's quality of services. We deploy our award-winning technological platforms to optimise investment opportunities for our clients. During the last fiscal, we achieved several technology-related milestones. These included:

1. Launch of IIFL Insights: an internal analytics portal
2. Acquisition of Altiore Capital, a fintech firm that integrates technology, data and advice into an online platform and allows users to effectively and efficiently manage their net-worth by providing data and insights across asset classes.
3. Launch of a new website for our AMC business (www.iiflamc.com) rich in features such as web login based access for clients and distributors, enabling them to view their portfolios and transactions.

We recognise that accelerating forces of digital disruption present new opportunities to create, multiply and protect wealth. However, while digital is the way forward, we aim to preserve the human ingenuity in our services to deliver a truly defining experience for customers. Our robust, process-driven professional portfolio management approach is at the crux of our success. A systematic roadmap to the wealth management strategy - which is founded on the client's wealth objectives and risk appetites - is the foundation of every customer account at IIFL Wealth & Asset Management. We pride ourselves for being consistent and reliable in our approach. Continuous monitoring of portfolios affords clients the agility to react to the dynamic investment environments with immediacy.

We derive our investment edge from a strong, resilient team that is adept at identifying high-yield opportunities and proactively recognising evolving macroeconomic trends. Our investors gain access to cross-functional experts with local specialisation, who predominantly adopt a long-term approach based on fundamentals.

TRANSCENDING GEOGRAPHIES



GLOBAL OFFICES

USA - IIFL INC

CANADA - IIFL CAPITAL (CANADA) LTD.

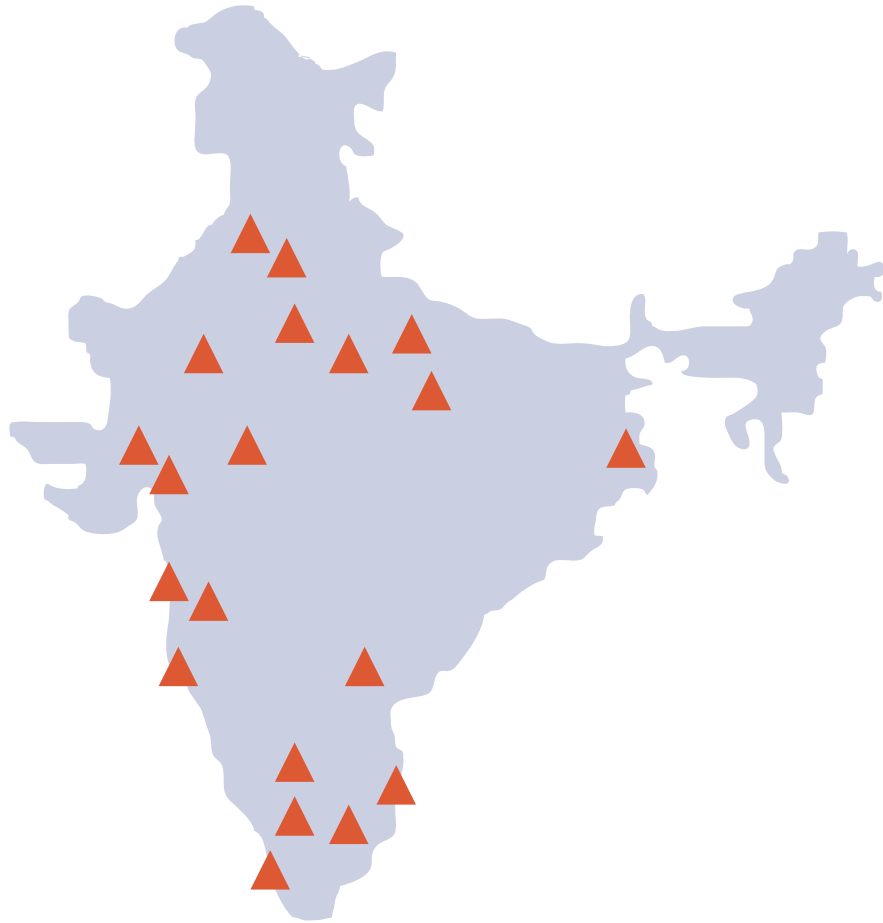
UK - IIFL WEALTH (UK) LIMITED

DUBAI - IIFL PRIVATE WEALTH
MANAGEMENT (DUBAI) LTD

MAURITIUS - IIFL PRIVATE WEALTH
MANAGEMENT (MAURITIUS) LTD

SINGAPORE - IIFL (ASIA) PTE LTD.

OUR DOMESTIC FOOTPRINT



AHMEDABAD

BENGALURU

CHANDIGARH

CHENNAI

COIMBATORE

GOA

HYDERABAD

INDORE

JAIPUR

KANPUR

KOCHI

KOLKATA

LUCKNOW

LUDHIANA

MUMBAI

NAGPUR

NEW DELHI

PUNE

SALEM

VADODARA

OWNERS WORK AND WORKERS OWN



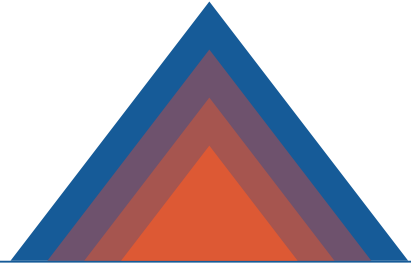
KARAN BHAGAT
Founder, MD & Chief
Executive Officer

Karan has two decades of experience in the financial services industry. Karan is responsible for providing direction and leadership towards the achievement of the organization's philosophy, mission, vision and its strategic goals and objectives. He has built a team of talented professionals, who work with and for, some of the most distinguished wealthy families in India & abroad. Under his able leadership, IIFL Wealth & Asset Management has grown from its humble beginnings to emerge as one of the leading wealth management companies in India.



YATIN SHAH
Co-Founder &
Executive Director

Yatin has close to two decades of experience in the financial services industry, across equity research and private wealth management. He focuses on the domestic wealth advisory practice. He is responsible for introducing the IIFL Wealth & Asset Management proposition to new clients, as well as expanding the relationship with existing clients. Under Yatin's insightful leadership, the company has emerged as one of the prominent leaders in the domestic private wealth management space, advising more than 13,000 ultra-high net worth families.

**ANUP MAHESHWARI**

Joint Chief Executive
Officer & CIO, IIFL Asset
Management

Anup is responsible for the investment and strategy for IIFL AMC's business including mutual funds and Alternative Investment Funds (AIFs). He plays a key role in meeting the company's aggressive growth goals as well as product development and devising an innovative investment strategy.

**ANIRUDHA TAPARIA**

Executive Director

Anirudha has two decades of experience in the financial services industry across consumer, commercial and private banking. He has been instrumental in building IIFL Wealth & Asset Management's business across the globe. He is responsible for the wealth advisory practice across business verticals and geographies. Anirudha brings to the table a rich commercial banking experience and strong client relationships.

MANAGING PARTNERS



BALAJI RAGHAVAN

Managing Partner, Senior Fund
Manager - Real Estate

Balaji has more than two decades of experience in real estate finance, banking and financial services industries. He is responsible to raise, deploy and manage risk in the real estate portfolio, while also formulating the overall investment strategy in the real estate asset class. Since joining IIFL in 2010, he has built up the investment book of more than USD 1 billion with over 70 transactions.



GIRISH VENKATARAMAN

Senior Managing Partner,
Head - Estate Planning

Girish has over two decades of experience in the financial services industry across Asset Management and Wealth Management. He spearheads the estate function for the group with specific focus on ultra-HNI clients.



HIMANSHU BHAGAT

Senior Managing Partner,
Corporate Strategy

Himanshu oversees non-sales functions such as process improvement, strategy and technology. He has more than 17 years of experience in the wealth management industry. Previously, he was associated with Morgan Stanley and Merrill Lynch.



HIMANSHU JAIN

Managing Partner,
Head - Wealth Finance

Himanshu heads the Credit Solutions business and focuses on growing the existing Non-Banking Finance Company (NBFC) business backed by his domain experience and business development focus. He has nearly two decades of work experience across capital markets, wealth management and lending business.



JITEN SURTANI
Managing Partner

Jiten has been a part of IIFL Wealth & Asset Management since inception in 2008, and has over a decade of experience in the wealth management domain. In his current role, he heads the large sales team out of Delhi.



PANKAJ FITKARIWALA
Senior Managing Partner

Pankaj has more than 17 years of experience in handling operations, compliance, client servicing, and technology in the wealth management and financial industry. He is primarily responsible to ensure seamless operations, compliance to regulatory and statutory guidelines, client servicing and client satisfaction.



PRASHASTA SETH
Senior Managing Partner

Prashasta has been with IIFL Wealth & Asset Management since 2008 and has been instrumental in setting up and growing the equity desk at IIFL Wealth & Asset Management. He has over 18 years of experience in the financial services industry.



SANDEEP JETHWANI
Managing Partner,
Head - Advisory Group

Sandeep is a part of the founding team at IIFL Wealth & Asset Management. His team is responsible for the structuring and delivery of the IIFL-One offering and providing investment guidance to wealth management clients. He has more than 14 years of experience in direct client and team management with regional responsibilities including setting up of new branches.



SHAJI KUMAR DEVIKAR

Managing Partner

Shaji Kumar has almost two decades of experience spread across large private sector banks. He is responsible for expanding and growing the wealth business in the southern region of India and spearheads the international business in UAE.



UMANG PAPNEJA

Senior Managing Partner,
Chief Investment Officer

Umang has nearly two decades of experience in investments and wealth management. He provides strategic guidance for investment decisions across asset classes including equities, real estate, fixed income, commodities and alternatives with a focus on continuous product innovation.



VINAY AHUJA

Senior Managing Partner

Vinay has more than two decades of experience in the financial services industry, across wealth and asset management. His primary responsibility is to carry out wealth management activities for HNI clients in the southern region, while executing sales strategies nationwide.



A PRAMOD KUMAR

Managing Partner

Pramod oversees the wealth management function in the Chennai and Coimbatore regions. He brings over three decades of experience in capital markets with specific focus on multi-asset class investment management and Advisory.

SENIOR PARTNERS



ABHAY AMRITE
Senior Partner



ANIRBAN BANERJEE
Senior Partner, Head -
Human Resources



GAURAV AWASTHI
Senior Partner



HIMADRI CHATTERJEE
Senior Partner



KUBER BHALLA
Senior Partner



MIHIR NANAVATI
Senior Partner,
Chief Finance Officer



NIKUNJ KEDIA
Senior Partner



NIRAJ MURARKA
Senior Partner,
Head - Credit



PAVAN MANGHNANI
Senior Partner, Head -
Corporate Strategy



PRAVIN SOMANI
Senior Partner



SHASHI SINGH
Senior Partner,
National Sales Head



SIDHARTHA SHAW
Senior Partner



VAIBHAV PORWAL
Senior Partner



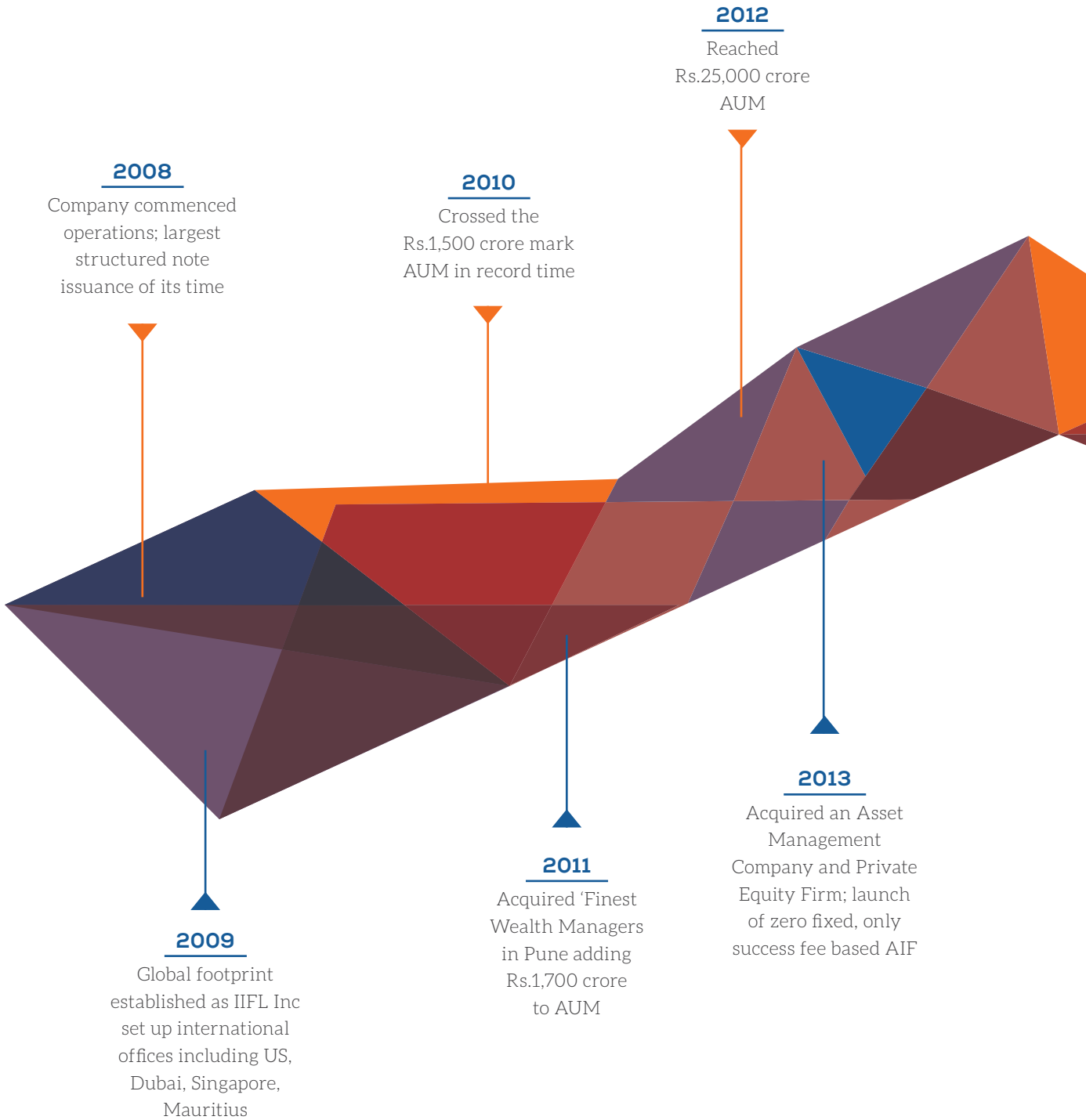
VIJEETA SHARMA
Senior Partner

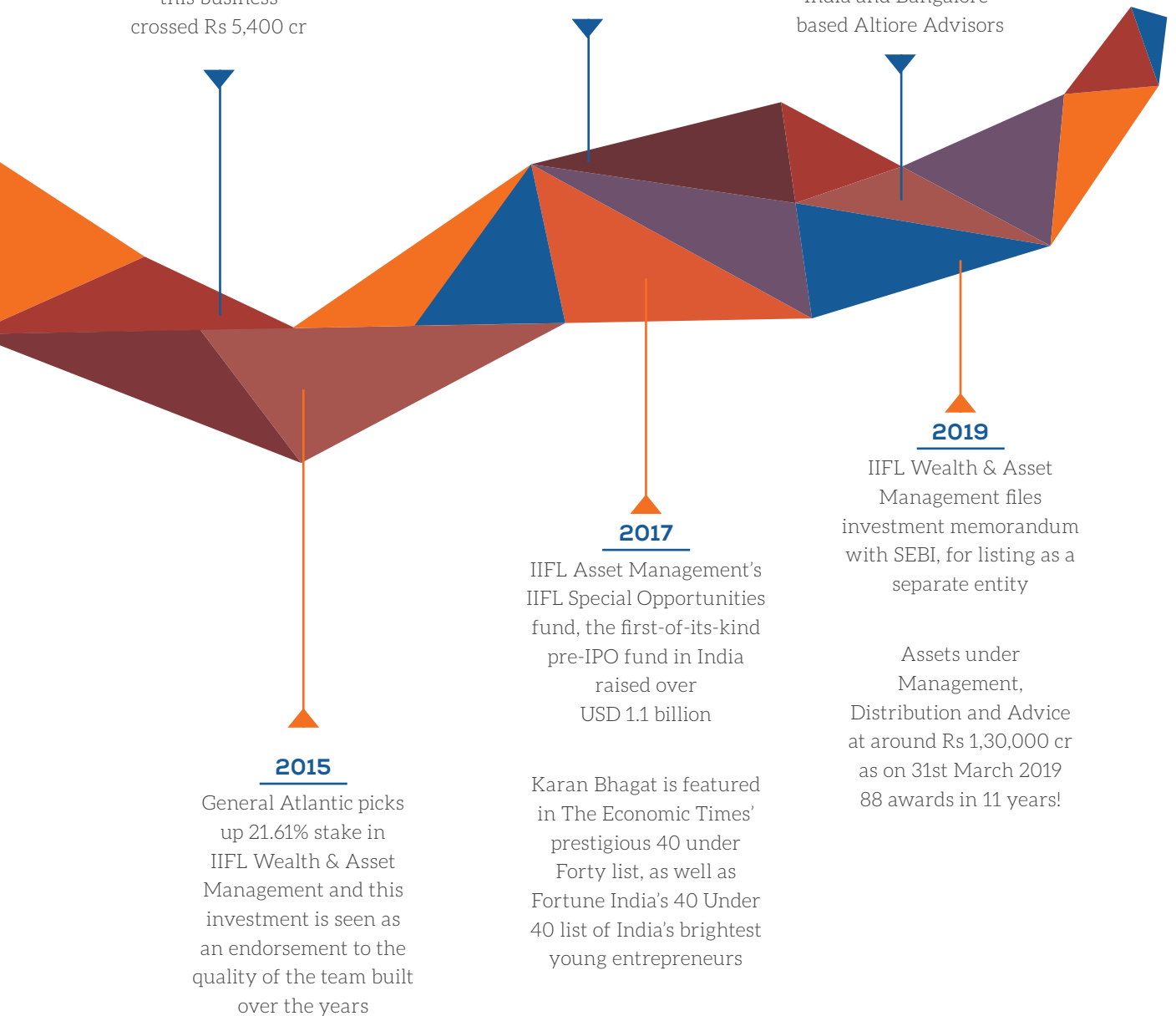


VIVEK BANKA
Senior Partner



LANDMARKS





2014

Took lead in the Alternative Investment Fund space. The size of this business crossed Rs 5,400 cr

2016

Acquired an NBFC, infusing Rs 900 cr as capital, and renamed it IIFL Wealth Finance Ltd.

2018

Announced demerger, paving the way for IIFL Wealth as a separately listed entity

Acquired Chennai-based Wealth Advisors India and Bangalore-based Altire Advisors

2019

IIFL Wealth & Asset Management files investment memorandum with SEBI, for listing as a separate entity

Assets under Management, Distribution and Advice at around Rs 1,30,000 cr as on 31st March 2019
88 awards in 11 years!

2015

General Atlantic picks up 21.61% stake in IIFL Wealth & Asset Management and this investment is seen as an endorsement to the quality of the team built over the years

2017

IIFL Asset Management's IIFL Special Opportunities fund, the first-of-its-kind pre-IPO fund in India raised over USD 1.1 billion

Karan Bhagat is featured in The Economic Times' prestigious 40 under Forty list, as well as Fortune India's 40 Under 40 list of India's brightest young entrepreneurs

NEW LOGO CONCEPT



IIFL WEALTH & ASSET MANAGEMENT

The new corporate brand identity is a thoughtfully crafted and enduring symbol of how we view ourselves and how we wished to be viewed and remembered by others; including our customers, vendors and stakeholders.

The new logo is combination of our symbol, colour scheme, design and typeface that make a visual statement about ourselves and communicate our business philosophy.

At the centre of the logo is the 'Sri Yantra', which is made of nine interlocking triangles, which together creates 43 unique triangles.

In Hindu mythology, the nine interlocked triangles that surround and radiate from the centre (bindu) symbolize the highest, the invisible and elusive centre from which the entire figure and cosmos expand.

Our brand represents a cosmos in itself, where two worlds meet. One, where we together strive to grow and expand and the other, where we strive to make possibilities infinite for our customers.

It is the confluence of these two thoughts, represented by the age-old symbol of converging powers that stands as the face of the brand.

The new logo has been designed to ensure an optimal and consistent brand impression in every engagement with our customers and stakeholders and thereby support the brand

DISTINGUISHED LEGACY



NIRMAL JAIN, Founder, IIFL Group

- He founded Probity Research and Services Pvt. Ltd., later re-christened India Infoline, in 1995; perhaps the first independent equity research Company in India.
- His work set new standards for equity research in India. Mr. Jain was one of the first entrepreneurs in India to seize the internet opportunity, with the launch of www.indiainfoline.com in 1999.
- He started his career in 1989 with Hindustan Lever Limited, handling a variety of responsibilities, including export and trading in agrocommodities. He contributed immensely towards the rapid and profitable growth of Hindustan Lever's commodity export business.
- Mr. Jain holds a Bachelor in Commerce from the University of Mumbai and a Post Graduate Diploma in Management (PGDM) from the Indian Institute of Management (IIM), Ahmedabad. He is also a Fellow Member of the Institute of Chartered Accountants of India (held the 2nd rank) and a Cost Accounting rank-holder.
- He was instrumental in steering the group's foray into various financial sector activities that have grown over the years in to significant businesses in terms of networth and profitability.
- Under his leadership, IIFL Group has attained its position as a dominant and diversified player in the financial services space over the last 24 years.



R. VENKATARAMAN, Co-Promoter, IIFL Group

- He possesses diverse experience of more than 23 years in the financial services sector.
- Before joining the Board of IIFL in July 1999, he has held senior managerial positions in ICICI Limited, including ICICI Securities Limited, their investment banking joint venture with J P Morgan of US, BZW and Taib Capital Corporation Limited.
- He has also served as the Assistant Vice President of G E Capital Services India Limited in their private equity division.
- Mr. Venkataraman holds a Bachelor in Technology (B.Tech) in Electronics and Electrical Communications Engineering from the renowned Indian Institute of Technology (IIT), Kharagpur and a Post Graduate Diploma in Management from the Indian Institute of Management (IIM), Bangalore.

CORPORATE SOCIAL RESPONSIBILITY

While India is making its mark on global economic and cultural platforms, its performance in the sports arena continues to be dismal. According to a recent study, less than 2% of Indians participate in sporting activities¹. This is quite worrying – given that 40% of India's population is under the age group of 20 years². At IIFL Wealth & Asset Management, we believe, the young demographic needs to be channelised into diverse sporting pursuits.

India has all the ingredients for becoming a great sporting nation. We also know that grassroots sports development is a responsibility that cannot be addressed by a single entity alone. A majority of our corporate social responsibility (CSR) initiatives, routed through the IIFL Foundation, are aimed at providing better facilities to budding players from underprivileged backgrounds.

Beyond sports, our CSR initiatives also facilitate better education and healthcare to members of the marginalized communities. We also work in the areas of tribal development and women entrepreneurship. Besides our contributions through the IIFL Foundation, our team members also work towards the betterment of society in their individual capacities. Together, we aim to foster a brighter future for our country with more equal opportunities for all its citizens.

HERE ARE THE HIGHLIGHTS OF OUR CSR INITIATIVES DURING THE PREVIOUS FISCAL:

EKA

Under the banner of EKA (pronounced Ek or One), a first-of-its-kind platform in India, the single-minded objective is to build sustainable platforms to empower the future sportspersons of our country and to provide young Indian sportspersons the much-needed spring board to participate actively in sports such as Chess and Golf in Asian and global tournaments. At IIFL Wealth & Asset Management & Asset Management, we feel very strongly about sports and believe in its power to uplift and bind the society. Executing EKA in association with state, national and international federations is part of our endeavour to give participants their due recognition and further their career.

¹ <https://bridgesofsports.org/2019/01/28/reality-of-indian-sports/>

² <https://www.firstpost.com/india/latest-census-data-shows-youth-surge-nearly-41-of-indias-population-is-below-the-age-of-20-2581730.html>

CHESS

Tournament winners received a prize purse of Rs.15 lakhs and Rs.10 lakhs under the Open and U-13 categories respectively. In fact, the U-13 Championship is the world's richest chess tournament. The championship kicked off on December 30th 2018 at Mumbai's World Trade Centre. Being conducted under the auspices of All India Chess Federation (AICF), All Marathi Chess Association (AMCA) & Mumbai Suburban District Chess Association (MSDCA), the tournament allowed participants to play as per the FIDE Laws of chess for a total of 09-rounds in a Swiss-League format. The U-13 Category is open to all junior players, irrespective of their ratings, true to the spirit of EKA. The Open category is limited to FIDE-rated players. This year's edition attracted the cream of grandmasters from more than 25 countries, which includes Grandmaster Karen Movsesian who has been crowned as World Seniors Champion.

Patron and friend of the event, multiple World Champion, Viswanathan Anand said, "It has now established itself as one of the premier opens in Asia, and what I found especially interesting is the fact that lots of strong players come from abroad to play in this competition along with a large contingent of strong Indian players, which gives a lot of opportunities to young juniors and sub juniors to test their skills against the best, this makes for a very interesting open."





GOLF

The Golf Invitational Faldo Series India, hosted by IIFL Wealth & Asset Management under their CSR platform EKA, is a first-of-its-kind in India. It has been organized in association with the internationally renowned Nick Faldo series to facilitate world-class exposure for amateur Indian golfers.

It was hosted at the award-winning Jaypee Greens Golf Resort from 9th to 12th January 2019. The tournament presented an opportunity to play alongside some of India's best junior Golfers. Featuring five categories: U-21, U-18 and U-16 for boys and U-21 and U-16 for girls, winners were awarded a direct entry into the Asian Finals of the Faldo Series which was held in Vietnam in March 2019.

Over the next few years, EKA will continue to focus on creating more such opportunities for budding golfers to advance their career in an international arena.



EVENTS

RISE 2018

RISE 2018 – Real Investments in Successful Entrepreneurs, is a flagship event organised by IIFL Wealth & Asset Management to celebrate the entrepreneurial culture in our country. Wealth creation and entrepreneurship in India have evolved over the years with the axis shifting from traditional business houses to professional entrepreneurs. The event presented companies and professional entrepreneurs who are riding the India wave. RISE is posed to be a salute to the professional entrepreneurship gaining momentum in our country.



DIVE 2018

DIVE is a unique event for young future leaders and next-gen entrepreneurs to come together, exchange ideas and gain insights from India's Best Innovators, Entrepreneurs, Technologists and Business leaders. DIVE 2018, our second edition was replete with exciting entrepreneurial stories and real-life experiences, networking opportunities, soul searching and direction seeking conversations, fun and entertainment. Industry leaders shared their journey, experiences and insights on the challenges and opportunities that lie ahead for young trailblazers eager to take the lead. The topics covered varied from cyber security, entrepreneurial journeys, financial well-being, philanthropy, digital experiences and many more.



HERSELF 2018

Herself 2018 was the first edition of IIFL Wealth & Asset Management's three-day flagship event for womenfolk in our client community. An initiative intended to optimise her financial awareness and knowledge through a combination of networking sessions, interaction with speakers from various domains. From jewellery to jet, from yoga to Fin and from art to heart, we saw our speakers leave a mark. The participants also spent a day at the Kochi Biennale, to experience 'art'. The Kochi-Muziris Biennale is an art exhibition and festival - the largest of its kind in South Asia.



IIFL-AMEX CARD LAUNCH

IIFL Wealth & Asset Management partnered with American Express, to distribute American Express Platinum Cards to meet the needs of its high value clients. The metal charge card is offered on 'invite-only' basis by IIFL Wealth & Asset Management to its client-base. This is a premium card offering with no pre-set spending limit, and is tailored to enable and enhance lifestyle needs of HNIs. The card gives access to attractive benefits that span built-in insurance, elite hotel programmes, lifestyle experts, concierge services and by-invitation events. Clients of IIFL-ONE receive the American Express Platinum Card, which offers the powerful backing of American Express' Membership Rewards program and access to a worldwide network of millions of merchants spread across 200 countries.





OTC

Off The Cuff, or OTC, is a series of candid talk shows by The Print, organized in collaboration with NDTV and was launched in January 2016 and held twice a month. The event is hosted as an on-ground event anchored by eminent journalist Shekhar Gupta in conversation with a distinguished guest in the presence of a notable, invited audience. After the initial dialogue between the guest and the moderator, OTC is open to the audience to question and engage with the guest. The idea is to break through the clutter and noise of existing debates on television and other platforms, and bring out an engaging, constructive discussion; while also keeping live audiences involved throughout.



MEDIA

WEALTH CREATORS PAR EXCELLENCE

THE ECONOMIC TIMES

Wealth creators par excellence

The increase in ranks of India's investors is creating opportunities to create wealth and value.



Source: Economic Times, April 27, 2018

Karan Bhagat shares his view on the technological disruption taking place in the wealth management industry and how IIFL Wealth & Asset Management is poised to take on the challenge.

IIFL WEALTH & ASSET MANAGEMENT GEARED FOR POST-RAISE EXPANSION

ASIAN PRIVATE BANKER 



Source: Asian Private Banker, July 16, 2018

Karan Bhagat discloses that the investment would provide the firm with additional means to expand across geographies.

THE FINAL WORD

ASIAN PRIVATE BANKER 



Source: Asian Private Banker, December 5, 2018

Karan Bhagat shares his views in a ten-part series where the industry's leaders share their thoughts and opinions on key issues around industry trends, business performance, investment solutions, regulations and compliance, and technology.

KARAN BHAGAT, A FINALIST OF THE 20TH EY ENTREPRENEUR OF THE YEAR AWARDS PROGRAM

THE ECONOMIC TIMES



Source: The Economic Times

Karan Bhagat is shortlisted as one of the 16 finalists at the 20th EY Entrepreneur of the Year award.

HOW ARE INDIA'S BILLIONAIRES CREATING WEALTH



Source: Bloomberg Quint, Dec 13, 2018

Yatin Shah, Executive Director, IIFL Wealth & Asset Management speaks about the findings of the IIFL Wealth & Asset Management Index, the first comprehensive report on HNIs and UHNIs in India.

Bloomberg
Quint

THE UPPER CREST



Source: Outlook Business, November 1, 2018

Yatin Shah, Executive Director, IIFL Wealth & Asset Management shares his wisdom at the seventh Outlook Business private wealth annual roundtable in Mumbai.

OUTLOOK
BUSINESS
Think beyond the wall

ADVANTAGE MARKET CAPITALISATION



Source: Outlook Money, August 1, 2018

Anirudha Taparia, Executive Director, IIFL Wealth & Asset Management says the Indian markets have been in a structural bull run since 2014. This is expected to continue for the next decade. However, the bull run will not be linear in nature and we will see periods of consolidation and volatility.

Outlook
MONEY

INDIA ON BRINK OF QUANTUM LEAP IN WEALTH GENERATION



Source: Moneycontrol, January 25, 2019

Anirudha Taparia said according to the IIFL Wealth & Asset Management Index, investment funds make up almost one-third of the total assets held by the super wealthy.

moneycontrol

BAITING THE BULL



Source: Forbes, October 24, 2018

This is a market where we have both January 2008 as well as March 2009 valuations at the same time says Anup Maheshwari, joint CEO and CIO of IIFL Asset Management.

A SECTION OF THE MARKET IS OVERESTIMATING THE PROBLEMS



"A section of the market is overestimating the problems"



Source: ET Wealth, November 5, 2018

Prashasta Seth, Senior Managing Partner, IIFL Asset Management said that though a section of the market is in panic mode, investors have the opportunity to make money from a lot of stocks as valuations have corrected significantly.

HNI INVESTORS MUCH BETTER OFF IN THIS SELLOFF



Source: ET Now, October 12, 2018

Umang Papneja, Senior Managing Partner and CIO of IIFL Wealth & Asset Management gives his views on market behaviour and how he sees things pan out over the next few weeks.

WEALTH MANAGEMENT – MAKING A LEAP FROM PRODUCTS TO PROPOSITIONS



Source: BW Businessworld, August 27, 2018

Vinay Ahuja, Senior Managing Partner, IIFL Wealth & Asset Management pens a column on how a wealth manager can help individuals define their objectives and create an investment plan for their wealth, so that their myriad objectives can be met.

INVOLVE A FAMILY MEMBER

SEP JETHWANI,
Managing Partner,
Investment Managers



experience, we have seen two diverse behaviour patterns. The first is more prevalent, is the mandate to the wealth creator to preserve wealth. When taken significant risks, some want to lose capital - even at a lower return. The second, typically to younger first-generation entrepreneurs, is the mandate to handle much higher risk, to take significant risks, some want to lose capital - even at a lower return. The second, typically to younger first-generation entrepreneurs, is the mandate to handle much higher risk, to take significant risks, some want to lose capital - even at a lower return.

diversified manner which takes care of their and their family's long-term needs. The other is that for their private investments in new businesses, they should think through how such investments are held and periodically reviewed. We have found that housekeeping of private investments has often been neglected.

Setting up a framework and process for managing the financial portfolio is also very critical. Involving a family member in the investment process.

Business Standard

Source: *Business Standard*, May 14, 2018

In the wake of the deal with Walmart, Sandeep Jethwani, Managing Partner and Head of Advisory, IIFL Wealth & Asset Management, provides suggestions on how Flipkart employees should invest their new-found wealth and the mistakes they should avoid.

DAZZLE YOUR WAY TO A NEW JOB



MumbaiMirror

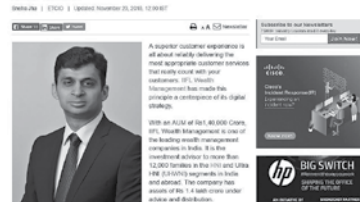
Source: *Mumbai Mirror*, August 13, 2018

Anirban Banerjee, Chief People Officer of IIFL Wealth & Asset Management, says it's not enough for potential hires to be good at their job, or have domain expertise. They must have a 'feel' for the business too.

HOW IIFL WEALTH & ASSET MANAGEMENT MANAGEMENT CAPITALIZED ON AI FOR DELIVERING PORTFOLIO STATEMENTS TO HNI CUSTOMERS

How IIFL Wealth Management capitalized on AI for delivering portfolio statements to HNI customers

CEO Abhishek Chandra leveraged AI as a customer service enhancing tool while hammering home the company's customer commitment



Source: *ET CIO*, November 23, 2018

Chief Technology Officer, Abhishek Chandra leveraged AI as a customer service enhancing tool while hammering home the company's customer commitment.

ET CIO.com

AWARDS

MORE REASONS TO
LEAVE THE INVESTING TO US



YEAR	AWARD	INSTITUTION
2019	FINANCIAL SERVICES COMPANY OF THE YEAR	▶ VCCircle awards 2019

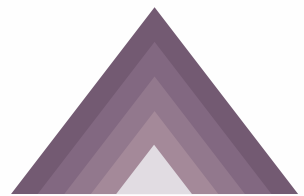
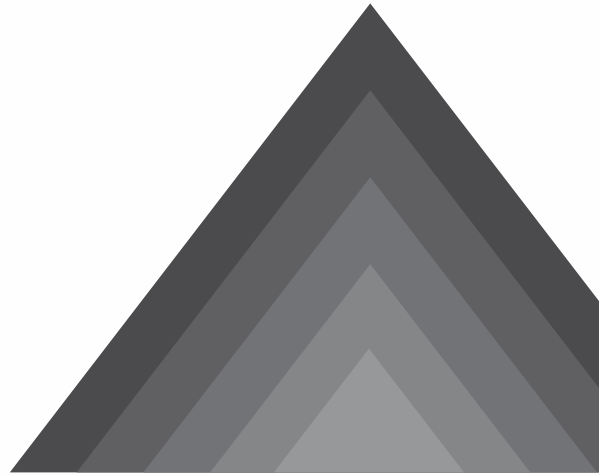
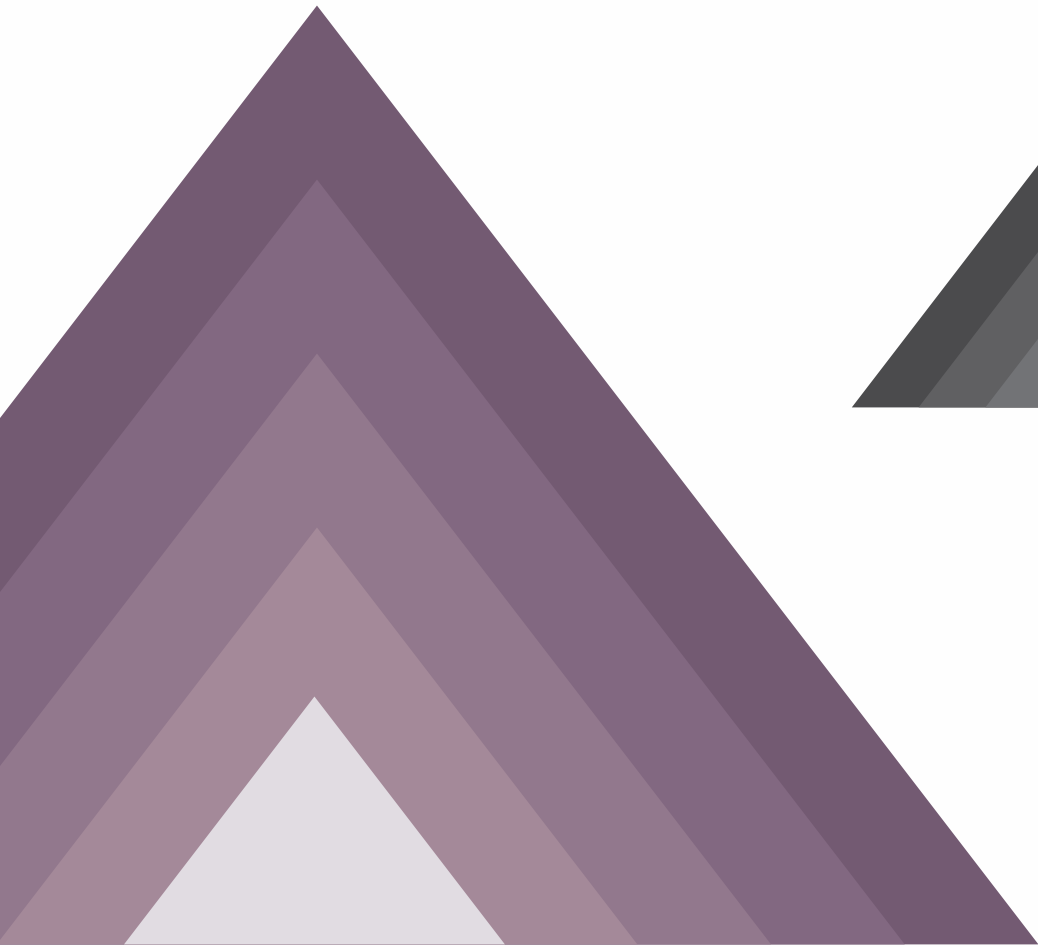
YEAR	AWARD	INSTITUTION
2018	SUCCESSION PLANNING ADVICE AND TRUSTS	▶ Euromoney Private Banking and Wealth Management
	BEST PERFORMER IN ACCOUNT GROWTH RATE	▶ NSDL Star Performer Award 2018
	EXCELLENCE IN WEALTH MANAGEMENT - INDIA DOMESTIC	▶ Asian Private Banker Awards for Distinction 2018
	BEST ARTIFICIAL INTELLIGENCE	▶ 2018 DMAASIA ECHO AWARDS
	BFSI INNOVATION TRIBE AWARDS (VIDEO STATEMENTS)	▶ The Economic Times, 2018
	SANDEEP JETHWANI - OVERALL SHAJI KUMAR - TEAM EFFECTIVENESS COMPANY WITH GREAT MANAGERS 2018	▶ People in Business India Pvt Ltd
	INDIA'S GREATEST BRANDS 2017-18 GLOBAL INDIAN OF THE YEAR 2017-18	▶ URS Asia One, 2018
	BEST WEALTH MANAGEMENT COMPANY WEALTH MANAGEMENT THOUGHT LEADER OUTSTANDING INITIATIVE (CSR)	▶ The India Wealth Awards 2018
	BEST PRIVATE BANK, INDIA	▶ The Asset Triple A Private Banking, Wealth Management, Investment and ETF Awards, 2018
	BEST EMPLOYEE ENGAGEMENT IN NON-BANKING SECTOR BEST-IN-CLASS TALENT MANAGEMENT AWARD	▶ Employee Engagement Leadership Awards, 2018
	BEST DIGITAL WEALTH MANAGEMENT EXPERIENCE, INDIA	▶ The Asset Triple A Digital Awards 2017
	BFSI BEST BRANDS	▶ The Economic Times, 2018
	ASIA'S GREATEST BRANDS 2017	▶ URS Asia One, 2017
	BEST FAMILY OFFICE SERVICES, INDIA RESEARCH AND ASSET ALLOCATION ADVICE, INDIA BEST SUCCESSION PLANNING ADVICE AND TRUSTS, INDIA	▶ Euromoney Private Banking and Wealth Management Survey, 2018
	BEST PRIVATE BANK IN INDIA	▶ Global Finance Best Private Bank Awards, 2018
BEST WEALTH MANAGER - INDIA DOMESTIC	▶ Asian Private Banker Awards for Distinction, 2017	

YEAR	AWARD	INSTITUTION
2017	BEST PRIVATE BANK - INDIA	▶ Asiamoney Best Bank Awards 2017: India
	BEST PRIVATE BANK, INDIA	▶ The Asset Triple A Private Banking, Wealth Management, Investment and ETF Awards, 2017
	BEST PRIVATE BANKING SERVICES OVERALL	▶ Euromoney Private Banking and Wealth Management Survey, 2017
	BEST NET-WORTH-SPECIFIC SERVICES (US\$ 5 MN TO 30 MN)	
	BEST FAMILY OFFICE SERVICES	
	BEST RESEARCH AND ASSET ALLOCATION ADVICE	
	BEST SUCCESSION PLANNING ADVICE AND TRUSTS	
	BEST INNOVATIVE TECHNOLOGY - BACK OFFICE SYSTEMS	
	BEST PRIVATE BANK, INDIA	
2016	BEST ONLINE WEALTH MANAGEMENT EXPERIENCE, INDIA	▶ The Asset Triple A Digital Awards 2016
	BEST WEALTH MANAGER - INDIA DOMESTIC	▶ Asian Private Banker Awards for Distinction
	BEST PRIVATE BANK, INDIA	▶ The Asset Triple A Banking, Wealth Management and Investment Awards 2016
	BEST PERFORMING NATIONAL FINANCIAL ADVISOR WEALTH DISTRIBUTOR	▶ UTI MF & CNBC-TV18 Financial Advisor Awards
	BEST INDEPENDENT WEALTH MANAGEMENT TEAM, INDIA	▶ Capital Finance International Awards
	BEST PRIVATE WEALTH MANAGER, INDIA	▶ Alternative Investment Awards
	BEST INDIA START-UP FUND: SEED VENTURE FUND	
	BEST ONLINE WEALTH MANAGEMENT EXPERIENCE	▶ The Asset Triple A Digital Enterprise Awards 2016
	BEST PRIVATE BANKING SERVICES OVERALL, INDIA	▶ Euromoney Private Banking and Wealth Management Survey 2016
	BEST RESEARCH AND ASSET ALLOCATION ADVICE, INDIA	
	BEST NET-WORTH-SPECIFIC SERVICES, INDIA	
	BEST FAMILY OFFICE SERVICES, INDIA	
	BEST WEALTH MANAGEMENT FIRM, INDIA	
BEST DOMESTIC PRIVATE BANK, INDIA	▶ Asian Private Banker Awards of Distinction, 2015	

YEAR	AWARD	INSTITUTION	
2015	OUTSTANDING PRIVATE BANK,- SOUTH ASIA (HIGHLY COMMENDED)”	▶ Private Banker International (PBI) Global Wealth Awards	
	BEST PRIVATE BANK , INDIA	▶ The Asset Triple A Digital Enterprise Awards	
	BEST WEALTH MANAGEMENT ADVISORY FIRM	▶ International Finance Magazine (IFM) Awards	
	BEST PRIVATE BANK FOR INNOVATION IN TECHNOLOGY, INDIA		
	BEST PRIVATE BANK FOR RESEARCH AND ASSET ALLOCATION	▶ Euromoney Private Banking and Wealth Management Survey	
	BEST PRIVATE BANK FOR HIGH NET WORTH CLIENTS		
	BEST DOMESTIC PRIVATE BANK IN INDIA-OVERALL	▶ Asiamoney Private Banking Poll	
	BEST DOMESTIC PRIVATE BANK IN INDIA >\$25 MILLION		
2014	BEST PRIVATE BANK FOR INNOVATION IN TECHNOLOGY IN ASIA	▶ Euromoney Innovations in Wealth Management Technology Awards	
	BEST WEALTH MANAGEMENT SPECIALIST - ASIA	▶ The Asset Triple A Digital Enterprise Awards	
	BEST WEALTH MANAGER, INDIA		
	BEST PRIVATE BANKING SERVICES OVERALL, INDIA	▶ Euromoney Private Banking & Wealth Management Survey	
	BEST RELATIONSHIP MANAGEMENT		
	RANGE OF INVESTMENT PRODUCTS		
	SPECIALIZED SERVICES - FOR ENTREPRENEURS		
	FIXED INCOME PORTFOLIO MANAGEMENT		
	REAL ESTATE INVESTMENT		
	CORPORATE ADVISORY FOR PRIVATE BANKING CLIENTS		
	MANAGED FUTURES		
	HEDGE FUND INVESTMENT		
	BEST PERFORMING NATIONAL FINANCIAL WEALTH DISTRIBUTOR		▶ UTI & CNBC, TV18 Financial Advisor Awards

YEAR	AWARD	INSTITUTION
2013	THE BEST WEALTH MANAGEMENT HOUSE, INDIA	▶ The Asset Triple A Digital Enterprise Awards
	FASTEST GROWING WEALTH MANAGEMENT COMPANY IN INDIA	▶ UTI MF & CNBC-TV18 Financial Advisor Awards
	BEST WEALTH MANAGEMENT COMPANY (>50 EMPLOYEES) , INDIA	▶ Wealth Briefing Asia Awards
	HIGHLY COMMENDED PRIVATE BANK, INDIA	
	DISTRIBUTOR OF THE YEAR	▶ Wealth Forum Advisors Awards
	HIGHEST ASSET GROWTH CHAMPION	
	NET SALES CHAMPION - FIXED INCOME INVESTMENTS	
	BEST COMMODITIES INVESTMENT IN INDIA	▶ Euromoney Private Banking & Wealth Management Survey
	BEST REAL ESTATE INVESTMENT IN INDIA	
	BEST EQUITY PORTFOLIO MANAGEMENT IN INDIA	
2012	BEST FIXED INCOME PORTFOLIO MANAGEMENT, INDIA	▶ Euromoney Private Banking & Wealth Management Survey
	BEST COMMODITIES INVESTMENT IN INDIA	
	THE BEST WEALTH MANAGEMENT HOUSE	▶ The Asset Triple A Digital Enterprise Awards
	OUTSTANDING PRIVATE BANK - SOUTH ASIA	▶ Private Banker International
2011	THE BEST WEALTH MANAGEMENT HOUSE IN INDIA	▶ The Asset Triple A Digital Enterprise Awards
	BEST NET SALES EQUITY FUNDS	▶ Wealth Forum Advisors Awards
	BEST NATIONAL DISTRIBUTORS	





DIRECTORS' REPORT

To the Members of IIFL Wealth Management Limited,

Your Directors have pleasure in presenting the Twelfth Annual Report of IIFL Wealth Management Limited ("the Company") together with the Audited Financial Statements for the year ended March 31, 2019.

1. FINANCIAL RESULTS - THE HIGHLIGHTS OF THE FINANCIAL RESULTS FOR THE YEAR UNDER REVIEW ARE AS UNDER:

STANDALONE FINANCIAL RESULTS -

(₹ in million)

PARTICULARS	2018 - 2019	2017 - 2018
Gross Total Income	5,932.10	7,187.78
Less: Expenditure	3,959.75	5,109.18
Profit/(Loss) Before Taxation	1,972.35	2,078.60
Less: Taxation - Current	479.03	508.37
- Deferred	(24.51)	(12.85)
Net Profit / (Loss) After Tax	1,517.83	1,583.08
Other Comprehensive Income	(1.97)	(13.09)
Total comprehensive income for the year(Comprising profit and other comprehensive income for the year)	1,515.86	1,569.99

CONSOLIDATED FINANCIAL RESULTS -

(₹ in million)

PARTICULARS	2018 - 2019	2017 - 2018
Gross Total Income	15,771.88	17,148.10
Less: Expenditure	10,392.57	12,247.34
Profit/(Loss) Before Taxation	5,379.31	4,900.76
Less: Taxation - Current	1,642.20	1,134.04
- Deferred	(8.36)	(34.97)
Net Profit / (Loss) After Tax	3,745.47	3,801.69
Other Comprehensive Income	98.10	6.71
Total comprehensive income for the year(Comprising profit and other comprehensive income for the year)	3,843.57	3,808.40

2. REVIEW OF BUSINESS AND OPERATIONS:

Total Wealth Client Assets grew by 17.22% YoY and the Company now manages around ₹ 1,30,000 Crore in Client assets.

The Asset management business manages over ₹ 20,772.56 crore of Assets which comprises of ₹ 15,661.39 Crore in AIF Assets, Rs. 3624.82 crore in PMS assets and ₹ 1,486.35 crore in Mutual Fund Assets.

Amidst volatile market conditions, IIFL Wealth Finance Limited closed the FY 18-19 loan book of over INR 4,800 crore; while average loan assets increased by 5%, EOP loan assets declined by 28% over the previous year. The book is diverse with healthy flows from Loan Against Shares, IPO

financing and to a very small extent margin funding and Loan Against Property.

3. MACROECONOMIC OVERVIEW:

Equity:

2019 - the year of lower growth and interest rates:

The year 2019 is expected to be a year of slowing growth, low inflation, weakening commodity prices and steep decline in interest rates. Credit markets are clearly pointing towards worsening macro environment and higher odds of recession. The difference between the yield on three-month Treasury bills and the benchmark 10-year bond, which has turned negative or "inverted" before almost every US recession over the past 50

years, widened to a level last seen before 2008 crisis. About \$15 trillion of government bonds worldwide, or 25% of the market, now trade at negative yields. This number has nearly tripled since October 2018. In Germany, 30-year government bond went negative for the first time ever recently. Central banks across the board are likely to surprise markets with the extent of interest rate cuts. While aggressive rate cuts in emerging markets make a case for stronger dollar, US Fed too may eventually increase the pace of easing to keep dollar under check. Ongoing delays to trade talks may also lead to lower trade volumes and GDP growth

India - dimming macro indicators, bottoming capex and earnings:

Indian markets reversed the election supported gains in May and has since been weighed on by increasing signs of slowdown, lagging indicators and the unmet expectations from the budget presented last month. Weak macros and tight liquidity conditions are taking a toll on India corporate earnings. It's a known fact now that the economic growth has faltered in India as both the drivers of growth – consumption & investment are slowing down. We have seen weakness in consumer demand and that is visible in the weak earnings growth across segments such as auto & auto-ancillaries, FMCG, Consumer Durables, Capital Goods. The slump in the auto sector, which accounts for nearly half of India's manufacturing output, has been a major factor behind the slide in economic growth to a five-year low earlier this year. Last and not the least, the aggravation of all sectors is borne by the banking sector, which had to battle through liquidity crisis and stifling demand amid lost confidence and crisis in the NBFC space. Demand slowdown across sectors is also because the household savings rate has been declining on the back of low income growth.

The Budget and India: The government's approach to adopt a prudent fiscal approach does deserve some credit. There were some notable positives with tax cuts for small businesses and a further injection of funds into state owned banks as well. However, announcements such as super rich tax surcharge (incl FPIs), tax on buybacks, likely

reduction in free float of listed stocks and lack of stimulus have hurt investor sentiments. Post budget, we have seen around \$ 2.5 bn of FII outflows, one of the steepest in recent years. The intention to increase the minimum public shareholding (from 25% to 35%) could lead to around \$ 50 bn of fresh supply of equity. In the long term, the policy could have a far-reaching impact on India's representation in offshore indices and higher resulting flows. We expect the government to gradually implement few of these decisions to help equities maintain its appeal as a long-term asset class.

Outlook: Currently, corporate profitability to GDP is at its lowest levels (~2-2.2%), and offers a large scope for recovery. On the other hand, monetary policy continues to be in the easing mode with continued rate cuts and large infusion of liquidity which should aid improvement in earnings. Indian economy is still expected to be the fastest growing major economy in the world (~7%). In the trade war period, India is the only Asian economy with a positive change in share of exports. Equity valuations seems to be pricing in the near-term concerns and offer good risk-reward over a long-term horizon. India's Bond Yield-Earnings Yield (BY-EY) gap has dropped sharply to levels last seen during demonetization (Dec' 2016) and market lows in Aug 2013. Historically, equities deliver good returns for the next two years from such levels. Market cap to GDP is ~76%, lower than long term averages (78% for the last 12 years). We believe that it is extremely difficult to time the exact bottom of the market and the current valuations are starting to get reasonable. Investors should start investing in equity in staggered manner over the next 6 - 12 months.

Fixed Income:

Debt markets have witnessed heightened volatility in the recent months. The recent bond rally of ~100 bps over the past 10 weeks is one of the best rallies across the globe. Most

of this was on the accounts of better fiscal prudence, benign core inflation, steady GDP growth expectations, range bound crude and surplus liquidity in the banking system which would keep OMOs at the back stage.

Post the rate cut in bi-monthly policy meet of RBI on Aug 7, 2019 amid low inflation and slowing growth, further rate actions looks to be more data dependent. The RBI softening stance is accommodative of more rate cuts, but the urgency and pace of the cuts shall depend on domestic as well as global economic data. Developments surrounding the government's planned sovereign bond issue will also be closely tracked as the discussion on the same is yet to start. As the monsoon seems to be correcting its course and mitigating initial deficits, market participants will closely watch it from rural demand perspective.

RBI is committed to maintain liquidity in the market, currently we are in a huge surplus of about INR 90,000 Cr. Liquidity surplus situation is expected to remain the same in near future. With the budgeted capital infusion for PSU Banks, partial credit guarantee to PSBs for NBFCs creating INR 1.34 Lakh crores of incremental capital for banks to lend to NBFCs, stable credit growth of 12-14% and some visible risk aversion in lending, banks may remain healthy in at least the short run. The healthy spread of ~130-140 bps being offered by quality AAA rated credit over similar maturity G-secs, appears to be a good opportunity for returns. Subsequent yield compression which may extend from AAA/PSU to lower rated debt instruments may fuel another leg of gains from fixed income. In this scenario of changing market conditions, we continue our view of positioning at the front-end of the curve with a defensive outlook as rate trajectory is likely to be volatile.

Future business outlook:

- The focus of the year has been on strategy and transformation. The firm worked with Boston Consulting Group (BCG) and McKinsey and Co. for defining a clear strategic growth path for the next 10 years in the AMC and the Wealth businesses. On the AMC side, the vision is to be the premier investment

provider for Alternates in India, especially on the unlisted and listed equity space, special private debt, and selective real estate asset classes.

- On the Wealth Management front, the path is to transform to a steadier and predictable income stream from train/fee income with minimum reliance on upfront/transactional income, and the firm will determinedly move to that model over the next few years. We acquired Wealth Advisors India Pvt Ltd, a premier Chennai based advisory firm with majority of trail/fee income as a step in the right direction.
- The business closed with assets of Rs. 167,745.56 Crore and 300+ sales staff.
- The analytics platform of the Company got enhanced with the addition of Altiore and Caliber technology platforms. Altiore provides latest analytics for client portfolios including their held away assets; Caliber strengthens our control on our core transaction and reporting system by removing vendor dependency and delinquency. The firm also engaged with Nihilent Tech in Pune to build a data warehouse and MIS dashboard system for accurate real time information to management to enable agile decision making .
- With a closing loan book of over Rs. 4,798.29 Crore, the NBFC subsidiary continues to enable our HNI clients to invest in our Wealth ideas, with help of leverage if they so desire.

IIFL Holdings and its subsidiaries decided to reorganize their corporate structure, through a composite scheme of arrangement, resulting in three separate entities; each proposed to be listed on stock exchanges in India, i.e. one for each branch of the business currently being undertaken by IIFL Holdings, i.e., 1. Loans and Mortgages; 2. Wealth and Asset Management; and 3. Capital Markets. The draft Information Memorandum along with the listing

application have been filed with the National Stock Exchange of India Limited ("NSE") and the BSE Limited ("BSE") on July 6, 2019 post receipt of the approval of the National Company Law Tribunal, Mumbai Bench ("NCLT") on the NCLT order for the implementation of the composite scheme of arrangement.

4. **DIVIDEND:**

During the period under review, your Company has declared an interim dividend of Rs. 5/- each on October 31, 2018 and January 29, 2019, per equity share with face value Rs.2/- each, involving a total outlay of Rs. 84,79,06,100/- (including dividend distribution tax). Your Directors recommend that said interim dividend be considered as final dividend on Equity shares of the Company.

5. **SHARE CAPITAL:**

During the financial year 2018-19, the Authorised Share Capital of the Company was altered and increased from Rs. 17,00,00,000 to Rs. 20,00,00,000 divided into 10,00,00,000 shares of Rs. 2/- each.

During the year, your Company allotted 2,78,361 equity shares arising out of the exercise of Employee Stock Options and 44,89,500 preferential allotment(s). Post allotment of equity shares the paid-up share capital of the Company has increased from Rs. 15,95,06,926 to Rs. 16,90,42,648/- (divided into 8,45,21,324 equity shares of Rs. 2/-each).

6. **TRANSFER TO RESERVES:**

During the FY 2018-19, the Company has not transferred any amount to General Reserve.

7. **DEPOSITS:**

During the period under review, your Company has not accepted/ renewed any deposit within the meaning of Section 73 of the Companies Act, 2013 read with applicable rules thereto.

8. **DETAILS OF SUBSIDIARIES:**

In accordance with Section 129(3) of the Companies Act, 2013, the consolidated financial statements of the Company and all its subsidiaries, which form part of the Annual Report, have been prepared and are available on the website of the Company. You may refer to the Annexure to the

consolidated financial statements of the Company, which contains the statement containing the salient features of the financial statement of the subsidiaries in the prescribed format AOC-1.

During the year under review, the Company incorporated, a wholly owned subsidiary namely IIFL Wealth Securities IFSC Limited on June 22, 2018. The Company acquired two companies named Altioire Advisors Private Limited and Wealth Advisors (India) Private Limited on November 05, 2018 and November 22, 2018 respectively.

During the year, IIFL Private Wealth (Suisse) S.A. ceased to be the subsidiary of the Company.

As at March 31, 2019, your Company has seventeen (17) subsidiaries as listed below:

Domestic Subsidiaries:

- i. IIFL Wealth Finance Limited,
- ii. IIFL Distribution Services Limited,
- iii. IIFL Asset Management Limited,
- iv. IIFL Investment Adviser and Trustee Services Limited,
- v. IIFL Alternate Asset Advisors Limited,
- vi. IIFL Trustee Limited,
- vii. IIFL Wealth Securities IFSC Limited,
- viii. IIFL Altioire Advisors Limited (formerly known as Altioire Advisors Private Limited),
- ix. IIFL Wealth Advisors (India) Limited (formerly known as Wealth Advisors (India) Private Limited),

International Subsidiaries:

- i. IIFL Asset Management (Mauritius) Limited,
- ii. IIFL Private Wealth Management (Dubai) Limited,
- iii. IIFL (Asia) Pte. Limited,
- iv. IIFL Private Wealth Hong Kong Limited**,
- v. IIFL Inc.,
- vi. IIFL Capital (Canada) Limited,

- vii. IIFL Capital Pte. Limited, (**step down subsidiary**);
- viii. IIFL Securities Pte. Limited (**step down subsidiary**)

**The company is in process of winding up.

The Annual Report which consists of the financial statements of your Company on standalone basis as well as consolidated financial statements of the group for the year ended 31st March 2019, is being sent to all the members of your Company.

Web link of the Annual Report is sent to all members whose email IDs are registered with the Company/Depository Participant(s). For members who have not registered their email IDs, physical copies of the Annual Report are sent. It does not contain Annual Reports of your Company's subsidiary companies. Your Company will make available the Annual Report either in a hard or soft copy depending upon request by any member of your Company. These Annual Reports will be available on your Company's website viz. URL: www.iiflwealth.com and will also be available for inspection by any member at the Registered Office of your Company during working hours.

9. CORPORATE GOVERNANCE:

Pursuant to Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations), a separate section entitled 'Report on Corporate Governance' has been included in this Annual Report. The Report of Corporate Governance also contains certain disclosures required under the Companies Act, 2013.

10. ANNUAL RETURN:

Pursuant to Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company as on March 31, 2019 once prepared shall be disclosed on your Company's website www.iiflwealth.com. An extract of the Annual Return as on March 31, 2019 in Form MGT-9 is annexed as **Annexure - IV** to this Report.

11. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

a. Directors:

The Board consists of Mr. Karan Bhagat, Mr. Yatin Shah being Executive Directors of the Company, Mr. Nilesh Vikamsey, Ms. Geeta Mathur, Dr. S. Narayan* being the Independent Directors of the Company, Mr. Nirmal Jain, Mr. R. Venkataraman being Non-Executive Directors of the Company and Mr. Sandeep Naik and Mr. Shantanu Rastogi being Nominee Directors (nominated by General Atlantic Singapore Fund Pte Ltd) of the Company.

Mr. Nilesh Vikamsey, Dr. S. Narayan* and Ms. Geeta Mathur have submitted their declaration under section 149(6) of the Companies Act, 2013 and are Independent Directors of the Board.

Directors retiring by rotation

Mr. Sandeep Naik and Mr. Shantanu Rastogi retires by rotation at the Twelfth Annual General Meeting (AGM) of the Company and are eligible for reappointment.

Appointment / Re-appointment:

Mr. Nilesh Vikamsey has been appointed as a Chairman of the Board w.e.f. June 25, 2019.

*The Board of Directors of the Company, at its meeting held on June 25, 2019, based on the recommendation of the Nomination and Remuneration Committee (NRC) appointed Mr. Subbaraman Narayan (DIN: 00094081), as the Independent Director of the Company for a term of 5 years commencing from June 25, 2019 to June 24, 2024 subject to approval of shareholders of the Company.

The Board of Directors of the Company, at its meeting held on August 21, 2019, based on the recommendation of the Nomination and Remuneration

Committee (NRC) and the results of the performance evaluation, re-appointed:

- a) Mr. Nilesh Vikamsey (DIN: 00031213), as an Independent Director for a second term of 5 (five) years from August 25, 2019 to August 24, 2024,
- b) Mr. Karan Bhagat (DIN: 03247753), as Managing Director for a term of 5 (five) years from July 27, 2020 to July 26, 2025;
- c) Mr. Yatin Shah (DIN: 03231090), as Whole-time Director for a term of 5 (five) years from July 27, 2020 to July 26, 2025;
subject to the approval of the shareholders of the Company.

Resignation / Cessation of Directors:

Mr. Amit Shah (DIN - 06765300), Non-Executive Director, resigned from the Board of the Company with effect from January 24, 2019.

i. Meetings of the Board of Directors -

The Board met nine (9) times during the period under review to discuss and approve various matters including financials, appointment of auditor, declaration of interim dividend, review of audit reports and other board businesses.

ii. Committees of the Board -

In accordance with the Companies Act, 2013, the Board has constituted following Committees as per the applicable provision of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

- (i) Audit Committee.
- (ii) Nomination and Remuneration Committee.
- (iii) Corporate Social Responsibility Committee.
- (iv) Stakeholders' Relationship Committee.

- (v) Risk Management Committee.

(i) Audit Committee:

The Audit Committee comprises of Mr. Nilesh Vikamsey, Ms. Geeta Mathur and Mr. Shantanu Rastogi. Ms. Geeta Mathur is the Chairperson of the Committee. The role, terms of reference and powers of the Audit Committee are in conformity with the requirements of the Companies Act 2013, the SEBI (LODR) Regulations, 2015 and the internal policies. The Committee met 5 (five) times during the year under review and discussed on financials, audit issues and appointment of auditors. During the period under review, all the recommendations of the Audit Committee were accepted by the Board of Directors of the Company.

The details including the meetings, role, terms of reference, etc. of the Audit Committee are provided in the Corporate Governance Report.

(ii) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee ("NRC") comprises of Mr. Nilesh Vikamsey, Ms. Geeta Mathur, Mr. Nirmal

Jain and Mr. Sandeep Naik. As per the provisions of Section 178 of the Companies Act, 2013, the NRC had formulated a nomination and remuneration policy. The same is annexed as an **Annexure I** to this Report.

The details including the meetings, role, terms of reference, etc. of the Nomination and Remuneration Committee are provided in the Corporate Governance Report.

(iii) Corporate Social

Responsibility Committee:

The Corporate Social Responsibility Committee (“CSR Committee”) comprises of Mr. Nilesh Vikamsey, Independent Director, Mr. Nirmal Jain, Non-Executive Director, Mr. Karan Bhagat, Executive Director and Mr. Sandeep Naik, Non-Executive Director. The CSR Committee has approved CSR Policy of the Company. IIFL group has set-up India Infoline Foundation (referred as “IIFL Foundation”) a Section 8 Company under the Companies Act, 2013, which acts as the principal arm to undertake CSR initiatives on behalf of the IIFL Group.

The details of the CSR Committee are provided in the Corporate Governance Report.

(iv) Stakeholders’ Relationship Committee

Stakeholders’ Relationship Committee comprises of Mr. Venkataraman Rajamani,

Non-Executive Director, Ms. Geeta Mathur, Independent Director, and Mr. Yatin Shah, Executive Director.

The details including the meetings, role, terms of reference, etc. of the Stakeholders’ Relationship Committee are provided in the Corporate Governance Report.

(v) Risk Management Committee:

Risk Management Committee comprises of Mr. Venkataraman Rajamani, Non-Executive Director, Ms. Geeta Mathur, Independent Director, Mr. Karan Bhagat, Executive Director, Mr. Shantanu Rastogi, Non-Executive Director and Mr. Nilesh Vikamsey, Independent Director.

The objective of the Risk Management Committee is to oversee the Risk management governance structure, define and review the framework for identification, assessment, monitoring, mitigation and reporting of risk.

The details including the role, objectives/ terms of reference of the Risk Management Committee are provided in the Corporate Governance Report.

iii. Separate meeting of Independent Directors:

In compliance with provisions of the Companies Act, 2013, a separate meeting of Independent Directors was held on March 22, 2019 inter alia, to discuss the following:

- a) to review the performance of non-independent directors and the Board as a whole;
- b) review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors;
- c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Upon conclusion of the meeting, the Independent Directors expressed their satisfaction over the performance of the other Directors and Board as a whole. They also expressed their satisfaction over the quality, quantity and flow of information between the Company management and the Board/ Committees of the Board from time to time.

iv. Annual Evaluation of the Board-

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees.

v. Declaration by Independent Directors -

The Company has received necessary declaration from each independent director under section 149(7) of the Companies Act, 2013 that he/ she meets the criteria of independent laid down in section 149(6) of the Companies Act, 2013.

b. Key Managerial Personnel:

The following officials of the Company continue to be the "Key Managerial Personnel" pursuant to the provisions of Section 203 of the Companies Act, 2013 and the applicable provisions of the SEBI (LODR) Regulations, 2015:

- Mr. Karan Bhagat, Managing Director,
- Mr. Yatin Shah, Whole Time Director,
- Mr. Mihir Nanavati, Chief Financial Officer and
- Mr. Ashutosh Naik, Company Secretary and Compliance Officer.

12. CORPORATE SOCIAL RESPONSIBILITY (CSR):

During the financial year, your Company deployed 2% of its average net profits (computed as per the relevant provisions of the Companies Act, 2013) of the preceding three years on CSR projects, refer Annexure II for Annual Report on CSR activities annexed with this report.

All CSR efforts have been directed towards identifying and undertaking projects that hold the potential to create long-term social impact, to empower marginalized communities and enhance their quality of life. In alignment with this objective, in FY18-19, the Company undertook a number of projects in the core areas of woman empowerment, sanitation, ensuring environmental sustainability, healthcare and education.

To ensure that CSR projects undertaken are implemented and monitored in a systematic manner, during the year, efforts were focused on establishing systems and processes for the same. Going forward, your Company seeks to broaden the scope of CSR projects and employ more funds towards a larger number of projects.

The Annual Report on CSR activities by the Company is annexed as **Annexure – II**.

13. PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company for the financial year 2018-19 is available for inspection at the registered office of the Company. Any shareholder interested

The details of options granted, vested, exercised, etc. are as follows:

A	Options granted during the year	1,70,028										
B	Exercise Price (per share)	2260 @ Rs. 19/- 2130 @ Rs. 16/- 110477 @ Rs. 282/- 131868 @ Rs. 339/- 31626 @ Rs. 417/-										
C	Options Vested during the year	9,22,484										
D	Options Exercised during the year	2,78,361										
E	Total no. of shares arising as result of exercise of Options	2,78,361										
F	Options lapsed (Reallocable)	1,65,368										
G	Variation in terms of Options	NIL										
H	Money realised by exercise of Options (In Rs.)	8,91,22,828										
I	Total number of options in force	34,91,631										
J	Employee wise details of options granted to:											
-	Key Managerial Personnel	<table border="1"> <thead> <tr> <th>Name</th> <th>Options</th> </tr> </thead> <tbody> <tr> <td>Mihir Nanavati, Chief Financial Officer</td> <td>None</td> </tr> <tr> <td>Ashutosh Naik, Company Secretary</td> <td>None</td> </tr> <tr> <td>Karan Bhagat, Managing Director</td> <td>None</td> </tr> <tr> <td>Yatin Shah, Whole-time Director</td> <td>None</td> </tr> </tbody> </table>	Name	Options	Mihir Nanavati, Chief Financial Officer	None	Ashutosh Naik, Company Secretary	None	Karan Bhagat, Managing Director	None	Yatin Shah, Whole-time Director	None
Name	Options											
Mihir Nanavati, Chief Financial Officer	None											
Ashutosh Naik, Company Secretary	None											
Karan Bhagat, Managing Director	None											
Yatin Shah, Whole-time Director	None											
-	any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	<table border="1"> <thead> <tr> <th>Name</th> <th>Options</th> </tr> </thead> <tbody> <tr> <td>Pramod Kumar A</td> <td>95,590</td> </tr> <tr> <td>Abhay Amrite</td> <td>37,633</td> </tr> <tr> <td>Vivek Banka</td> <td>15,051</td> </tr> <tr> <td>Srikumar R</td> <td>9,623</td> </tr> </tbody> </table>	Name	Options	Pramod Kumar A	95,590	Abhay Amrite	37,633	Vivek Banka	15,051	Srikumar R	9,623
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Vivek Banka	15,051											
Srikumar R	9,623											
-	identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding warrants and conversions) of the company at the time of grant	<table border="1"> <thead> <tr> <th>Name</th> <th>Options</th> </tr> </thead> <tbody> <tr> <td>-</td> <td>-</td> </tr> </tbody> </table>	Name	Options	-	-						
Name	Options											
-	-											

in obtaining a copy of the said information may write to the Company Secretary at the registered office of your Company.

Further, Disclosures pursuant to Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as an **Annexure III**

14. EMPLOYEE STOCK OPTION/ PURCHASE SCHEME:

The stock options granted to the employees of the Company and its subsidiaries currently operate under the following Schemes:

- IIFL Wealth Employee Stock Option Scheme – 2012
- IIFL Wealth Employee Stock Option Scheme – 2015

The disclosure requirements under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, for the aforesaid ESOP Schemes, in respect of the year ended March 31, 2019, are disclosed on the Company's website www.iiflwealth.com

15. RISK MANAGEMENT POLICY AND INTERNAL CONTROL ADEQUACY:

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuous basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

The Company has in place adequate internal controls with reference to financial statements and operations and the same are operating effectively. The Internal Auditors tested the design and effectiveness of the key controls and no material weaknesses were observed in their examination. Further, Statutory Auditors verified the Design and Implementation (D&I) of controls and testing of operating effectiveness of controls for material class of transactions, account balances and disclosures and have confirmed that they do not have any significant or material observations in relation of deficiencies in design and controls.

16. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY AND THE COMPANY'S FUTURE OPERATIONS:

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and the Company's future operations.

17. AUDITORS:

At the Annual General Meeting held on July 27, 2015, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018), were appointed as Statutory Auditors of the Company to hold office till the conclusion of the Annual General Meeting to be held in the year 2020.

18. FEMA COMPLIANCE:

With reference to Circular No.D/o IPP F. No. 5(1)/2017-FC-1 dated August 28, 2017 ("FDI Policy") relating to Foreign Direct Investment Policy, the

Company complied with FDI Policy and various circulars issued by Reserve Bank of India from time to time.

19. COMMENTS ON AUDITORS' REPORT:

There are no qualifications, reservations or observations by the Statutory Auditors in their report for the financial year ended March 31, 2019. The Statutory Auditors have not reported any incident of fraud under Section 143 (12) of the Companies Act, 2013 to the Audit Committee of the Company in the year under review.

20. SECRETARIAL AUDIT:

During the year under review, the Secretarial Audit was conducted by M/s.Mehta & Mehta, Practicing Company Secretaries. The report of the Secretarial Audit is annexed herewith as **Annexure - V**. There are no qualifications, reservations or observations in the Secretarial Audit report.

21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

The details of loans, guarantees or investments made are provided in the standalone financial statement (Please refer Note No. 7 and 8).

22. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All related party transactions that were entered during the financial year were in ordinary course of the business of the Company except the transaction stated in the Form AOC-2 annexed as **Annexure - VI** pursuant to Section 134(3)(h) read with Rule 8(2) of the Companies (Accounts) Rules, 2014 to be reported under Section 188(1) of the Companies Act, 2013. However, all the related party transactions were on arms' length basis. No contract/ arrangement has been entered by the Company with its promoters, directors, key managerial personnel or other persons which may have a potential conflict with the interest of the Company. The transactions

with related party are disclosed by way of notes to accounts vide note no. 33 in the standalone financial results of the Company for the financial year ended March 31, 2019.

The Company's policy on dealing with the Related Party Transactions is available on the Company's website: www.iiflwealth.com.

23. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on energy conservation, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is appended below:

Conservation of energy:

The Company is engaged in providing financial services and as such its operations do not account for substantial energy consumption. However, the Company is taking all possible measures to conserve energy. Several environment friendly measures were adopted by the Company such as:

- Installation of capacitors to save power,
- Installed Thin Film Transistor (TFT) monitors that saves power,
- Light Emitting Diode (LED) lights,
- Automatic power shutdown of idle monitors,
- Creating environmental awareness by way of distributing the information in electronic form,
- Minimizing air-conditioning usage,
- Shutting off all the lights when not in use, and
- Education and awareness programs for employees.

The management frequently puts circulars on corporate intranet, IWIN for the employees educating them on ways and means to conserve the electricity and other natural resources and ensures strict compliance of the same.

Technology absorption and innovation:

The management understands the importance of technology in the business segments it operates and lays utmost emphasis on system development and use of best technology available in the industry. The management keeps itself abreast of technological advancements in the industry and ensures continued and sustained efforts towards

absorption of technology, adaptation as well as development of the same to meet the business needs and objectives.

The management invested considerable resources in deploying the latest technologies in the areas of wide area networking using MPLS, video communications, VoIP, automated dialers and other customer relationship management (CRM) tools and software. The Company also made significant strides in using cloud technology for customer-facing servers providing rapid and inexpensive ramp-up or down of capacity in line with business requirements.

The management is aware of increasing threats in the Information Security domain and has taken several steps to ensure that the Company is safe guarded against hacking attacks, data leakage and security breaches. IT and certain business processes have been re-certified for ISO 27001 systems for practicing industry standard security implementations and processes. The management has invested resources in implementing controls and continuously monitoring violations, if any.

Research and Development (R & D): The Company is engaged in distribution of various financial products and advising clients on wealth management through mutual fund and alternative investment fund platform, which entails internal research of investment products, sectors and markets.

24. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013:

Your Company is committed to provide a work environment that ensures every woman employee is treated with dignity and respect and afforded equitable treatment. Your Company is also committed to promote a work environment that is conducive to the professional growth of its women employees and encourages equality of opportunity. Your Company will not tolerate any form of sexual harassment and is committed to take all necessary steps to ensure that its women employees are not subjected to any form of harassment.

Your Directors further state that your

Company has formulated and adopted a 'Policy for Prevention / Prohibition / Redressal of Sexual Harassment of Women at the Workplace', and that there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

25. DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, it is hereby confirmed that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

26. ANNEXURE(S) FORMING PART OF THIS REPORT OF DIRECTORS:

The Annexure(s) referred to in this Report and

other information which are required to be disclosed are annexed herewith and form a part of this Report of the Directors:

- Nomination and Remuneration Policy of the Company as Annexure I.
- Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2018-19– Annexure - II.
- Disclosures pursuant to Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as an Annexure III.
- Extract of Annual Return under Section 134(3)(a) of the Companies Act, 2013 read with Rule 12 (1) of Companies (Management & Administration) Rules, 2014. – Annexure IV
- Secretarial Audit Report for the financial year ended March 31, 2019 and Regulation 24 A of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 – Annexure – V;
- Form AOC-2 for disclosure of material related party transactions as an Annexure VI

ACKNOWLEDGEMENTS

Your Directors would like to place on record their gratitude for the valuable guidance and support received from regulatory agencies. Your Directors acknowledge the support of the members and also wish to place on record their appreciation of employees for their commendable efforts, teamwork and professionalism.

For and on behalf of the Board of Directors

Karan Bhagat
Managing Director
DIN: 03247753

Venkatraman Rajamani
Director
DIN: 00011919

Date: August 21, 2019

Place: Mumbai

ANNEXURES TO THE DIRECTORS' REPORT

ANNEXURE I

NOMINATION AND REMUNERATION POLICY

I. OBJECTIVE:

This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been approved by the Nomination and Remuneration Committee (the Committee) and Board of Directors.

II. DEFINITIONS:

1. "Act" means the Companies Act, 2013 and Rules framed there under, as amended from time to time.
2. "Board" means Board of Directors of the Company.
3. "Key Managerial Personnel" (KMP) means:
 - Managing Director, or Chief Executive Officer or Manager
 - Whole-time Director;
 - Chief Financial Officer;
 - Company Secretary; and such other officer as may be prescribed.
4. "Research Analysts" shall have the same meaning as defined under the SEBI (Research Analysts) Regulation, 2014 as amended from time to time.
5. "Senior Management" means the personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

Unless the context other wise requires, words and expressions used in this policy and not defined here in but defined in the Companies Act, 2013 / Listing agreement (wherever applicable) as may be amended from time to time shall have the meaning respectively assigned to them there in.

III. ROLE OF COMMITTEE:

- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- To recommend to the Board on policy on

Remuneration payable to the Directors, Key Managerial Personnel, Senior Management and other employees.

- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To devise a policy on Board diversity.

IV. APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT:

1. Appointment Criteria and Qualifications:

- a) A person being appointed as director, KMP or in senior management should possess adequate qualification, expertise and experience for the position he/she is considered for appointment.

b) Independent Director:

(i) Qualifications of Independent Director:

An Independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the company's business.

(ii) Positive attributes of Independent Directors:

An independent director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide

manner in the interest of the company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the company in implementing the best corporate governance practices.

2. **Removal:**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

3. **Retirement:**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

V. **REMUNERATION:**

A. **Directors:**

a. **Executive Directors (Managing Director, Manager or Whole Time Director):**

- (i) At the time of appointment or re-appointment, the Executive Directors shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) within the overall limits prescribed under the Companies Act, 2013.
- (ii) The remuneration shall be subject to the approval of the Members of the Company in General Meeting as per the requirement of the Companies Act, 2013.
- (iii) The remuneration of the Manager/ CEO/ Managing Director/ Whole Time Director is broadly divided into fixed and incentive pay reflecting short and

long term performance objectives appropriate to the working of the Company. In determining the remuneration (including the fixed increment and performance bonus), the Committee shall consider the following:

- the relationship of remuneration and performance benchmark;
- balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
- responsibility required to be shouldered, the industry benchmarks and the current trends;
- the Company's performance vis-à-vis the annual budget achievement and individual performance.

b. **Non-Executive Director:**

- (i) The Non-Executive Independent Director may receive fees for attending meeting of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rupees One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
- (ii) A Non-Executive Director may be paid commission on an annual basis, of such sum as may be approved by the Board on the recommendation of the Committee.
- (iii) The Committee may recommend to the Board, the payment of commission, to reinforce the principles of collective responsibility of the Board.
- (iv) In determining the quantum of

commission payable to the Directors, the Committee shall make its recommendation after taking into consideration the overall performance of the Company and the onerous responsibilities required to be shouldered by the Director.

- (v) The total commission payable to the Directors shall not exceed prescribed limits as specified under Companies Act, 2013.
- (vi) The commission shall be payable on prorated basis to those Directors who occupy office for part of the year.

B. KMP & Senior Managerial Personnel:

The remuneration to the KMP and Senior Management Personnel will be based on following guidelines:

- a. maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company;
- b. compensation should be reasonable and sufficient to attract retain and motivate KMP and senior management;
- c. Remuneration payable should comprise of a fixed component and a performance linked variable based on the extent of achievement of individual performance vis-a-vis overall performance of the company;
- d. Remuneration shall be also considered in form of long term incentive plans for key employees, based on their contribution, position and length of service, in the nature of ESOPS/ESPS.

C. Research Analysts:

- (i) The compensation of all individuals employed as Research Analyst shall be reviewed, documented and approved at least annually by the Committee
- (ii) While approving the compensation of the Research Analysts, the Committee shall not consider:
 - a. Any specific merchant banking or investment banking or brokerage services transaction which might have

happened because of the services of the Research Analyst; and

- b. Any contribution made by the Research Analyst to the Company's investment banking or merchant banking or brokerage services business other than that of preparing and / or providing research reports.

VI. EVALUATION:

The Committee shall carry out evaluation of performance of every Director at regular interval (yearly). The Committee shall also formulate and provide criteria for evaluation of Independent Directors and the Board as a whole, if applicable.

VII. OTHER DETAILS:

Membership

The Committee shall consist of minimum 3 non-executive directors, majority of them being independent. The Chairperson of the Committee shall be an Independent Director. The Chairperson of the Company shall not be a Chairman of the Committee. The term of the Committee shall be continued unless terminated by the Board of Directors.

Frequency of Meetings

The meeting of the Committee shall be held at such regular intervals as may be required. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

Secretary

The Company Secretary of the Company shall act as Secretary of the Committee. In absence of Company Secretary, the Committee may designate any other officials or any of the members of the Committee who shall act a Secretary of the Committee.

For and on behalf of the Board of Directors

Karan Bhagat
Managing Director
DIN: 03247753

Venkatraman Rajamani
Director
DIN: 00011919

Date: August 21, 2019
Place: Mumbai

ANNEXURE II

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES
FOR THE FINANCIAL YEAR 2018-19**

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies
(Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	<p>The CSR Policy and projects of IIFL Wealth Management Ltd. are steered by the same values that guide the business of the IIFL Group of Companies. It can be summarized in one acronym – GIFTS, which stands for:</p> <ul style="list-style-type: none"> • Growth • Integrity • Fairness • Transparency • Service Orientation <p>By applying these values to the CSR projects, IIFL Wealth Management Limited undertakes initiatives that create sustainable growth and empowers underprivileged sections of society.</p> <p>The focus areas prioritized by IIFL Wealth Management Limited in its CSR strategy are given below:</p> <ul style="list-style-type: none"> • Support to the Differently - Tamil Nadu, Maharashtra. • Promotion of Education for underprivileged - North India • Sapling Plantation • Medical camps for the lesser privileged - Karnataka • Gender Empowerment – Financial Literacy • Development of National Level Sports • Health • Education <p>*The CSR Policy adopted by IIFL Group of companies is available on https://www.iifl.com/sites/default/files/pdf/IIFL_CSR_policy.pdf</p>
2. The Composition of the CSR Committee	<p>CSR Committee of the Company comprises of:</p> <p>(i) Mr. Nilesh Vikamsey, (ii) Mr. Nirmal Jain, (iii) Mr. Karan Bhagat, and (iv) Mr. Sandeep Naik</p>
3. Average net profit of the company for last three financial years	INR 1,57,69,41,779/-
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	INR 3,15,38,836/-
5. Details of CSR spent during the financial year	<p>a) Total amount to be spent for the financial year; INR 3,15,38,836/-</p> <p>b) Amount Spent; and INR 3,15,38,836 /-</p> <p>c) Amount unspent, if any. NIL</p>

Manner in which the amount spent during the financial year is detailed below:

SR. NO	PROJECTS/ ACTIVITIES	SECTOR	LOCATIONS	AMOUNT OUTLAY (BUDGET) PROJECTS OR PROGRAMS WISE (INR)	AMOUNT SPENT ON THE PROJECTS OR PROGRAMS (INR)	CUMULATIVE EXPENDITURE UPTO REPORTING PERIOD (INR)	AMOUNT SPENT : DIRECT OR THROUGH IMPLEMENTING AGENCY (INR)
1	Support to the Differently	Differently Abled	Chennai (Tamil Nadu), Pune Mumbai (Maharashtra)	36,15,000/-	Direct - 36,15,000/-	36,15,000/-	36,15,000/- Through India Infoline Foundation
2	Promotion of Education for underprivileged	Education	Uttarakhand Chhattisgarh Jharkhand Haryana Himachal Pradesh Uttar Pradesh	1,25,00,000/-	Direct - 1,25,00,000/-	1,25,00,000/-	1,25,00,000/- Through India Infoline Foundation
3	Sapling Plantation	Environment	Maharashtra	4,25,000/-	Direct - 4,25,000/-	4,25,000/-	4,25,000/- Through India Infoline Foundation
4	Medical camps for the lesser privileged	Health	Bangalore (Karnataka)	36,50,000/-	Direct - 36,50,000/-	36,50,000/-	36,50,000/- Through India Infoline Foundation
5	Gender Empowerment – Financial Literacy	Education & Women Empowerment	West Bengal Karnataka Uttar Pradesh	20,62,500/-	Direct - 20,62,500/-	20,62,500/-	20,62,500/- Through India Infoline Foundation
6	Development of National Level Sports	Promotion of Sports	Across India	33,15,790/-	Direct - 33,15,790	33,15,790/-	33,15,790/- Through India Infoline Foundation
7	Construction of Sanitation Facility at Govt. Schools	Health	Uttar Pradesh Tamil Nadu	16,37,382/-	Direct - 16,37,382/-	16,37,382/-	16,37,382/- Through India Infoline Foundation
8	Developmental support to children with special needs	Differently Abled	Chennai Erode Tirunelveli (Tamil Nadu)	13,00,000/-	Direct - 13,00,000/-	13,00,000/-	13,00,000/- Through India Infoline Foundation
9	Promotion of Education to school dropout children	Education	Rajasthan	30,33,164/-	Direct - 30,33,164/-	30,33,164/-	30,33,164/- Through India Infoline Foundation

Brief description of key projects:**1) Support to the Differently Abled – Impaired Vision:**

Interventions were done primarily at Chennai Pune and Mumbai, by setting up free eye check-up camps. The patients were screened and then, accordingly offered further treatment viz. provision of spectacles, cataract operations, etc.

2) Promotion of Education for underprivileged:

The initiative aims to ensure optimal Math and English education using innovative teacher training and pedagogy, enabling teachers to deliver better quality education to children in the primary grades studying in the government school system. The focus is over primary education in government schools to improve the overall learning outcomes.

3) Sapling Plantation:

Activities to transform the village into 'Green' by engaging the adolescent population to plant and conserve trees. The intervention was strengthened through active participation by the communities, as the sarpanch, ward-panch and local bodies joined the drive to sustain the activity in coming time.

4) Medical camps for the lesser privileged:

Medical camps addressing multiple facets to better health were conducted across the year. Along with the provision of medical treatment, a special emphasis was over creating awareness through touching topics as – Early Cancer Detection, Diet education for diabetic, CPR, First Aid, Yoga, etc.

5) Gender Empowerment – Financial Literacy:

Educating women from self-help groups from various urban and rural locations, to understand the nuances of financial discipline, savings & investments. The initiative also helped to spread awareness amongst the illiterate and economically poor people about the government welfare schemes so to protect them not only from deprivation but also get access to the benefits of such schemes. They are also made aware about the benefit of Right To Information (RTI) Act through which they can raise their queries if there is any occurrence of inconvenience.

6) Development of National level Sports:

India has always lacked behind in sports despite having no dearth of talent and people. What is needed is adequate exposure, proper coaching and support to the players. India Infoline Foundation organizes grass root level yet International class sports tournaments to not only identify but nurture talent and provide necessary platform for the budding sports enthusiast to excel and move up the charts.

7) Construction of Sanitation Facility at Govt. Schools:

Providing access to toilets in schools by constructing new toilets or renovating existing facilities. The initiative included clubbing the construction of toilets with comprehensive health and hygiene education to ensure awareness among the community and the children, alike.

8) Developmental support to children with special needs:

Children with brain damage have difficulty developing on par with their neuro-typical peers in all categories of development, e.g. mental, intellectual, physical and emotional. As a result, they need external support and stimulus to develop these skills. The designed intervention helps to create self-awareness in the child; builds social skills, communication and cognition. The target group comprised of Children with special needs with developmental age less than 5 years old. The focus was early intervention and Mother's Skill Development, by providing the right environment to bring the child up to the mental age of 5 years, to enable them to lead as independent a life as possible.

9) Promotion of Education to school dropout children:

It is a matter of great concern and shame that girls in large number continue to be out of school and remain illiterate. This problem is particularly severe in northern state of

Rajasthan. India Infoline Foundation has vowed to change this in next few years through starting community schools which are multi grade multi-level schools started in the villages as per the convenience of the girls to enable them to get educated. With 1156 such schools called “Sakhion ki Baadi” across 10 districts, India Infoline foundation has already brought back over 34,452 girls into the fold of education. By 2020, we are aiming towards 100% eradication of Illiteracy from Villages that we work at.

Responsibility statement of the CSR Committee

Through this report, IIFL Wealth Management Limited seeks to communicate its commitment towards CSR to the Ministry of Corporate Affairs. The implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and policies as laid down in this report. The Board of the company and the CSR Committee is responsible for the integrity and the objectivity of all the information provided in the disclosure above. All projects reported have been selected based on careful evaluation of the extent to which they create sustainable positive outcomes for

marginalized segments of society. The company has adopted measures to ensure that these projects are implemented in an effective and efficient manner so that they are able to deliver maximum potential impact. In line with the requirements of the Section 135, the company has also established a monitoring mechanism to track the progress of its CSR projects.

For and on behalf of the Board of Directors

Karan Bhagat

Chairman, CSR

Committee & Director

DIN: 0010535

Date: August 21, 2019

Place: Mumbai

Nirmal Jain

Director

DIN: 03247753

***NOTE:** The Company has adopted the Policy on Corporate Social Responsibility (“CSR Policy”) on June 25, 2019 applicable for IIFL Wealth group companies and is available on the Company’s website –<https://www.iiflwealth.com/Corporate-Governance>

ANNEXURE III

Disclosures pursuant to Rule 5 of Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014:

1. Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:

S/n.	Name of Director	Designation	Ratio
1.	Mr. Karan Bhagat	Managing Director	27
2.	Mr. Yatin Shah	Whole-time Director	21
3.	Mr. Nirmal Jain	Non-Executive Director and Chairman	NA
4.	Mr. Venkataraman Rajamani	Non-Executive Director	NA
5.	Mr. Shantanu Rastogi	Non-Executive Director	NA
6.	Mr. Sandeep Naik	Non-Executive Director	NA
7.	Mr. Nilesh Vikamsey	Independent Director	NA
8.	Ms. Geeta Mathur	Independent Director	NA
9.	Mr. Amit Shah*	Non-Executive Director	NA

*Mr. Amit Shah resigned w.e.f January 24, 2019.

2. Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

S/n.	Name of Director	Designation	% increase in Remuneration
1.	Mr. Karan Bhagat	Managing Director	8%
2.	Mr. Yatin Shah	Whole-time Director	9%
3.	Mr. Mihir Nanavati	Chief Financial Officer	*82%
4.	Mr. Ashutosh Naik	Company Secretary	17%

*Mr. Mihir Nanavati, Chief Financial Officer was appointed in December 2016 and accordingly his remuneration for Fy2017-18 was for a part of the year. His remuneration for FY 2018-19 is for the full year (including bonus) and accordingly the increase has been calculated.

3. Percentage increase in the median remuneration of employees in the financial year:

For employees who were in employment for the whole of FY 2017-18 and FY 2018-19 increase in median remuneration is 37%

4. Number of permanent employees on the rolls of company at the end of the year : 599

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

For employees other than managerial personnel who were in employment for the whole of FY 2017-18 and 2018-19 the average percentile increase is 11% and 9% excluding ESOP's.

6. Affirmation that the remuneration is as per remuneration policy of the Company:

The Company is in compliance with its Nomination and Remuneration Policy.

For and on behalf of the Board of Directors

Karan Bhagat

Managing Director

DIN: 03247753

Venkataraman Rajamani

Director

DIN: 00011919

Date: August 21, 2019

Place: Mumbai

ANNEXURE IV**FORM NO. MGT-9****EXTRACT OF ANNUAL RETURN**

AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2019

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

I. REGISTRATION AND OTHER DETAILS:

i) CIN:	U74140MH2008PLC177884
ii) Registration Date	17/01/2008
iii) Name of the Company	IIFL Wealth Management Limited
iv) Category/ Sub-Category of the Company	Non- Government Public Company Limited by shares
v) Address of the Registered office and contact details	IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai - 400013 Tel No.: 022-48765600, Fax No.: 022-46464706
vi) Whether listed company	No
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	Link In time India Private Limited C101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai - 400083. Tel: +91 22 49186000 Fax: +91 22 2594 6969 E-mail : mumbai@linkintime.co.in Website: www.linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company are given below:-

NAME AND DESCRIPTION OF MAIN PRODUCTS/ SERVICES	NIC CODE OF THE PRODUCT/ SERVICE *	% TO TOTAL TURNOVER OF THE COMPANY
Distribution fees, Commission and related Income	6619	98.93%

* As per National Industrial Classification – Ministry of Statistics and Programme Implementation

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

SR. NO.	NAME OF THE COMPANY	ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	IIFL Holdings Limited	IIFL House, Sun Infotech Park, Road No. 16V, Plot No.B-23, Thane Industrial Area, Wagle Estate, Thane, Maharashtra, 400604.	L74999MH1995PLC093797	Holding Company	53.24	2(46)
2	IIFL Asset Management Limited	6th Floor, IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai- 400013	U74900MH2010PLC201113	Subsidiary Company	100	2(87)
3	IIFL Trustee Limited	6th Floor, IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai- 400013	U74990MH2009PLC193063	Subsidiary Company	100	2(87)

SR. NO.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION	
4	IIFL Investment Adviser and Trustee Services Limited	IIFL Centre, Kamala Mills, Senapati Bapat Marg, Lower Parel (W), Mumbai-400013 IN	U74990MH2010PLC211334	Subsidiary Company	100	2(87)
5	IIFL Distribution Services Limited	IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel Mumbai-400013 IN	U45201MH1995PLC228043	Subsidiary Company	100	2(87)
6	IIFL Alternate Asset Advisors Limited	IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel West, Mumbai- 400013	U74120MH2011PLC219930	Subsidiary Company	100	2(87)
7	IIFL Wealth Finance Limited	6th Floor, IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai- 400013	U65990MH1994PLC080646	Subsidiary Company	100	2(87)
8	IIFL Wealth Securities IFSC Limited	412, Building No. 13-B, Block No.-13, Zone-1, Road 1C, GIFT SEZ, GIFT City, Gandhinagar- 382355	U65999GJ2018PLC102974	Subsidiary Company	100	2(87)
9	IIFL Wealth Advisors (India) Limited	Lemuir House, 10, G.N. Chetty Road, T. Nagar, Chennai 600017	U74140TN2004PLC053285	Subsidiary Company	100	2(87)
10	IIFL Altiore Advisors Private Limited	Plot No.11B, Survey No.40/9, Devasandra, Industrial Area, 2nd Stage, K.R. Puram, Bangalore 560048	U74999KA2016PTC097306	Subsidiary Company	100	2(87)
11	IIFL Private Wealth Management (Dubai) Limited	Unit 808, Level 8, Liberty House, Dubai International Financial Centre, Dubai, 115 064, United Arab Emirates	Not Applicable	Subsidiary Company	100	2(87)
12	IIFL Inc	1120 Avenue of the Americas, Suite 1502, New York, NY 10036, United States of America	Not Applicable	Subsidiary Company	100	2(87)
13	IIFL Private Wealth Hong Kong Ltd	Room 902, 9/F, Wilson House, 19-27 Wyndham Street, Central, Hong Kong	Not Applicable	Subsidiary Company	100	2(87)
14	IIFL Asset Management (Mauritius) Limited	5th Floor, Barkly Wharf Le Caudan Waterfront Port Louis, Mauritius	Not Applicable	Subsidiary Company	100	2(87)
15	IIFL (Asia) Pte. Limited	Oue Downtown 2, # 12-11, 6 Shenton Way, Singapore – 068 809	Not Applicable	Subsidiary Company	100	2(87)
16	IIFL Capital Pte. Limited	Oue Downtown 2, # 12-11, 6 Shenton Way, Singapore – 068 809	Not Applicable	Subsidiary Company	100	2(87)
17	IIFL Securities Pte. Limited	Oue Downtown 2, # 12-11, 6 Shenton Way, Singapore – 068 809	Not Applicable	Subsidiary Company	100	2(87)
18	IIFL Capital (Canada) Limited	Regus First Canadian Place, 100 King St W Suite 5600, Toronto, ON M5X 1E3, Canada	Not Applicable	Subsidiary Company	100	2(87)

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY):

i) Category-wise Shareholding

CATEGORY OF SHAREHOLDERS	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR (1ST APRIL 2018)				NO. OF SHARES HELD AT THE END OF THE YEAR (31ST MARCH 2019)				% CHANGE DURING THE YEAR	
	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES		
A. Promoters										
(1) Indian										
a) Individual/HUF	0	0	0	0.00	93,02,401*	0	93,02,401*	11.01*	11.01*	
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00	
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00	
d) Bodies Corp.	4,50,00,000	0	4,50,00,000	56.42	4,50,00,000	0	4,50,00,000	53.24	-3.18	
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00	
f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00	
Sub-total (A)(1):-	4,50,00,000	0	4,50,00,000	56.42	5,43,02,401	0	5,43,02,401	64.25	7.83	
(2) Foreign										
a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00	
b) Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00	
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00	
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00	
e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00	
Sub-total (A)(2):-	0	0	0	0.00	0	0	0	0.00	0.00	
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	4,50,00,000	0	4,50,00,000	56.42	5,43,02,401	0	5,43,02,401	64.25	7.83	
B. Public Shareholding										
1. Institutions										
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00	
b) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00	
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00	
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00	
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00	
f) Insurance Companies	0	0	0	0.00	3,00,000	0	3,00,000	0.35	0.35	
g) FII's	0	0	0	0	0	0	0	0	0	
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00	
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00	
Sub-total (B)(1):-	0	0	0	0	3,00,000	0	3,00,000	0.35	0.35	
2. Non-Institutions										
a) Bodies Corp.	0	0	0	0	0	0	0	0	0	
i) Indian	0	0	0	0.00	0	0	0	0.00	0.00	
ii) Overseas	18053050	0	18053050	22.64	2,22,42,550	0	2,22,42,550	26.31	3.67	
b) Individuals										
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1224109	Nil	1224109	1.53	14,21,918	Nil	14,21,918	1.68	0.15	

CATEGORY OF SHAREHOLDERS	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR (1ST APRIL 2018)				NO. OF SHARES HELD AT THE END OF THE YEAR (31ST MARCH 2019)				% CHANGE DURING THE YEAR
	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	15476304	Nil	15476304	19.42	62,54,455	Nil	62,54,455	7.39	(12.03)
c) Others (specify)	0	0	0	0.00	0	0	0	0	0
Sub-total (B)(2):-	34,75,3463	Nil	34,75,3463	43.59	2,99,18,923	Nil	2,99,18,923	35.39	(8.20)
Total Public Shareholding (B)=(B)(1)+(B)(2)	34,75,3463	Nil	34,75,3463	43.59	3,02,18,923	Nil	3,02,18,923	35.75	(7.84)
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	79753463	0	79753463	100	8,45,21,324	0	8,45,21,324	100	0

*Note: Mr. Karan Bhagat and Mr. Yatin Shah were re-classified as the promoters of the Company w.e.f June 19, 2018.

ii) Shareholding of Promoters

SHAREHOLDER'S NAME	SHAREHOLDING AT THE BEGINNING OF THE YEAR (1ST APRIL 2018)			SHAREHOLDING AT THE END OF THE YEAR (31ST MARCH 2019)			% CHANGE IN SHAREHOLDING DURING THE YEAR
	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	% OF SHARES PLEDGED / ENCUMBERED TO TOTAL SHARES	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	% OF SHARES PLEDGED / ENCUMBERED TO TOTAL SHARES	
IIFL Holdings Limited*	45,00,0000	56.42	0	45,00,0000	53.24	0	(3.18)
Karan Bhagat**	0	0	0	59,91,875	7.09	0	7.09
Yatin Shah**	0	0	0	33,10,526	3.92	0	3.92
Total	45,00,0000	56.42	0	5,43,02,401	64.25	0	7.83

*Note: * The shareholding of IIFL Holdings Limited in the Company provided herein above is as per Benpos dated March 30, 2019. Please refer Note no.20 Share Capital and Note no.2.1 Basis of Preparation and Presentation, of the Audited Standalone Financial Statements of the Company for the Financial Year 2018-19, for impact on shareholding post effect of the Composite Scheme of Arrangement amongst the Company, IIFL Holdings Limited, India Infoline Media & Research Services Limited, IIFL Securities Limited, India Infoline Finance Limited and IIFL Distribution Services Limited and their respective shareholders.

**Mr. Karan Bhagat and Mr. Yatin Shah were re-classified as the promoters of the Company w.e.f June 19, 2018.

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

	SHAREHOLDING AT THE BEGINNING OF THE YEAR (AS ON 01-04-2018)		CUMULATIVE SHAREHOLDING DURING THE YEAR (31-03-2019)	
	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY
At the beginning of the year*	4,50,00,000	56.42	4,50,00,000	56.42
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):**				
Re-classification of promoters of the Company by including Mr. Karan Bhagat and Mr. Yatin Shah as the promoters of the company in addition to IIFL Holdings Limited on 19.06.2018	93,02,401	11.01	5,43,02,401	64.25
Decrease in the percentage of shareholding of IIFL Holdings Limited The decrease in shareholding is due to the allotment of equity shares by the Company on preferential allotment basis on June 22, 2018.		(3.18)		64.25
At the end of the year	5,43,02,401	64.25	5,43,02,401	64.25

*The shareholding of IIFL Holdings Limited in the Company provided herein above is as per Benpos dated March 30, 2019. Please refer Note no.20 Share Capital and Note no.2.1 Basis of Preparation and Presentation, of the Audited Standalone Financial Statements of the Company for the Financial Year 2018-19, for impact on shareholding post effect of the Composite Scheme of Arrangement amongst the Company, IIFL Holdings Limited, India Infoline Media & Research Services Limited, IIFL Securities Limited, India Infoline Finance Limited and IIFL Distribution Services Limited and their respective shareholders.

**Mr. Karan Bhagat and Mr. Yatin Shah were re-classified as the promoters of the Company w.e.f June 19, 2018.

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

SR. NO.	FOR EACH OF TOP 10 SHAREHOLDERS	SHAREHOLDING AT THE BEGINNING OF THE YEAR		CUMULATIVE SHAREHOLDING DURING THE YEAR	
		NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY
1.	General Atlantic Singapore Fund Pte. Ltd				
	At the beginning of the year	1,80,53,050	22.64	1,80,53,050	22.64
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	5,66,500 equity shares were allotted on August 10, 2018	0.67	1,86,19,550	22.02
	At the End of the year (or on the date of separation, if separated during the year)	1,86,19,550	22.02	1,86,19,550	22.02

SR. NO.	FOR EACH OF TOP 10 SHAREHOLDERS	SHAREHOLDING AT THE BEGINNING OF THE YEAR		CUMULATIVE SHAREHOLDING DURING THE YEAR	
		NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY
2.	Amansa Holdings Private Limited				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	Allotment of 10,92,000 equity shares on June 22, 2018	1.29	10,92,000	1.29
	At the End of the year (or on the date of separation, if separated during the year)	10,92,000	1.29	10,92,000	1.29
3.	WF Asian Reconnaissance Fund Limited				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	Allotment of 10,92,000 equity shares on June 22, 2018	1.29	10,92,000	1.29
	At the End of the year (or on the date of separation, if separated during the year)	10,92,000	1.29	10,92,000	1.29
4.	Rimco (Mauritius) Limited				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	Allotment of 10,92,000 equity shares on June 22, 2018	1.29	10,92,000	1.29
	At the End of the year (or on the date of separation, if separated during the year)	10,92,000	1.29	10,92,000	1.29
5.	Anirudha Taparua				
	At the beginning of the year	5,28,000	0.66	5,28,000	0.66
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	5,28,000	0.62
	At the End of the year (or on the date of separation, if separated during the year)	5,28,000	0.62	5,28,000	0.62
6.	Jiten Surtani				
	At the beginning of the year	4,23,070	0.53	4,23,070	0.53
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	ESOP Allotment dated September 27, 2018 of 13184 shares.	0.01	4,36,254	0.52
	At the End of the year (or on the date of separation, if separated during the year)	4,36,254	0.52	4,36,254	0.52

SR. NO.	FOR EACH OF TOP 10 SHAREHOLDERS	SHAREHOLDING AT THE BEGINNING OF THE YEAR		CUMULATIVE SHAREHOLDING DURING THE YEAR	
		NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY
7.	Pravin Bhalerao				
	At the beginning of the year	4,00,000	0.50	4,00,000	0.50
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	4,00,000	0.47
	At the End of the year (or on the date of separation, if separated during the year)	4,00,000	0.47	4,00,000	0.47
8.	Vinay Ahuja				
	At the beginning of the year	4,00,000	0.50	4,00,000	0.50
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	4,00,000	0.47
	At the End of the year (or on the date of separation, if separated during the year)	4,00,000	0.47	4,00,000	0.47
9.	Sandeep Jethwani				
	At the beginning of the year	3,10,464	0.39	3,10,464	0.39
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	3,10,464	0.37
	At the End of the year (or on the date of separation, if separated during the year)	3,10,464	0.37	3,10,464	0.37
10.	Umang Papneja				
	At the beginning of the year	3,05,482	0.38	3,05,482	0.38
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	3,05,482	0.36
	At the End of the year (or on the date of separation, if separated during the year)	3,05,482	0.36	3,05,482	0.36

NOTE: * The changes in the % of the shareholding of the above shareholders was due to allotment of equity shares under ESOS to the employees and preferential issue during the year.

v) Shareholding of Directors and Key Managerial Personnel:

NAME	SHAREHOLDING		DATE	INCREASE/ (DECREASE) IN SHARE HOLDING*	REASON	CUMULATIVE SHAREHOLDING DURING THE YEAR (01-04-18 TO 31-03-19)	
	NO. OF SHARES AT THE BEGINNING (01-04-18)/ END OF THE YEAR (31-03-18)	% OF TOTAL SHARES OF THE COMPANY				NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY

A. DIRECTORS:

1. Karan Bhagat, Managing Director	48,10,526	6.03				48,10,526	6.03
	11,75,819		14-06-2018	Increase in Shareholding	Shares Purchased	59,86,345	7.50
	5,530		27-07-2018	Increase in shareholding	Shares Purchased	59,91,875	7.15
2. Yatin Shah, Executive Director	33,10,526	4.15	-	-	-	33,10,526	3.92
3. Amit Shah, Non-Executive Director	27,18,421 (11,50,000)	3.41 (1.44)	14-04-2018	Decrease in shareholding	Shares sold	27,18,421 15,68,421	3.41 1.85
	15,68,421		-	-	-	15,68,421	1.85

B. Key Managerial Personnel (KMP's)

1. Mr. Ashutosh Naik	6,654	0.01	-	-	-	6,654	0.008
	1,346	0.00	27-09-2018	Increase in shareholding	ESOP Allotment	8,000	0.009
	8,000	0.009				8,000	0.009
2. Mihir Nanavati	0	0	0	0	0	0	0

NOTE: * The changes in the % of the shareholding of the above shareholders was due to allotment of equity shares under ESOS to the employees and preferential issue during the year.

V. Indebtedness: Indebtedness of the Company including interest outstanding / accrued but not due for payments:

(Amounts in ₹)

PARTICULARS	SECURED LOANS EXCLUDING DEPOSITS	UNSECURED LOANS	DEPOSITS	TOTAL INDEBTEDNESS
Indebtedness at the beginning of the financial year				
i) Principal Amount	16,337,468.00	-	4,000,000,000.00	4,016,337,468.00
ii) Interest due but not paid	-	-	(38,102,821.00)	(38,102,821.00)
iii) Interest accrued but not due			-	-
Total (i+ii+iii)	16,337,468.00	-	3,961,897,179.00	3,978,234,647.00
Change in Indebtedness during the financial year				
• Addition		38,714,795,592.00	177,000,000,000.00	215,714,795,592.00
• Reduction	6,720,520.00	(38,228,699,397.00)	(177,500,000,000.00)	(215,721,978,877.00)
Net Change	(6,720,520.00)	486,096,195.00	(500,000,000.00)	(20,624,325.00)
Indebtedness at the end of the financial year				
i) Principal Amount	9,616,948.00	486,096,195.00	3,500,000,000.00	3,995,713,143.00
ii) Interest due but not paid		2,230,662.00	(26,707,697.00)	(24,477,035.00)
iii) Interest accrued but not due			-	-
Total (i+ii+iii)	9,616,948.00	488,326,857.00	3,473,292,303.00	3,971,236,108.00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

PARTICULARS OF REMUNERATION	NAME OF MD/WTD/ MANAGER		TOTAL AMOUNT (RS.)
	KARAN BHAGAT	YATIN SHAH	
1. Gross salary			
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,76,74,006.00	3,81,00,184.00	8,57,74,190.00
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil
2. Stock Option	Nil	Nil	Nil
3. Sweat Equity	Nil	Nil	Nil
4. Commission			
- as % of profit	Nil	Nil	Nil
- others, specify	Nil	Nil	Nil
5. Others, please specify (PF)	25,04,641.06	19,78,662.42	44,83,303.48
TOTAL (A)	5,01,78,647.06	4,00,78,846.42	9,02,57,493.48
Ceiling as per the Act	₹ INR 20.65 Crore (being 10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)		

B. Remuneration to other directors:

PARTICULARS OF REMUNERATION	NAME OF DIRECTORS							TOTAL AMOUNT (₹)
	MR. NIRMAL JAIN	MR. R VENKATARAMAN	MR. NILESH VIKAMSEY	MS. GEETA MATHUR	MR. AMIT SHAH	MR. SANDEEP NAIK	MR. SHANTANU RASTOGI	
i. Independent Directors								
- Fee for attending board/ committee meetings	-	-	5,40,000	5,70,000	-	-	-	11,10,000
- Commission	-	-	1,000,000	5,00,000	-	-	-	15,00,000
- Others, please specify	-	-	-	-	-	-	-	-
TOTAL (1)	-	-	15,40,000	10,70,000	-	-	-	26,10,000
ii. Other Non-Executive Directors								
- Fee for attending board/ committee meetings	-	-	-	-	-	-	-	-
- Commission	-	-	-	-	-	-	-	-
- Others, please specify	-	-	-	-	-	-	-	-
TOTAL (2)	-	-	-	-	-	-	-	-
TOTAL (B)= (1+2)	-	-	15,40,000	10,70,000	-	-	-	26,10,000

Total Managerial Remuneration*: ₹ 9,28,67,493.48/- (includes commission paid to other Director, i.e., Independent Directors)

Overall Ceiling as per the Act Ceiling for Total Managerial Remuneration – 10% of **Net profit, i.e., ₹ 20.65 Crore.

Ceiling for Total Remuneration to other Directors – 1% of the **Net Profit, i.e., ₹ 2.065 Crore.

**Net profit calculated as per Section 198 of the Companies Act, 2013

NOTE: *Total Managerial Remuneration includes remuneration to Managing Director, Whole-Time Directors and other Directors.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

PARTICULARS OF REMUNERATION	KEY MANAGERIAL PERSONNEL		TOTAL AMOUNT (RS.)
	CFO (MIHIR NANAVATI)	COMPANY SECRETARY (ASHUTOSH NAIK)	
1. Gross salary			
a. Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	2,01,54,542	1,18,09,735	3,19,64,277
b. Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-
c. Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2. Stock Option	-	18,56,134	18,56,134
3. Sweat Equity	-	-	-
4. Commission			
- as % of profit			
- others, specify	-	-	-
5. Others, please specify	7,04,178	0	7,04,178
TOTAL	2,08,58,720	1,36,65,869	3,45,24,589

VII. PENALTIES / PUNISHMENT/COMPOUNDING OF OFFENCES:

TYPE	SECTION OF THE COMPANIES ACT	BRIEF DESCRIPTION	DETAILS OF PENALTY / PUNISHMENT/ COMPOUNDING FEES IMPOSED	AUTHORITY [RD / NCLT/ COURT]	APPEAL MADE, IF ANY (GIVE DETAILS)
A. Company					
Penalty			NIL		
Punishment					
Compounding					
B. Directors					
Penalty			NIL		
Punishment					
Compounding					
C. Other Officers In Default					
Penalty			NIL		
Punishment					
Compounding					

Date: August 21, 2019

Place: Mumbai

ANNEXURE V

Form MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31STMARCH, 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

IIFL Wealth Management Limited

IIFL Centre, Kamala City, S.B. Marg

Lower Parel, West,

Mumbai - 400013

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **IIFL Wealth Management Limited** (hereinafter called "the Company"). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliance' and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the

extent of Foreign Direct Investment;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (during the period under review not applicable to the Company);
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (during the period under review not applicable to the Company);
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (during the period under review not applicable to the Company);
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (during the period under review not applicable to the Company);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (during the period under review not applicable to the Company);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (during the period under review not applicable to the Company);
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares)

Regulations, 2009 (during the period under review not applicable to the Company); and

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (during the period under review not applicable to the Company);
- (vi) The Securities and Exchange Board of India (Investment Advisors) Regulations, 2013;
- (vii) The Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993;
- (viii) The Securities and Exchange Board of India (Mutual Fund) Regulations, 1996;
- (ix) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (x) The Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992;

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

- a) Secretarial Standards issued by the Institute of Company Secretaries of India.
- b) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (during the year under review not applicable to the Company).

The Company has complied with the provisions of Act, Rules, Regulations, Guidelines etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of the Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system

exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the Minutes.

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

We further report that during the audit period the Company had the following specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

1. The Board of Directors of the Company at the meeting dated June 19, 2018 approved the following: -
 - Re-classification of Promoters of the Company by including Mr. Karan Bhagat and Mr. Yatin Shah, Co-founders and Directors of the Company;
 - Commencement of Business as Investment Manager to Alternative Investment Funds.
2. Members of the Company at the Extra Ordinary General Meeting dated June 19, 2018 approved the following: -
 - To Increase the Authorised Share Capital of the Company from Rs. 17,00,00,000 (Rupees Seventeen Crores Only) consisting of 8,50,00,000 (Eight Crores Fifty Lakh) equity Shares of Rs. 2 (Two) each to Rs. 20,00,00,000 (Rupees Twenty Crores Only) consisting of 10,00,00,000 (Ten Crores Only) equity shares of Rs.2/- (Two) each;

- To offer and issue of 44,89,500 equity shares on preferential basis to the following: -

Name of the Shareholder	No. of Shares
Steadview Capital Mauritius Limited	274130
ABG Capital	41640
LTR Focus Fund	31230
RIMCO (Mauritius) Limited	1092000
HDFC Standard Life Insurance Company Limited	300000
Amansa Holdings Private Limited	1092000
WF Asian Reconnaissance Fund Limited	1092000
General Atlantic Singapore Fund Pte. Limited	566500

- To Amend the object clause in the Memorandum of Association of the Company to act as an Investment Manager.
- Members of the Company at the Annual General Meeting held on July 20, 2018 granted power to the Board to offer, issue and allot Secured/ Unsecured/ Listed/ Unlisted/ Rated/ Unrated/ Perpetual/ Subordinated/ Structured Products/ Market Linked/ Principal Protected/ Fixed Maturity Non-Convertible Debenture of the Company upto Rs. 100 Crore (Rupees One Hundred Crores Only) on Private Placement basis in one or more tranches during the financial year 2018-19.
 - Members of the Company at the Annual General Meeting held on July 20, 2018 approved the Alteration in the Article of Association of the Company pursuant to the Investment Agreement dated June 19, 2018.
 - The Board of Directors of the Company at the meeting dated August 28, 2018 approved the sale of 100% shares of IIFL Private Wealth (Suisse) SA, Wholly Owned Subsidiary of the Company to Anchor Markets Sarl at the price of CHF 500 per share at the total consideration of CHF 50,000.
 - The Nomination and Remuneration Committee had passed the following resolution by circulation for allotment equity shares under the provisions of IIFL Wealth Employees Stock Option Scheme - 2012 and IIFL Wealth Employee Stock Option Scheme - 2015:

Sr. No.	Date of the Resolution passed	Number of shares allotted
1	Circular Resolution dated June 13, 2018	86,914
2	Circular Resolution dated June 18, 2018	67,200
3	Committee meeting dated July 30, 2018	59,849
4	Circular Resolution dated September 27, 2018	40,481
5	Circular Resolution dated December 13, 2018	10,120
6	Circular Resolution dated December 28, 2018	13,797

7. The Board of Directors of the Company at its meeting dated September 21, 2018 and October 15, 2018 approved the acquisition of entire share capital of Altiores Advisors Private Limited and Wealth Advisors (India) Private Limited respectively.
8. The Board of Directors at its meeting dated October 31, 2018 approved interim dividend of Rs. 5 per share.
9. The Company has received approval from Stock Exchanges and NCLT for Scheme of Arrangement between IIFL Holdings Ltd and India Infoline Media & Research Services Ltd, IIFL Securities Ltd, IIFL Wealth Management Ltd, India Infoline Finance Ltd, IIFL Distribution Services Ltd and their respective shareholders. Pursuant to NCLT order dated October 22, 2018, a meeting of equity shareholders was convened on December 12, 2018 to take approval on the scheme of arrangement.
10. The Board of Directors at its meeting dated January 29, 2019 approved interim dividend of Rs. 5 per share.

**For Mehta & Mehta,
Company Secretaries
(ICSI Unique Code P1996MH007500)**

Atul Mehta

Partner

FCS No : 5782

CP No. : 2486

Place : Mumbai

Date : August 21, 2019

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

ANNEXURE A

To,
IIFL Wealth Management Limited
IIFL Centre, Kamala City, S.B. Marg
Lower Parel, West,
Mumbai - 400013

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. As regard the books, papers, forms, reports and returns filed by the Company under the SEBI regulations referred to in points vi to x, the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.
7. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Mehta & Mehta,
Company Secretaries
(ICSI Unique Code P1996MH007500)

Atul Mehta
Partner
FCS No : 5782
CP No. : 2486

Place : Mumbai

Date : August 21, 2019

ANNEXURE – V

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31STMARCH, 2019

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

To,

The Members,

IIFL Wealth Finance Limited

(Formerly: Chephis Capital Markets Ltd.)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by IIFL Wealth Finance Limited, having CIN: U65990MH1994PLC080646 (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the IIFL Wealth Finance Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by IIFL Wealth Finance Limited for the financial year ended on 31st March, 2019 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder, as may be applicable;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008,
 - b) The Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993,
 - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client,
 - d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
 - e) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
- vi. Other Laws specifically applicable to the Company
 - a) The Reserve Bank of India Act, 1934, as applicable to Non- Banking Financial Companies;
 - b) Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016,
 - c) Master Direction - Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016,
 - d) Master Direction - Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016,
 - e) Master Direction-Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016;
 - f) Master Direction - Know Your Customer (KYC) Direction, 2016; and
 - g) IRDA (Registration of Corporate Agents) Regulations, 2015.

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to meetings of the Board and its committees and General meetings.
- ii) The Listing Agreements entered into by the Company with BSE Limited.

During the year under review and as per the explanations given and the representations made by the Management, the Company has complied with the provisions of the Act and Rules, Regulations, Guidelines, etc.

We further report that:

- (a) The company is the wholly-owned subsidiary of IIFL Wealth Management Ltd. by virtue of Section 2(87) of the Companies Act, 2013 effective from 13.02.2016. The Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.
- (b) Adequate notice was given to all Directors at least seven days in advance to schedule the Board Meetings and its Committees exception some cases at shorter notice with the consent of all the Directors; Agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (c) Decisions at the Board Meetings were taken with requisite majority.

We further report that as represented by the Company and relied upon by us there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit year the Company had following event which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

- (a) The Company made issue and allotment of total 4,30,44,070 Equity shares of the face value of Rs. 10/- each to its holding company namely IIFL Wealth Management Limited during the year ended 31stMarch, 2019.
- (b) The Company made issue and allotment of Secured Market Linked/Perpetual/Subordinated Redeemable Non-Convertible Debentures amounting to Rs. 2867.68 crores in different series on private placement during the year ended 31stMarch, 2019.
- (c) The Company made issue of Commercial Paper and outstanding balance was Rs. 397.85 Crores as on 31stMarch, 2019.
- (d) Redeemable Non-Convertible Debentures were listed on Bombay Stock Exchange during the year ended 31stMarch, 2019.
- (e) During the year the company has passed the Resolutions for the following matters: (i) Special Resolution passed u/s 42 of the Act at the Extra Ordinary General Meeting (EGM) held on 2nd April, 2018 for issue of Non-Convertible Debentures (NCD) aggregating upto INR 2500 crores on private placement basis (ii) Ordinary Resolution passed under Section 61(1)(a) of the Act at the Annual General Meeting (AGM) held on 20th July, 2018 for increase in Authorised Share capital from INR 300 Crores to INR 350 crores; (iii) Special Resolution passed u/s 180 (i)(c) at the said AGM for borrowing by the company not exceeding INR 13000 crores; (iv) Special Resolution passed u/s 42 of the Act at the EGM held on 20th March, 2019 for increase in the limit from INR 2500 Crores to INR 3000 Crores for issue of NCD on private placement basis.

**For J. U. Poojari & Associates
Company Secretaries**

**Place: Mumbai
Date: May 13, 2019**

**Jayaram U Poojari
FCS No: 8102 CP No: 8187**

This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.

ANNEXURE VI

Form No. AOC.2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

1. Details of contracts or arrangements or transactions not at arm's length basis :NOT APPLICABLE

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts/arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) Date of approval by the Board
- (g) Amount paid as advances, if any:
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of material contracts or arrangement or transactions at arm's length basis

S/n.	Particulars	Details
(a)	Name(s) of the related party and nature of relationship	Name of Related Party: IIFL Facilities Services Limited Nature of Relationship: Group Company
(b)	Nature of contracts/arrangements/transactions	Purchase of premises situated at IIFL Centre, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400013
(c)	Duration of the contracts/arrangements/transactions	-
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	IIFL Wealth Management Limited acquired from IIFL Facilities Services Limited, the premises located at above mentioned location, at a consideration of INR 225 Crore.
(e)	Date(s) of approval by the Board, if any	January 29, 2019
(f)	Amount paid as advances, if any	Advance paid INR 170 Crore

For and on behalf of the Board of Directors

Date: August 21, 2019

Place: Mumbai

Karan Bhagat
Managing Director
DIN: 03247753

Venkatraman Rajamani
Director
DIN: 00011919

Management Discussion & Analysis

INDIAN ECONOMIC AND MACRO OVERVIEW

India was one of the fastest growing major economies in the world in FY19 and will so remain in FY20 as well, as per World Bank estimates. India's Real Gross Domestic Product (GDP) grew at 6.8% in FY19.

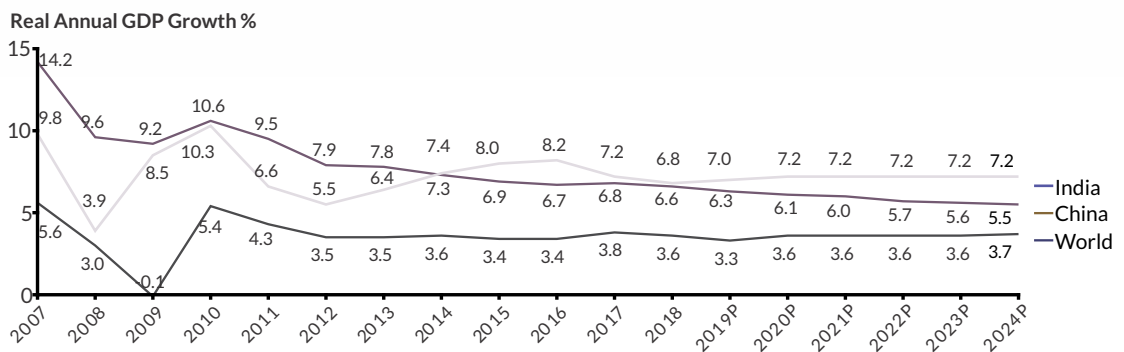
However, the calendar year 2019 is expected to be a period of slowing growth, low inflation, weakening commodity prices and steep decline in interest rates. Credit markets are clearly pointing towards a worsening macro environment and higher odds of recession. The difference between the yield on three-month Treasury bills and the benchmark 10-year bond, which has turned negative or "inverted" before almost every US recession over the past 50 years, widened to a level last seen before 2008 crisis, a clear sign of an impending slow-down.

India's economy hasn't been immune to increasing signs of slowdown, lagging indicators and the unmet expectations. Weak macros and tight liquidity conditions are taking a toll on India's corporate earnings. It's a known fact now that the economic growth has faltered in India as both the drivers of growth - consumption & investment are slowing down. We have seen weakness in consumer demand and that is visible in the weak earnings growth across segments such as auto & auto-ancillaries, FMCG, consumer durables and capital goods.

The slump in the auto sector, which accounts for nearly half of India's manufacturing output, has been a major factor behind the slide in economic growth to a five-year low earlier this year. Last and not the least, the aggravation of all sectors is borne by the banking sector, which is battling through a liquidity crisis and stifling demand amid lost confidence and crisis in the NBFC space. A demand slowdown across sectors is also because the household savings rate has been declining on the back of low income growth.

The government's approach to adopt a prudent fiscal approach does deserve some credit. There were some notable positives in the budget with tax cuts for small businesses and a further injection of funds into state owned banks as well. In addition, the fact that the finance ministry has shown agility in coming up with a stimulus package by dropping the contentious surcharge on foreign portfolio investors (FPIs), doing away with the angel tax on start-ups and an immediate Rs 70,000 crore capital infusion into banks to kickstart credit flow, are all steps that will help boost the economy and perk up markets.

In addition to the above steps taken, there are some indicators that remain strong, price levels remained in line within RBI's target and headline inflation was largely at the same levels as last year.



(Fig. 1)¹

¹ IMF GDP Projections: https://www.imf.org/external/datamapper/NGDP_RPCH@WEO/OEMDC/ADVEC/WEOWORLD;

Economic Survey FY'19 GDP growth number: https://www.indiabudget.gov.in/economicsurvey/doc/vol2chapter/echap01_vol2.pdf;

RBI Projections FY 2019-20: https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=47818

IMF tempers growth projections: https://www.business-standard.com/article/international/imf-scales-down-india-s-gdp-growth-rate-by-0-3-each-for-fy20-and-fy21-119072301227_1.html

GDP growth is expected to remain around 7% in FY20 and then rise further to 7.2% FY21 onwards, as per IMF estimates. In FY19, Gross Value Added (GVA) at basic current prices from manufacturing grew 12.4% year-on-year to Rs 288.56 trillion (US\$ 395.89 billion).

As the IMF projections in Figure 1 depict, India's Real GDP growth clearly surpassed China's in 2018, and is expected to maintain a ~3.5% spread vs. the average Worldwide Real GDP growth through 2024.

"India has created one of the most effective institutional mechanisms for cooperative federalism - the GST Council", according to the Economic Survey of India, 2017-18. "At a time when international events have been marked by a retreat into economic nativism and the attendant seizing of control, Indian states and the center have offered up a refreshing counter-narrative, voluntarily choosing to relinquish and then pool sovereignty for a larger collective cause", the survey adds²

Key macroeconomic risks hovering over the Indian economy include a global slowdown, increase in commodity prices, fiscal slippage and monetary over-

stimulus. Rising commodity prices, especially of crude, could widen the current account deficit. That apart, geopolitical pressures in the immediate neighbourhood in South Asia, could worry global investors as the government has taken a more aggressive stance in dealing with cross-border terrorism. It is a policy that is likely to continue and will heighten tensions particularly along India's western and northern borders. India is now the world's 7th largest economy, per the World Bank³. India's success will be central to the world's collective ambition of ending extreme poverty and promoting shared prosperity, as well as for achieving the 2030 Sustainable Development Goals (SDGs), says a World Bank report highlighting the fact that the country remains in a period of unprecedented opportunity, challenge and ambition in its development. Over the next few years, "India is expected to grow at well over 7 percent per year, with progress being buttressed by dynamic reforms in the macroeconomic, fiscal, tax and business environments", the World Bank added⁴.

World Bank GDP Rankings 2018

(₹ in million)

Rank	Flag	Country	GDP (US\$ Trillion)	Share of World GDP
		World	80.68	100.0%
1		United States	20.49	25.4%
2		China	13.61	16.9%
3		Japan	4.97	6.2%
4		Germany	4.00	5.0%
5		United Kingdom	2.83	3.5%
6		France	2.78	3.4%
7		India	2.73	3.4%
8		Italy	2.07	2.6%
9		Brazil	1.87	2.3%
10		Canada	1.71	2.1%

(Fig. 2)⁵

²Economic Survey 2017-18: <http://www.indiaenvironmentportal.org.in/files/file/economic%20survey%202017-18%20-%20vol.1.pdf>

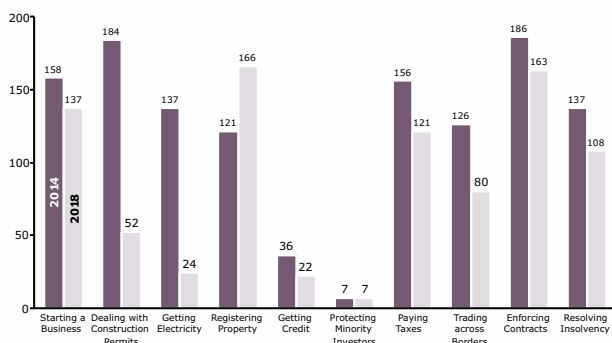
³<https://thewire.in/macro/world-bank-report-gdp-ranking-india>

⁴World Bank report on India: <https://www.worldbank.org/en/country/india/overview>

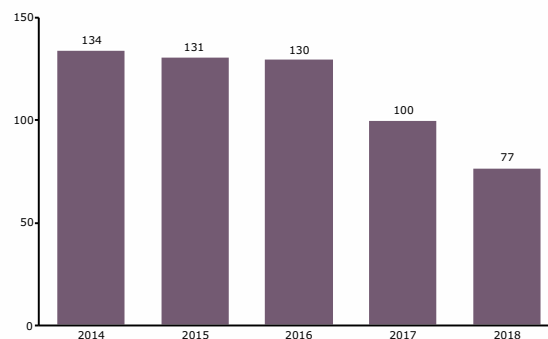
⁵World GDP Rank: <https://thewire.in/macro/world-bank-report-gdp-ranking-india>

On the ease of doing business rankings that capture the performance of 190 countries, India has showed an improvement in six of the 10 parameters, jumping higher to a record 77th position in the World Bank’s latest report. In the last two years alone, India has jumped 53 spots – the sharpest by any country.

Ease of Doing Business drivers - India



Ease of Doing Business Rank - India

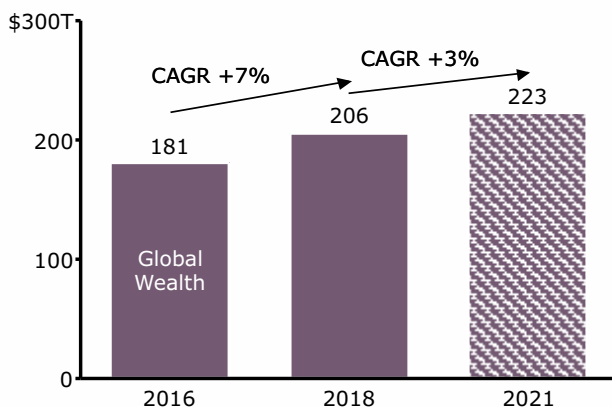


(Fig. 3)⁶ (Fig. 4)⁷

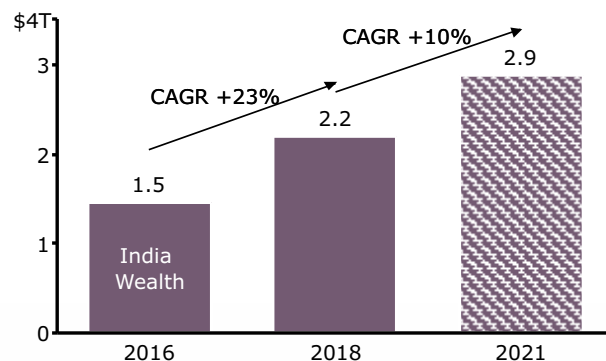
INDUSTRY OVERVIEW

The global wealth management industry, estimated at \$205Tn in client assets, as of 2018, grew at ~7%per annum from 2016 through 2018, and is expected to grow at a much slower pace of 3%going forward through 2021. (Fig. 5). In contrast, the wealth management industry (Total HNI wealth)in India estimated at INR ~153 Lakh Crores in 2018 (\$2.2Tn), grew at a whopping 23% CAGR from 2016 and is poised to continue growing at nearly ~3x the global pace at ~10%CAGR through 2021, to reach INR ~188 Lakh Crores (\$ 2.89Tn). (Fig. 6). HNI is defined as individuals with a minimum total net-worth of INR 25 Crores.

Global Financial Wealth Assets



India Financial Wealth Assets



(Fig. 5)⁸ (Fig. 6)⁹

⁶ Ease of Doing Business Parameters

<http://pib.nic.in/newsite/PrintRelease.aspx?relid=151967>; <http://www.doingbusiness.org/content/dam/doingBusiness/country/i/india/IND.pdf>

⁷ Ease of doing business trends: <https://tradingeconomics.com/india/ease-of-doing-business>

⁸ BCG Global Wealth reports 2012-18, Year 2021 Figures are Projected:

2018: http://image-src.bcg.com/Images/BCG-Seizing-the-Analytics-Advantage-June-2018-R-3_tcm20-194512.pdf;

2012: https://www.researchgate.net/profile/Juan_Peramo/post/How_can_I_know_which_countries_are_included_in_Europe_in_some_Boston_Consulting_Groups_Global_Wealth_Reports/attachment/59d621426cda7b8083a1aa19/AS%3A273742821822478%401442276782648/download/BCG+-+2012.pdf;

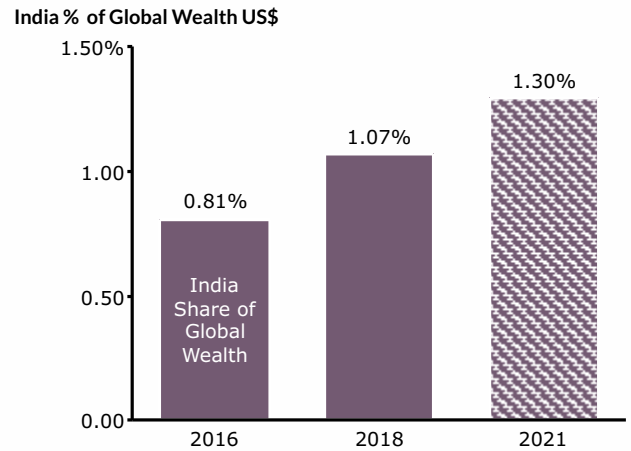
2017: <https://www.bcg.com/publications/2017/asset-wealth-management-financial-institutions-global-wealth-2017-transforming-client-experience.aspx>

⁹ IIFL Wealth Index 2018, in partnership with WealthX, Year 2021 Figures are Projected: <https://www.iiflwealth.com/wealth-x-2018>

Given the statistics above, India is one of the fastest growing wealth management markets in the world and is primarily driven by a rapidly expanding economy and the other factors including the rapid leaps in the 'Ease of Doing Business Rankings' (reference Fig. 3 & 4), discussed in the Economic Outlook section previously.

This rapid growth, under-pinned by strong economic fundamentals, is allowing the Indian wealth management industry to gain share versus other regions. (Fig. 7)

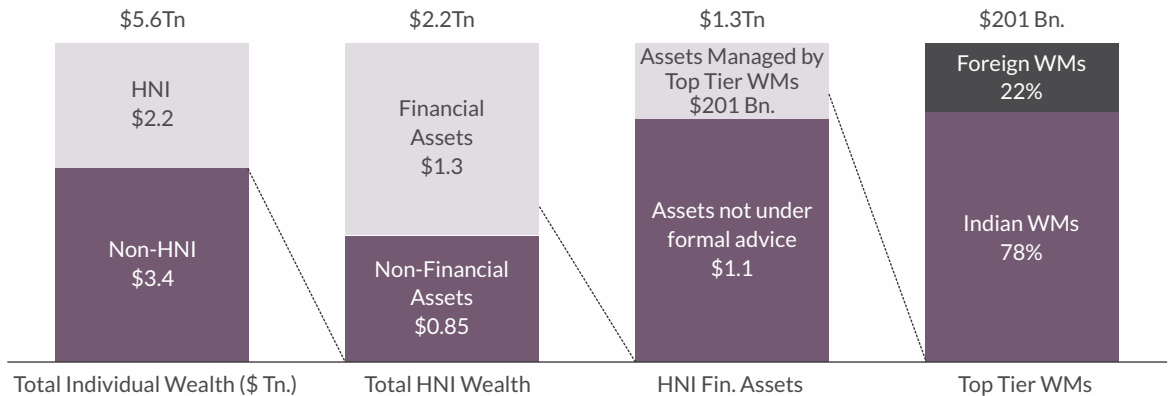
The total Indian High Net Worth Individuals' (HNI) financial assets stand at \$2.2Tn, of these, only \$1.3Tn (~60%) are financial (investible) assets. As explained in (Fig. 8), below, of the \$1.3Tn total estimated HNI financial assets, only 15% or \$201Bn is managed by the Top 25 wealth managers in India. 85% of the estimated financial assets are still either self-managed or held as



(Fig. 7)¹⁰

promoter stock, leaving a massive scope for formal industry players to continue penetrating the market further.

ASSETS UNDER ADVICE ARE LESS THAN 10% OF THE TOTAL ESTIMATED HNI WEALTH IN 2018



(Fig. 8)¹¹

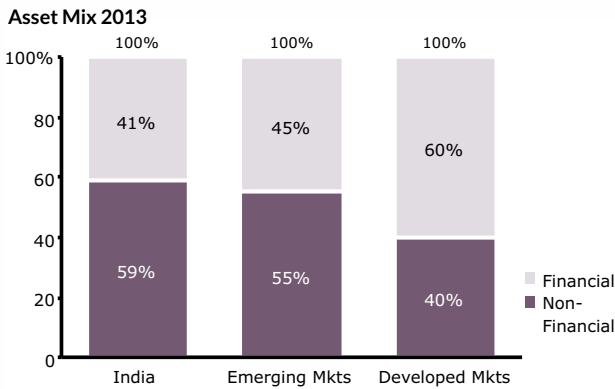
OPPORTUNITIES AND INDUSTRY GROWTH DRIVERS:

1. Financialization of savings: The sustained economic expansion over the last 10-years, since 2008 (reference Fig. 1), above global GDP growth averages, has created pools of wealth in India, which have traditionally been held in assets classes like gold and real estate.

The historical over-indexation to non-financial asset classes vis-à-vis global benchmarks (Fig.9) has begun to change (Fig. 10) rapidly due to primarily two factors. 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.

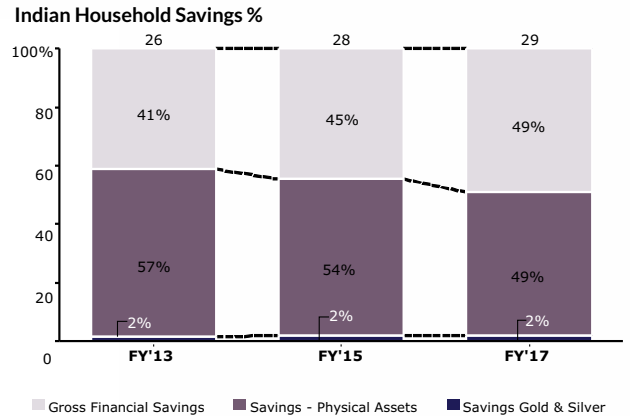
¹⁰ IIFL Wealth Index 2018, in partnership with WealthX and BCG Global Wealth Reports 2012-18, Year 2021 Figures are Projected

¹¹ IIFL Wealth Analysis and Triangulations – Kotak Wealth Report, 2018; Karvy Wealth Report 2018; Asian Private Banker 2019

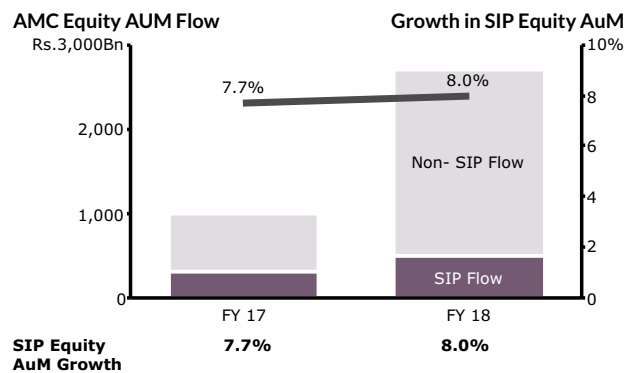


(Fig. 9)¹²

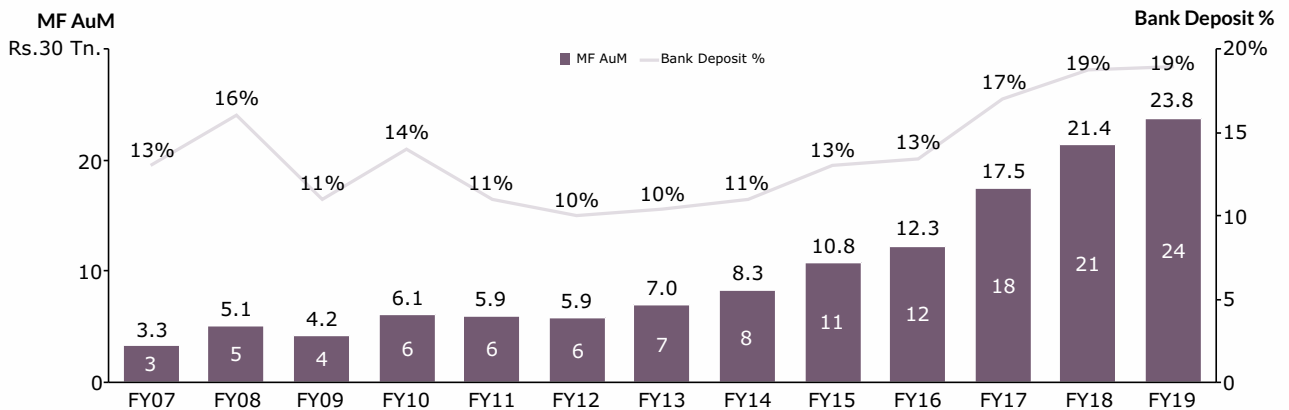
How deep the culture of financialization has seeped into India, is demonstrated by the accelerating growth of SIP (Systematic Investment Plans) as a disciplined investment product (Fig. 11), being adopted by households, and the emergence of newer instruments like AIFs.



(Fig. 10)¹³



(Fig. 11)¹⁴



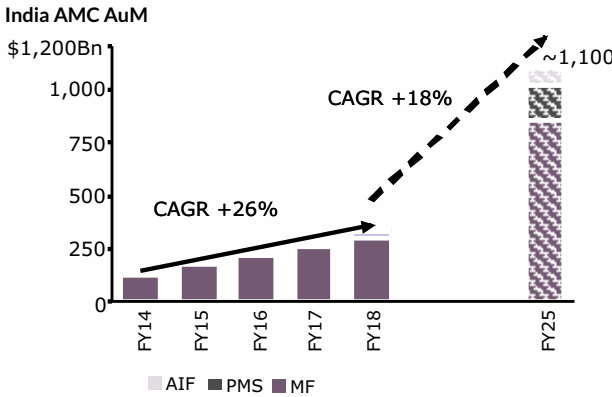
(Fig. 12)¹⁵

This has driven the steep growth of MF AuM over the last two years immediately post November 2016, from INR 12.3 Lakh Crores in FY16 to INR 23.8 Lakh Crores at the close of FY19 (Fig.12).

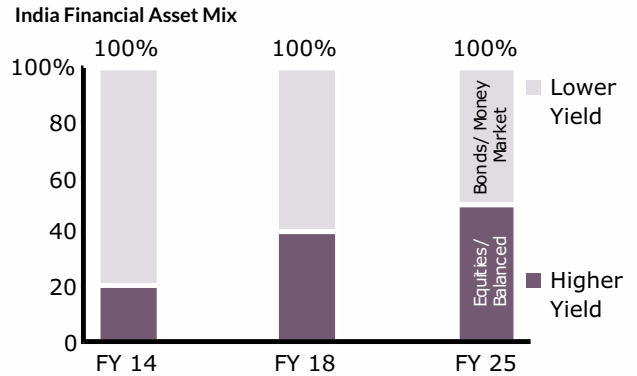
¹² Asset Mix India: IIFL Annual Report 2017-18, Page 78: Chart: Asset Mix%: <https://www.iifl.com/sites/default/files/reports/IIFL%20Holdings%20AR%20%28Locked%29.pdf>
¹³ Ministry of Statistics, CRISIL Research, HD: <https://www.equitymaster.com/5minWrapUp/charts/index.asp?date=07/26/2018&story=1&title=Is-India-Moving-Towards-Financialization-of-Household-Savings>
¹⁴ AMC AuM India and SIP Equity Flow: IIFL Annual Report 2017-18, Page 78: Chart: AMC Equity AuM Flow: <https://www.iifl.com/sites/default/files/reports/IIFL%20Holdings%20AR%20%28Locked%29.pdf>

2. Increasing sophistication towards investing: Wealth managers typically grow their book of business, by offering a broader, and a more sophisticated range of products to their clients. In this regard, wealth managers typically rely on asset management companies (AMCs) to create some of these product offerings. Driven primarily by Mutual funds (MF) (Fig. 12), the AMC AuM in India has been growing at a scorching 26% CAGR over the past 5-years and is expected to continue growing at an 18% CAGR till FY25 to reach \$1.1Tn in AUM, (Fig.13), topped-up additionally by higher adoption of PMS and AIF.

Asset managers expect the affinity towards riskier assets, like equities, to continue, (Fig.14) albeit at a slightly slower pace, given recent performance of equity markets in FY19, has slowed this trend.

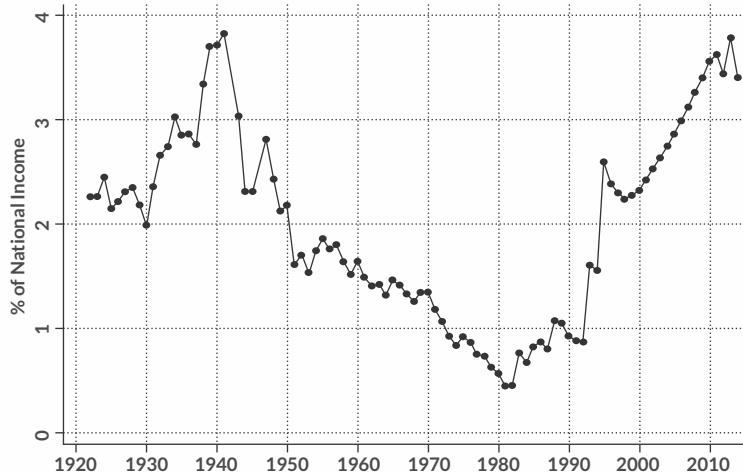


(Fig. 13)¹⁶



(Fig. 14)¹⁷

3. Stock of wealth growing as GDP expands: A fundamental underlying driver for growth of the wealth management industry is share of national income the wealthy generate in a nation. As the Fig. 15 shows the share of national income generated by the top 0.01% of wealthy in India, has grown from ~0.5% in 1980 to 3.4% in 2015.



(Fig. 15)¹⁸

¹⁵ MF AuM https://www.iifl.com/sites/default/files/reports/twenty-second-annual-report-fy-16-17_0.pdf

¹⁶ AMC AuM Growth: IIFL Annual Report 2017-18, Page 78: Chart: India AMC AuM:

<https://www.iifl.com/sites/default/files/reports/IIFL%20Holdings%20AR%20%28Locked%29.pdf>

¹⁷ India Financial Asset Mix: AMFI: Page 42: https://www.amfiindia.com/Themes/Theme1/images/gallery/pdf/AMFI_CRISIL_Mutual_Fund_Factbook.pdf

¹⁸ Source: Lucas Chancel and Thomas Piketty, Indian income inequality, 1922-2014: From British Raj to Billionaire Raj? <http://wid.world/wp-content/uploads/2017/12/ChancelPiketty2017WIDworld.pdf>

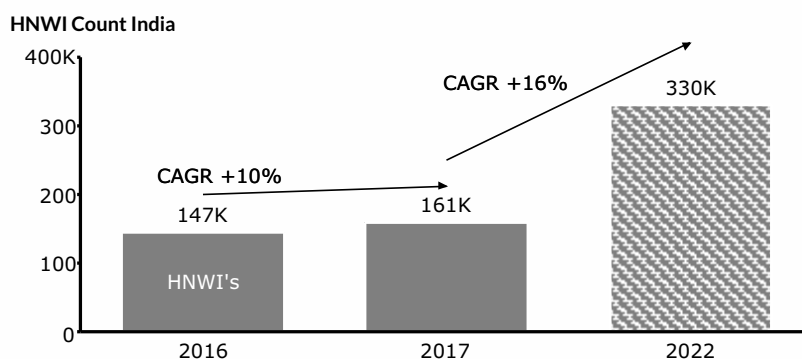
As elaborated in Fig. 15, the top 0.01% in India are those individuals characterised by an average annual pre-tax income of INR 4.7 Cr. and this segment has experienced a cumulated per adult growth rate from 1980 through 2015 of 1699% vs. the national average of 201% in the same period. (Highlighted in yellow in the table in Fig. 16).

Distribution of per-adult pre-tax national income - India 2015

Income Group	Number of Adults (in Thousands)	Income share	Income Threshold	Average Income	Comparison to Avg. Ratio	Cumulated per Adult Growth Rate (1980-2015)
Average	749,306	100.0%		138,426	1.0	201%
Bottom 50%	397,153	14.7%	-	40,671	0.3	90%
Middle 40%	317,722	29.2%	63,728	101,084	0.7	94%
Top 10%	79,431	56.1%	195,455	776,567	5.6	435%
incl. Top 1%	7,943	21.3%	1,303,946	2,954,386	21.3	775%
incl. Top 0.10%	794	8.2%	4,459,114	11,346,371	82.0	1334%
incl. Top 0.01%	79	3.4%	18,260,916	47,154,896	340.7	1699%
incl. Top 0.001%	7.9	1.4%	77,801,552	188,558,182	1362.2	2040%

(Fig. 16)¹⁹

4. **Accelerating number of HNWI's:** The fact that the top 0.1% (Highlighted in green in the table in Fig. 16) has experienced 1334% cumulated per adult growth since 1980 through 2015, which is ~6.5x of the average national number at 201%, is the underlying driver for the growth in the number of HNWI families. We define HNWI - as families that have a net worth of 25 Cr. or more.



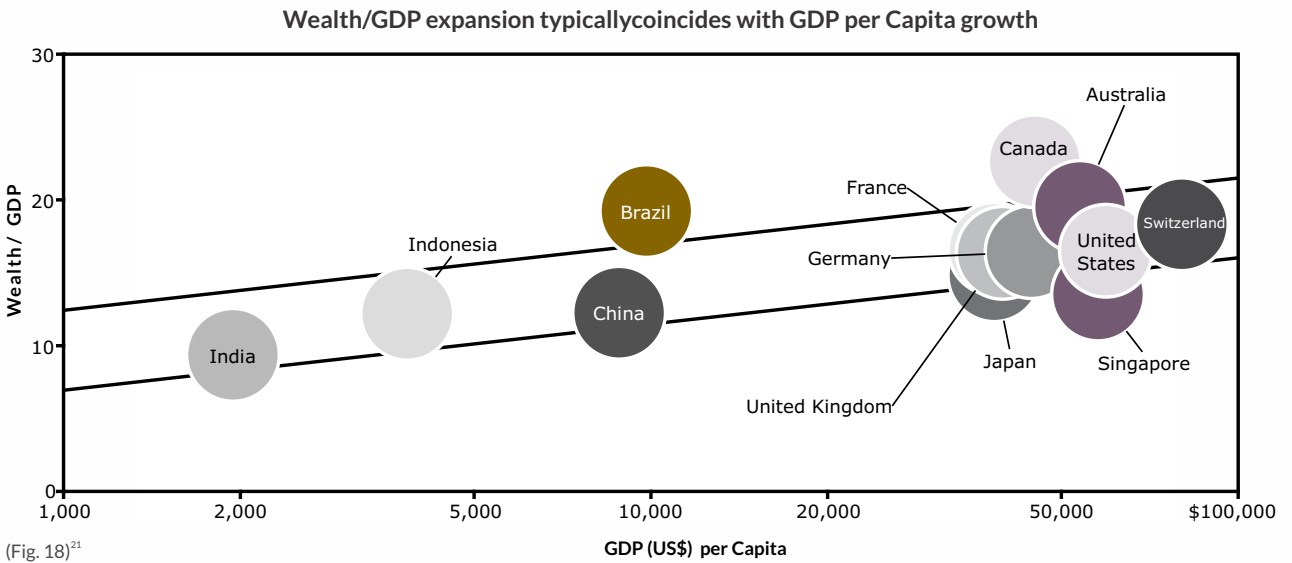
(Fig. 17)²⁰

The number of HNWI's estimated at 146,600 in 2016 have grown ~10% to 160,600 in 2017, but given the economic drivers discussed previously (Fig 1), this number is expected to take a quantum leap and grow at a rapid, ~16% CAGR and is estimated to reach 330K households in 2022. (Fig. 17)

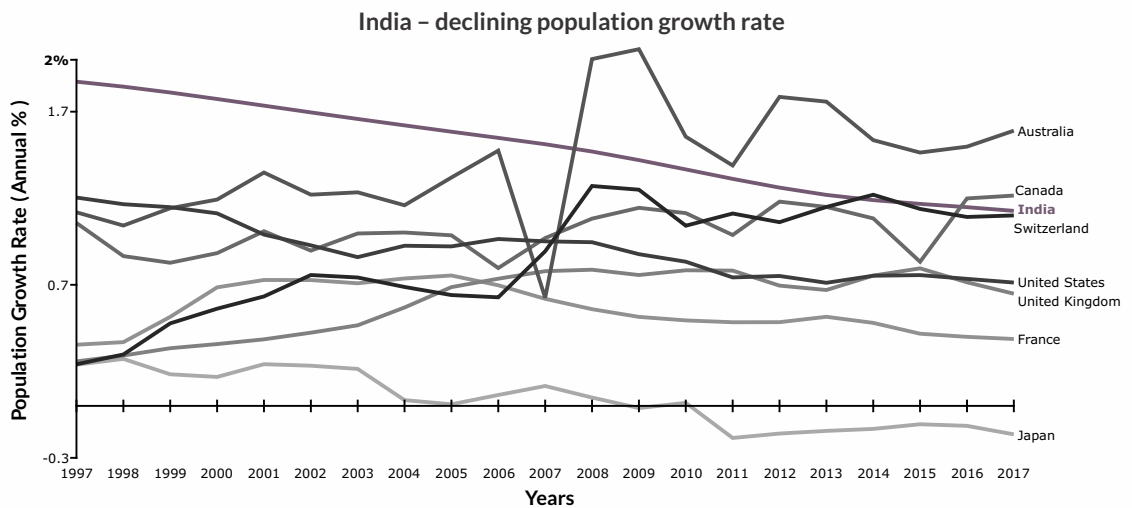
¹⁹ Source: Lucas Chancel and Thomas Piketty, Indian income inequality, 1922-2014: From British Raj to Billionaire Raj ?

²⁰ IIFL Wealth Analysis: Kotak Wealth Report 2017 Top of the pyramid. <https://www.kotak.com/content/dam/Kotak/about-us/media-press-releases/2018/seventh-edition-of-top-of-the-pyramid-report.pdf>

5. **Long growth runway for wealth expansion in India:** As (Fig.18), depicts below, an analysis of the World Bank 2017 data on National Wealth per Capita, National GDP and Population shows that the developed economies have both higher Wealth/GDP and higher GDP per Capita.



This analysis also shows that India currently trails the pack of emerging markets both on the Wealth/GDP ratio as well as on the GDP per Capita metric.

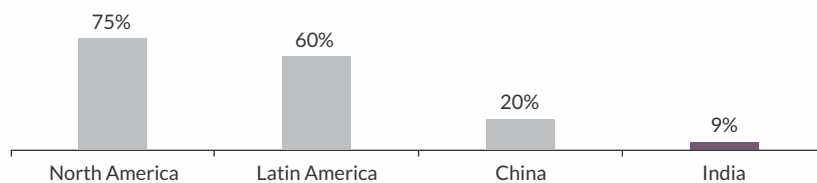


As discussed in Fig. 1 previously, as the GDP expands more rapidly than other nations over the next few years, and India's population growth rate continues to slow, as depicted in Fig. 19, India will begin climbing up into the developed economies quadrant in Fig. 18

²¹ IIFL Wealth Analysis: Source World Bank Data on
 a) Wealth per Capita: <https://qz.com/1194051/a-new-world-bank-project-shows-that-wealth-not-gdp-is-the-best-gauge-of-a-countrys-progress/>
 b) GDP: <https://data.worldbank.org/indicator/NY.GDP.MKTP.CD>
 c) Population: <https://data.worldbank.org/indicator/SP.POP.TOTL>

²² IIFL Wealth Analysis: Source World Bank Data on Population Growth: <https://data.worldbank.org/indicator/SP.POP.GROW>

- 6. Professionalization of Wealth Management in India:** Currently, as depicted in Fig. 20, professionally managed assets account for only ~9% of the financial assets in India, while that number stands at ~75% in North America. As India continues its journey towards becoming a developed economy, the wealth management industry is expected to gain a larger share of financial assets and bring those under its management.

(Fig. 20)²³

Summary:

Underpinned by a robust economic outlook, the wealth and asset management industry is expected to continue its high growth journey driven by:

1. a trend towards financialization of savings
2. an increasing proclivity for sophisticated financial assets
3. a continued wealth stock expansion as GDP grows
4. a steady growth in the HNWI population
5. wealth expansion or Wealth/GDP growth expected as GDP per Capita continues to expand
6. professionalization of the wealth and asset management industry as the economy develops

Given the factors stated and explained above, the wealth management industry in India is expected to continue its rapid growth over a sustained period, for the foreseeable future.

IIFL Wealth and Asset Management's Position

Wealth Management Business:

Our wealth management business mainly comprises distribution of financial products, advisory, equity and debt broking, estate planning and managing financial products essentially in the nature of advisory. The business also includes credit solutions and related investment activities which are complimentary to Wealth management activities.

The fundamental role of a wealth manager is to help clients preserve and grow their wealth. A full-service wealth management firm, like ours, not only provides investment management services enabling the client to generate optimal returns from a low- risk diversified portfolio but also allied services such as trust and estate planning, providing credit to fill liquidity gaps etc.

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 solutions.

Modes of Engagement with Clients:

- Distribution of financial products across asset classes
 - ... Discretionary & Non-discretionary multi-asset class Portfolio Management Service
 - ... Broking Solutions for debt, equity, real estate, commodities and currency
 - ... Advisory: Pure-play investment advisory primarily catering to corporate treasuries

Pillars of the 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 scale of operations, wide product & research capabilities enables us to provide cost-efficient access to 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 to create standardized solutions and streamlined working mechanisms
- Proposition:** Our ability to engage with clients through multiple engagements such as Distribution, advisory, non-discretionary/discretionary Portfolio management basis their requirements and suitability. Across

²³ Credit Suisse Report on IIFL Holdings Limited: <https://www.iifl.com/sites/default/files/Rise-of-mini-financial-conglomerates.pdf>
Page 15 ;McKinsey global wealth management survey; IMF,

engagement models, we strive for transparency in pricing and provide client maximum value.

What differentiates our Wealth Management services?

Over the last few years, Indian Firms have significantly gained market share (78% of AUM in 2018) as Foreign/Global Wealth Management firms have scaled back. Most existing players in India offer wealth management as a non-core extension to their core business (banking/ broking/ investment banking etc.). In turn, IIFL Wealth is a pure play wealth management firm with a deep focus on managing UHNI 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 NBFC also allows us to offer customised solutions for our clients.

Asset Management Business:

Our asset management business mainly comprises management of pooled funds under various products and structures such as mutual funds, alternative asset funds, portfolio management and related activities.

Asset management in India too has witnessed strong growth over the last few years (growth of 24% from FY'14 - FY'19). Alternative Investments in India (AIF - Real Estate & Private Equity, Debt, Equity) is estimated to be around USD 145 million and is poised to grow sharply as investors are increasingly looking to allocate to more sophisticated products.

We have a diversified suite of alternative investment funds (AIF), Portfolio Management Schemes (PMS) and mutual funds (MF) 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.

Our asset management business, having a differentiated position as the leading alternates player, complements the wealth business by manufacturing innovative products:

- 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 the market was focusing on project equity
- First to launch venture fund-of-fund in India with attractive co-investment options
- Early trend spotter in movement of structured whole-sale corporate credit from NBFCs to AIFs

Pillars of the Asset Management business:

- Attracting and retaining the right talent for each alternate strategy:** Since core of the asset-management business is alternates - 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 place.
- Constant Product innovation:** Tapping niches and developing newer sub-asset-classes - biggest example of same being the Pre-IPO fund, which garnered over a billion dollars in commitment. The fund filled a large gap in the market as large segment of HNI investors wanted to invest in unlisted equity but wary of risks in early stage PE/VC investing but 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 distributor base encompassing leading Banks, brokers and IFAs

What differentiates our Asset Management business?

IIFL AMC has built a strong franchise over the last 3 years -with a strong position and market share in AIFs alongside a more nascent play in PMS & MF.

In Alternates

- Private Equity: multiple funds straddling early stage investing right up to late stage/ Pre-IPO
- Leading player in structured collateralized Real Estate Debt with strong track-record
- Emerging player in structured corporate credit -

looking to gain market-share from NBFCs and credit mutual funds

Listed Equity:

- Niche player with focus on thematic managed account strategies (discretionary PMS) and few focused equity funds.

Challenges for the Wealth & Asset Management Industry:

- **Macro-economic Factors:** Low economic growth can negatively impact the capital markets sector thereby affecting the WM industry. Movement in crude oil prices is one of the key determinants of the direction of financial markets and GDP expansion. It can be bundled with rising current account deficit, inflation, depreciating currency, slowdown in foreign investment flows etc. thereby posing a threat to the economy and therefore HNI's. Uncertainty in the global markets, owing to slow growth in the advanced economies, coupled with the ensuing US-China trade war and increased strain in certain emerging economies can result in volatile capital inflows and currency fluctuations. Increased restrictions on migration and global trade could hurt productivity and incomes and take an immediate toll on market sentiment, thereby affecting returns of client portfolio as well as AuM expansion.
- **Technological disruptions:** With rapid changes in technology and innovations, companies need to increase their attention towards innovation objectives alongside business growth objectives. With increasing performance expectations related to quality, timings and cost, technological upkeep is very important to keep in line with competitors, especially new competitors that are "born digital" and with a low-cost base for their operations. The risk of disruptive innovations enabled by new and emerging technologies is always present, particularly so in the Wealth Industry that has hitherto been a laggard in technology adoption vis-à-vis other financial services verticals like retail banking.
- **Debt market:** The Indian debt market is going through a tough phase post the IL&FS crisis. The yield on the 10-year government bond slid to below 7 percent for the first time since November 2017. The ongoing crisis on the debt market is likely to have a contagion effect on the performance of the equity markets with investors either pulling out of their existing investments or avoiding the market altogether. This has damped the wealth management market in particular, with firms having to be extremely cautious on asset allocation, to ensure they protect their client's capital pools.
- **Regulatory Changes:** There are essentially two regulators the WM industry engages with:
 - o SEBI - for all financial products and capital markets based transactions
 - o RBI - for lending solutions offered to clients, (loans against shares/ property) through NBFC's
 Both the regulators are active and progressive and have been pushing the financial services industry in a direction that is ultimately good for the end-consumer. For example -
 - The SEBI order in Sept '18 moving MF commissions to trail – aligns pay-out structures and incentives for sales and brings these inline over the life of the asset, rather than being paid up-front. Incentivising the right behaviours.
 - The investment-advisors regulation committee being constituted by SEBI is likely to clearly define the distinction between distribution and advisory in the coming year, further aligning behaviours for the industry, which are good for the client.

The Sept '18 order has already started putting pressure on the industry and most firms will likely report lower revenues, given that commission revenue will now be recognised, in trail form.

The impending order from SEBI on separating the advisory businesses from distribution businesses will further impact firms and will require them to separate out their advisory and distribution businesses and get the required licenses. This restructuring is also expected to lower headline numbers for the current fiscal year.

Discussion on financial performance with respect to operational performance:

IIFL Wealth and Asset Management is one of the largest and fastest growing private wealth management firms in India. Founded in 2008, IIFL Wealth has grown steadily

and now manages assets more than Rs.1.67 Trillion, as on March 31, 2019. We have a wide network comprising of 999 employees operating out of 33 offices, spread across the world.

The table below is a Consolidated Statement of Profit and Loss of our group for the periods indicated.

The said table includes:

Effect of demerger of “Wealth Business Undertaking” pursuant to a scheme of arrangement amongst, inter-alia, the Company, IIFL Holdings Ltd., India Infoline

Finance Ltd., India Infoline Media and Research Services Limited, IIFL Securities Ltd., and IIFL Distribution Services Ltd. for the years 2018-19 and 2017-18 (refer note no. 2.1 forming part of the Consolidated Financial Statements); and

Effect of acquisition of IIFL Wealth Advisors (India) Ltd (formerly known as Wealth Advisors (India) Pvt. Ltd.) from November 22, 2018 and IIFL Altiore Advisors Pvt. Ltd. (Formerly known as Altiore Advisors Pvt. Ltd.) from November 5, 2018.

(All figures ₹ in million)

PARTICULARS	2018 - 2019	2017 - 2018
Revenue from operations		
Interest income	6,537.90	6,590.82
Dividend & Distribution income on investments	293.83	485.73
Fees and commission income	8,081.37	8,831.73
Net gain on fair value changes	572.88	677.22
Sale of products		4.10-
Total revenue from operations	15,490.08	16,585.50
Other income	281.80	562.60
Total income	15,771.88	17,148.10
Expenses		
Finance costs	4,270.59	5,587.63
Fees and commission expenses	662.18	669.03
Impairment on financial instruments	(76.64)	126.06
Purchases of Stock-in-trade	205.62	-
Changes in Inventories of stock-in-trade	(197.51)	-
Employee benefits expenses	3,311.71	3,895.78
Depreciation, amortization and impairment	215.06	136.10
Others expenses	2,001.56	1,832.74
Total expenses	10,392.57	12,247.34
Profit before tax	5,379.31	4,900.76
Tax	1,633.84	1,099.07
Profit for the year	3,745.47	3,801.69
Other comprehensive income	98.10	6.71
Total comprehensive income for the year (Comprising profit & other comprehensive income for the year)	3,843.57	3,808.40

Total Income - for FY '19 at Rs.1,5771.88Mn. was 8% lower than Rs. 1,7148.10Mn. in FY '18. The decline in revenue was mainly on account of fees & commissions as well as marginal drop in interest income. This decline can be attributed to the investment climate and developments in financial markets in Q3/ Q4 FY'19 in the wake of the NBFC crisis and the impending elections. The HNI and ultra HNI segments that we cater to, were cautious with regards to buying new products and deploying fresh capital in investment products.

Total Expenses in FY'19 at Rs. 10,392.57Mn. declined 15.1% from Rs. 12,247.34 Mn. in FY'18, mainly on account of decline in finance cost and employee expenses.

Profit before Tax of Rs. 5379.31 Mn. in FY'19 increased by 9.8% over Rs. 4900.76 Mn. in FY'18.

Profit after Tax of Rs. 3745.47 Mn. in FY'19 was marginally lower than Rs. 3801.69 Mn. in FY'18 and Total Comprehensive Income in FY'19 was at Rs. 3843.57 Mn. compared with Rs. 3808.4 Mn. in FY'18.

Segment wise performance is as under

(All figures ₹ in million)

Segments	For the year ended March 31, 2019		For the year ended March 31, 2018	
	Segment Revenue	Profit before Tax	Segment Revenue	Profit before Tax
Wealth Management	13,988.68	4,970.85	15,552.00	4,470.54
Asset Management	1,783.20	408.46	1,596.10	430.22
Total	15,771.88	5,379.31	17,148.10	4,900.76

Discussion of key ratios pursuant to applicable SEBI circulars is as under:

Debt/Equity ratio declined by 41% from 3.74 on March 31, 2018 to 2.20 on March 31, 2019, primarily due to decline in aggregate outstanding borrowings as at March 31, 2019 of Rs. 64,046 Mn. vs. Rs. 69,663 Mn. as at March 31, 2018, a reduction of 8.1%. On the other hand, the total equity in the company stood at Rs. 29,104 Mn. at March 31, 2019, as compared with Rs. 18,629 Mn. at March 31, 2018, an increase of 56.2% mainly on account of retention of profits and fresh issuance of equity capital and share premium of Rs.10,475 Mn. during FY'19.

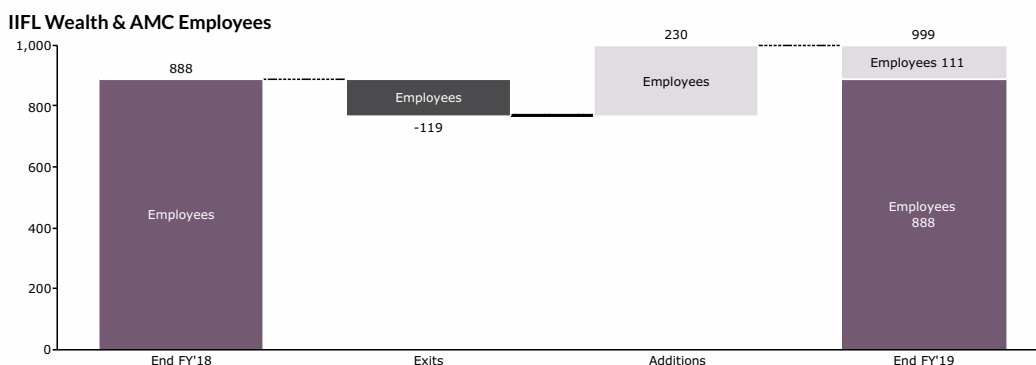
Return on Equity (ROE) as on March 31, 2018 was 22.5% and 16.7% on March 31, 2019. This decline in ROE in FY'19 over FY'18 was primarily driven by an increase of 35% in average net worth in FY'19 on account of capital raised during the year and retained profit, while the Profit After Tax (after comprehensive income) increased by 0.9%

Debtors turnover ratio moved from 4.26 in FY'18 to 3.08 in FY'19, due to lower income by way of fees and commissions over the course of FY'19 as mentioned above, while the average debtors increased during FY'19.

Developments in Human Resources:

Given that, as a company, we are in a growth phase of our business, we continue to add to our human resources and continue to hire talent actively. Much of our business relies on client relationships and building great investment products, these activities require high calibre finance professionals – both on the relationship side and on the investment and product side of our business.

This desire to build a great team and continue expanding our employee strength, can be seen in the net addition of 111 employees (Fig. 21), a 12.5% increase, from 888 employees in FY18.



(Fig. 21)²⁴

Risks and Governance:

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 do so 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 appropriateness of investment options provided and the 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 (relating to stocks, bonds, commodities or real estate related investments) may adversely affect our business.

²⁴ IIFL Wealth & AMC HR employee masters FY '18 and FY '19

To mitigate these risks, we have a Product team that short-lists products which are offered to clients. We also have a Product Approval Committee for complex / structured products. That apart, we do a detailed Risk Appetite assessment of the client, and accordingly prepare an Investment Policy Statement (IPS) for the client. Hence, actual asset allocation can be checked against this and corrective action can accordingly be taken. That apart, our Internal Auditors specifically check that investment rationales are maintained and regularly updated. We also have Investment and Valuation Committees and a Risk Management team that monitor portfolios that are managed by us internally within the group.

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, wealth levels, the economic cycle, prevalent interest rate regime, 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 healthy 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 unforeseen events adversely affect our client investment portfolios, our financial condition and results of operations may be materially and adversely affected.

Competition and Market: 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 several players who offer financial advisory services purely on technology platforms, in a highly cost-competitive manner ('Robo-advisors'). These competitive factors could reduce our market share and profitability.

There is also a fundamental change that is happening in the distribution of financial products, as the industry is moving gradually from a Commission based model to a fee-based model, that is having an effect on the revenues of asset allocators like our Company. The IIFLONE product platform has been launched to address this change.

We believe our wide product offering, our relationships with clients and sub-brokers, industry and product knowledge, and brand image will allow us to face such competition. We have a dedicated technology team which has both domain and technology experts, and we are leveraging technology to deliver insights and interact with clients through different platforms.

Regulatory supervision: 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.

We have a dedicated Compliance team to interpret regulations, provide regulatory returns and interface with Regulators. We also have Anti-Money Laundering Policies and AML Committees for our various businesses to deliberate on client on boarding.

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.

Operations and Technology: Any complex set of Operations creates the possibility of frauds and errors. To mitigate against these risks, we have written procedures, maker-checker controls and approval of all exception requests by Risk Management. The efficacy of these controls is checked by Internal Audit.

Information technology systems are crucial to the success of our business operations and help us to improve our overall productivity. They also pose a key risk in terms of failure of systems, information security failures and the possibility of cyber-attacks.

Our Technology team has deployed multiple defences to mitigate the risk of cyber-attacks and prevent unauthorised access to, and leakage of, sensitive information. We have network security in the form of a firewall, and Intrusion Prevention Systems; we also have a strict perimeter device security policy, where we have blocked access to personal email, social networking and data sharing websites, USB and local drives and forced users to save working files on a company administered One Drive. While access to emails is accessible on mobile phones, no files / attachments can be saved on these devices. We also have a Business continuity and disaster Recovery plan, with data being stored on a cloud server, which we have tested.

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.

Development and Implementation of Risk

Management: We have a separate Risk Management department that directly reports to the MD & CEO and the Audit Committee of the Boards of IIFL Wealth Management Ltd. and its subsidiaries. Risk Management relies on the internal controls built into Standard Operating Procedures, and the Risk Management, Product and Investment Policies relating to the various businesses: e.g. the Broking Risk Management Policy, the MF Risk Management Policy, the Policies for Loan Against shares, Loan Against Property and Unsecured Lending and Investment Manuals and Policies that exist for our NBFC and Asset Management Company. We also have Valuation and Provisioning Policies for our MF and AIF portfolios. There is representation from the Risk Management team on Investment, Valuation and Risk Management Committees of the various businesses.

All trading limits have been put on the respective trading systems in Stock and Commodities broking, and asset management businesses.

That apart, Risk Management conducts internal reviews (using external chartered accountants) of various aspects of the business, like documentation in relation to the lending business; compliance with various regulations in AIF, checking of certain regulatory returns etc.

The Company has invested in ensuring that its internal audit and control systems are adequate and commensurate with the nature of business, regulatory prescriptions and the size of its operations.

The Internal Audit of the Company and its subsidiaries is conducted by an independent firm of chartered accountants, as per the scope suggested by Risk Management and approved by the various Boards.

The scope of internal audit covers all aspects of business including regular front-end and back-end operations, HR, Finance, Customer Service, IT and

checking for both regulatory and internal compliances. The Internal Auditors also check and opine on the state of Internal Financial Controls.

In addition, the Company complies with several specific audits mandated by regulatory authorities such as SEBI / Exchanges / Depositories, and the reports are periodically submitted to the regulators.

The Board/Audit Committee reviews the overall risk management framework and the adequacy of internal controls instituted by the management team. The Audit Committee reviews major instances of fraud on a quarterly basis and actions are taken on the same. It also focuses on the implementation of the necessary systems and controls to strengthen the system and prevent such recurrence.

The internal processes have been designed to ensure adequate checks and balances, regulatory compliances at every stage. Internal audit team carries out a risk-based audit of these processes to provide assurance on the adequacy and effectiveness of internal controls.

Internal Financial Controls: The Company has in place adequate internal controls with reference to financial statements and operations and the same are operating effectively. The Internal Auditors tested the design and effectiveness of the key controls and no material weaknesses were observed in their examination.

Further, Statutory Auditors verified the systems and processes and confirmed that the Internal Financial Controls system over financial reporting are adequate and such controls are operating effectively

Outlook

The Indian economy appears to be going through a period of slowing down. It is expected that the government will continue its focus on faster policy implementation and encourage private sector spending to boost investments. While focusing on government spending, India needs to maintain its fiscal deficit within the target range, which it should be able to meet, given the recent RBI surplus transfer.

Continuing to focus on the revenue collection and disinvestment targets will be crucial to ensure the budgeted reduction in the fiscal-deficit-to-GDP ratio. Policy continuity on the implementation of structural

and financial sector reforms with efforts to reduce public debt is important to ensure the economy's longer-term growth prospects. In the near term, continued fiscal consolidation is needed to bring down India's elevated public debt. This should be supported by strengthening Goods & Services Tax compliance and further reducing subsidies.

India's economic output remains vulnerable to domestic and geopolitical risks, especially economic and political changes that can affect crude oil and other prices and hurt current and fiscal account deficits. As said above, fiscal expansion is the key to growth. However, the pressure will be on government spending if private investments lose steam.

That said, in this period of a global slowdown and ensuing trade wars between global economies, India is the only large Asian economy with a positive change in share of exports. Equity valuations seems to be pricing in the near-term concerns and offer good risk-reward over a long-term horizon. India's Bond Yield-Earnings Yield (BY-EY) gap has dropped sharply to levels last seen during demonetization (Dec' 2016) and market lows in Aug 2013. Historically, equities deliver good returns for the next two years from such levels. Market cap to GDP is ~76%, lower than long term averages (78% for the last 12 years). We believe that it is extremely difficult to time the exact bottom of the market and the current valuations are starting to get reasonable. Investors should start investing in equity in staggered manner over the next 6 - 12 months.

Our company, in the past few years, has made substantial investments in people, processes and technology and continues to focus on delivering steady performance. We are cognizant of the changes in the financial services sector and we are well prepared to overcome these challenges and sustain our performance.

For IIFL Wealth Management Limited

Karan Bhagat

Managing Director

DIN: 03247753

Date: August 21, 2019

Place: Mumbai

CORPORATE GOVERNANCE REPORT

This Corporate Governance Report has been issued in compliance with the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

OUR COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

IIFL Wealth Management Limited (the "Company") follows the highest standards of governance and disclosure. The Company firmly believes that adherence to business ethics and sincere commitment to corporate governance will help the Company achieve its vision of being the most respected Wealth Management Company in the financial services space in India. Since inception, the promoters have demonstrated exemplary track record of governance and utmost integrity. The Company is in compliance with the requirements of the

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015..

Our Board has Independent Directors, highly respected for their professional integrity as well as rich financial experience and expertise.

1. BOARD OF DIRECTORS

(a) Composition of the Board of Directors as on June 30, 2019:

The Board of Directors ("Board") of the Company has an optimum combination of executive and non-executive directors (including one woman director). The Board provides leadership, strategic guidance and discharges its fiduciary duties of safeguarding the interest of the Company and its stakeholders.

None of the Directors of the Company are related to each other. The composition of the Board is as follows:

Category	Name of the Directors
Executive Directors	Mr. Karan Bhagat (Managing Director) Mr. Yatin Shah(Whole Time Director)
Independent Directors	Ms. Geeta Mathur Mr. Nilesh Vikamsey Dr. Subbaraman Narayan
Non-Executive Directors	Mr. Nirmal Jain Mr. Venkataraman Rajamani
Nominee Directors (Representing General Atlantic Singapore Fund Pte Ltd as equity investor)	Mr. Sandeep Naik Mr. Shantanu Rastogi

The Board has identified the following skills/expertise/competence for the effective functioning of the Company which is currently available with the Board:

Skills and Attribute	Strategic Advisor, Monetary Policy, Leadership, Corporate Governance, Risk and Compliance, Financial Expertise, Stakeholder Relationship
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(b) Brief profiles of the Directors are as follows:

• KARAN BHAGAT

Karan Bhagat is the Promoter and 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 & estate planning services for ultra HNIs. 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**

Yatin Shah is the Promoter and 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 been awarded as the Best Relationship Manager by Kotak Mahindra Bank and secured the Best Financial Manager" award for the best registered deal by Asian Institute of Management Manila.

- **NIRMAL JAIN -**

Nirmal Jain is the Promoter and 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.

- **VENKATARAMAN RAJAMANI**

Venkataraman Rajamani is the Promoter and 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**

Nilesh Vikamsey is an Independent Director and the Chairman of the Board of our Company w.e.f June 25, 2019. 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**

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.

- **SUBBARAMAN NARAYAN**

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.

- **SANDEEP NAIK**

Sandeep Achyut Naik is a Nominee Director on the Board of our Company. He is currently the managing director and head of the India and Asia-Pacific business of 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 Singapore Fund Pte Limited 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**

Shantanu Rastogi is a Nominee Director on the Board of our Company. He is currently a managing director at General Atlantic Singapore Fund Pte Limited, 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 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 India LLP.

c) **Board Meetings and Directorship/ Committee membership(s) of Directors**

During the year 2018-19, nine (9) Board Meetings were held on the following dates: May 03, 2018, June 19, 2018, July 20, 2018, July 30, 2018, August 28, 2018, September 21, 2018, October 15, 2018, October 31, 2018 and January 29, 2019.

Further during the quarter ended June 30, 2019, Five (5) Board Meetings were held on April 10, 2019, April 30, 2019, May 13, 2019, June 06, 2019 and June 25, 2019.

As mandated by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, none of the Directors on the Board of the Company is a Member of more than ten (10) specified Committees and none is a Chairman of more than five (5) specified Committees

across all the Indian Public Limited companies in which they are Directors. The Company has received necessary disclosures from all the Directors regarding Committee positions held by them in other Companies.

The table below gives the details of the names of the members of the Board, their status, their

attendance at the Board Meetings and the last AGM, their Directorships, Committee Memberships and Chairmanships in Indian Companies as on June 30, 2019. It excludes Directorships of Private Limited Companies, Foreign Companies and Section 8 Companies.

Name of Director	Position / Category of Directorship	Number of Directorship	Name of Listed Companies and Designations	^Number of Committees	
				Member	®Chairperson
Mr. Nirmal Jain	Promoter and Non-Executive Director	6	1. IIFL Finance Limited Whole-time Director 2. [§] IIFL Wealth Management Limited Non-Executive Director	-	-
Mr. Venkataraman Rajamani	Promoter and Non-Executive Director	5	1. IIFL Finance Limited Managing Director 2. IIFL Wealth Management Limited Non-Executive Director	5	1
*Mr. Nilesh Vikamsey	Chairman & Independent Director	10	1. Navneet Education Limited- Non-Executive Director 2. Thomas Cook (India) Limited- Independent Director 3. PNB Housing Finance Limited - Independent Director 4. IIFL Finance Limited Independent Director 5. SBI Life Insurance Company Limited Independent Director 6. IIFL Wealth Management Limited Independent Director	7	2
Ms. Geeta Mathur	Independent Director	13	1. JTEKT India Limited Independent Director 2. Schneider Electric Infrastructure Limited Independent Director 3. Motherson Sumi Systems Limited Independent Director 4. IIFL Finance Limited Independent Director 5. NIIT Limited Independent Director 6. Info Edge (India) Limited Independent Director 7. IIFL Wealth Management Limited Independent Director	6	3

Name of Director	Position / Category of Directorship	Number of Directorship	Name of Listed Companies and Designations	^Number of Committees	
				Member	Chairperson
**Dr. Subbaraman Narayan	Independent Director	11	1. Seshasayee Paper and Boards Limited – Independent Director; 2. Dabur India Limited - Independent Director 3. Apollo Tyres Limited- Independent Director 4. Artemis Global Life Sciences Limited - Independent Director 5. IIFL Wealth Management Limited – Independent Director	2	3
Mr. Karan Bhagat	Promoter and Managing Director	3	1. IIFL Wealth Management Limited – Managing Director	-	-
Mr. Yatin Shah	Promoter and Whole-time Director	10	1. IIFL Wealth Management Limited – Whole-time Director	1	0
Mr. Shantanu Rastogi	Non-Executive Director	10	1. IIFL Wealth Management Limited – Nominee Director	1	1
Mr. Sandeep Naik	Non-Executive Director	8	1. IIFL Wealth Management Limited – Nominee Director		

Note:

- *Mr. Nilesh Vikamsey has been designated as the Chairman of the Board of the Company w.e.f June 25, 2019.
- **Dr. Subbaraman Narayan was appointed w.e.f. June 25, 2019.
- ^The committees considered for the above purpose are those prescribed in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 viz. Audit Committee and Stakeholders Relationship Committee.
- @This is in addition to the number of committees in which the director is designated as a committee member.
- \$ Proposed to be listed

Details of Board Meeting(s) and Annual General Meeting as on March 31, 2019:

S/n.	Name of Director	Number of Board Meetings During Fy 2018-19		Attendance at AGM
		Held	Attended	
1.	Mr. Nirmal Jain	9	9	No
2.	Mr. Venkataraman Rajamani	9	9	No
3.	Mr. Nilesh Vikamsey	9	8	No
4.	Ms. Geeta Mathur	9	9	Yes
5.	Dr. Subbaraman Narayan	9	Not Applicable	Not Applicable
6.	Mr. Karan Bhagat	9	9	Yes
7.	Mr. Yatin Shah	9	6	Yes
8.	Mr. Shantanu Rastogi	9	7	No
9.	Mr. Sandeep Naik	9	8	No

d) Board Level Performance Evaluation:

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Executive Directors, Non-Executive Directors including Independent Directors (“IDs”) and Board as a Whole.

The criteria for performance evaluation are as under:

For Chairman:

The criteria for evaluation of Chairman, *inter alia*, includes his ability to conduct meetings, ability to elicit inputs from all members, ability to table and openly discuss challenging matters, attendance at meetings, assistance to board in formulating policies and setting standards, accessibility, ability to analyze strategic situations, ability to project positive image of the Company, compliance with regulatory requirements.

For Executive Directors:

The criteria for evaluation of Executive Directors, *inter alia*, includes their ability to elicit inputs from all members, ability to table and openly discuss challenging matters, attendance and participation at meetings, integrating quality and re-engineering, capitalise on opportunities created by economic and technological changes, assistance to board in formulating policies and setting standards and following them, accessibility, ability to analyze strategic situations, ability to project positive image of the Company, compliance with regulatory requirements, handling critical situations concerning the group.

For Non-Executive Directors (including Independent Directors):

The criteria for evaluation of Non-Executive Directors, *inter alia*, includes attendance at the meetings, study of agenda and active participation, contribution to discussions on strategy, participate constructively and actively in committees of the Board, exercise of skills and diligence with due and reasonable care and to bring independent judgment to the Board, ability to bring in best practices from his / her experience, adherence to the code of conduct.

For Board as a whole:

The criteria for evaluation of the Board, *inter alia*, includes composition and diversity, induction programme, team work, performance

culture, risk management and financial controls, integrity, credibility, trustworthiness, active and effective participation by members.

e) Separate meetings of the Independent Directors:

In compliance with the provisions of the Companies Act, 2013, a separate meeting of Independent Directors of the Company was held on March 22, 2019, *inter alia*, to discuss the following:

- To review the performance of non-independent directors and the Board of Directors as a whole;
- To review the performance of the Chairperson of the company;
- To assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Upon the conclusion of the meeting, the Independent Directors expressed their satisfaction over the performance of the other directors and the Board as a whole. They also expressed their satisfaction over the quality, quantity and flow of information between the company management and the Board / Committees of the Board from time to time.

f) Familiarization programme for Independent Directors:

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company’s procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings, on business and operations of the Company as well as the Group. Quarterly updates on relevant statutory changes are discussed at the Board meetings. The details of such familiarization programmes of the Company may be accessed on the Company’s website at www.iiflwealth.com.

g) Meetings of the Board:

- **Frequency:** The Board meets at least once a quarter to review the quarterly results and other items of the Agenda. Whenever necessary, additional meetings are held. In case of business exigencies or matter of urgency, resolutions are passed by

circulations, as permitted by law, which are confirmed in the next Board Meeting.

- **Board Meeting Location:** The location of the Board / Committee Meetings is informed well in advance to all the Directors. Each Director is expected to attend the Board / Committee Meetings.
- **Notice and Agenda circulated in advance:** The Company's Board / Committees are presented with detailed notes, along with the agenda papers which are being circulated well in advance of the Meeting. The Company has implemented App based e-meeting system accessible through secured iPads provided to the directors and key officials. The agenda, presentation, notes and minutes are made available to the Board and Committee members. The Company Secretary sets the Agenda for the Board / Committee Meetings. All material information is incorporated in the Agenda for facilitating meaningful and focused discussions at the Meeting. Where it is not practical to attach any document to the Agenda, the same is tabled before the Meeting with specific reference to this effect in the Agenda. In special and exceptional circumstances, additional or supplementary items on the Agenda are permitted. The Board periodically reviews compliance reports of laws applicable to the Company, prepared and placed before the Board by the Management.
- **Other Matters:** The senior management team of the Company is advised to schedule its work plans in advance, particularly with regard to matters requiring discussions/ decision with the Board/ committee Members.
- **Presentations by Management:** The Board / Committee is given presentations, wherever practicable covering finance, sales, marketing, major business segments and operations of the Company, global business environment including business opportunities, business strategy, risk management practices and operating performance of the Company before taking on record the financial results of the Company.
- **Access to employees:** The Directors are provided free access to officers and employees of the Company. Whenever any need arises,

the Board / Committee Members are at liberty to summon the personnel whose presence and expertise would help the Board to have a full understanding of the issues being considered.

h) Information Supplied to the Board / Committees:

Among others, information supplied to the Board / Committees includes:

- Annual operating plans of the businesses and budgets and any update thereof.
- Capital budgets and any updates thereof.
- Quarterly results of the Company.
- Minutes of the Meetings of the Board and all other Committees of the Board.
- The information on recruitment and remuneration of senior officers just below the Board level, including the appointment or removal, if any, of Chief Financial Officer and Company Secretary.
- Status of material litigations.
- Show cause, demand, prosecution notices and penalty notices, which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the Company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order, which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards royalty, goodwill, brand equity or intellectual property.
- Any significant development in human resources / industrial relations front, as and when it occurs.
- Sale of material nature of investments, assets which are not in the normal course of business.

- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Compliance status of any regulatory, statutory nature or listing requirements and shareholders' service, if any, and others and steps taken by company to rectify instances of non-compliances, if any.

i) Minutes of the Meetings:

The draft Minutes of the proceedings of the Meetings are circulated amongst the Members of the Board / Committees. Comments and suggestions, if any, received from the Directors are incorporated in the Minutes, in consultation with the Chairman of the Board. The Minutes are confirmed by the Members and signed by the Chairman at the next Board/ Committee Meetings. All Minutes of the Committee Meetings are placed before the Board Meeting for perusal and noting.

j) Post meeting follow-up mechanism:

The Company has an effective post meeting follow-up review and reporting process for the decisions taken by the Board and Committee(s) thereof. The important decisions taken at the Board / Committee(s) Meetings which calls for actions to be taken are promptly initiated and wherever required, communicated to the concerned departments/ divisions. The action taken report is placed at the immediately succeeding Meeting of the Board / Committee(s) for information and review by the Board/ Committee(s).

k) Confirmation of Independence:

The Board is of the opinion that the Independent Director fulfills the conditions specified in SEBI Listing Obligations and Disclosure Requirements), 2015 and are independent of the Management.

2. AUDIT COMMITTEE

- i. The present Audit Committee of your Company comprises of two Independent Directors (Mr. Nilesh Vikamsey and Ms. Geeta Mathur) and one Non-Executive Director (Mr. Shantanu Rastogi). Ms. Geeta Mathur, an Independent Director, is the Chairperson of the Committee. All the members of the Audit Committee are financially literate and possess thorough knowledge of the financial services industry.

The scope of the Audit Committee includes the references made under Regulation 18 read with part C of schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as section 177 and other applicable provisions of the Companies Act, 2013 besides the other terms that may be referred by the Board of Directors. The broad terms of reference of the Audit Committee are:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, 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 be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions;
 - g. Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure or internal control systems or a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture-holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower Mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. Reviewing the utilization of loans and/ or advances from/investment by the company in its subsidiaries exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing.
22. Reviewing the following information:
 1. Management discussion and analysis of financial condition and results of operations;
 2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 3. Management letters/letters of internal control weaknesses issued by the statutory auditors;
 4. Internal audit reports relating to internal control weaknesses; and
 5. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
 6. statement of deviations:
 - a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

During the period under review, the Audit Committee of the Company met seven(7) times on May 01, 2018, May 03, 2018, June 19, 2018, July 20, 2018, July 30, 2018, October 31, 2018 and January 29, 2019. The necessary quorum was present at the

meetings. The gap between two Audit Committee Meetings was not more than 120 days.

Further during the quarter ended June 30, 2019, two (2) meetings of the Audit Committee were held on May 13, 2019 and June 25, 2019.

The attendance of each member of the Audit Committee at its Meeting as on March 31, 2019 is given below:

Name of the Members	Designation	Non-executive/ Executive / Independent	No. of Committee Meetings Held	Committee Meeting Attended
Ms. Geeta Mathur	Chairperson	Independent	7	7
Mr. Nimesh Vikamsey	Member	Independent	7	7
Mr. Shantanu Rastogi	Member	Non-Executive	7	6

Audit Committee meetings are attended by the Chief Financial Officer of the Company and representatives of Statutory Auditors and Internal Auditors, if required. The Company Secretary acts as the Secretary of the Audit Committee.

The Chairperson of the Audit Committee was present at the last Annual General Meeting of the Company held on July 20, 2018.

3. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee ("NRC") presently comprises of Ms. Geeta Mathur, an Independent Director as the Chairperson, Mr. Nimesh Vikamsey, an Independent Director as member, Mr. Nirmal Jain, a non-executive director as member and Mr. Sandeep Naik, a non-executive Director as the member, of the NRC.

The scope of activities of the NRC is as set out in Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013. The terms of reference of the Nomination and Remuneration Committee are broadly as follows:

- (1) 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;
- (2) formulation of the criteria for evaluation of performance of Independent Directors and the Board;
- (3) devising a policy on Board diversity;
- (4) 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;
- (5) 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;
- (6) specifying the manner for effective evaluation of performance of Board, its committees and individual Directors and review its implementation and compliance;
- (7) recommend / review remuneration of the managing director(s) and whole-time director(s) based on their performance and defined assessment criteria;
- (8) administer, monitor and formulate detailed terms and conditions of the employees' stock option scheme;
- (9) annual performance evaluation of the committee;
- (10) 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
- (11) 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.

The NRC also administer your Company's Stock Option plans.

During the year under review, the NRC of the Company met Four (4) times during the last financial year on May 03, 2018, July 30, 2018, October 31, 2018 and January 29, 2019. The necessary quorum was present at the meetings.

Further during the quarter ended June 30, 2019, two (2) NRC Meeting was held on May 13, 2019 and June 25, 2019.

The attendance of each member of the NRC at the Meeting of Committee as on March 31, 2019 is given below:

Name of the Members	Designation	Non-executive/ Executive / Independent	No. of Committee Meetings Held	Committee Meeting Attended
Ms. Geeta Mathur	Chairperson	Independent	4	4
Mr. Nilesh Vikamsey	Member	Independent	4	4
Mr. Nirmal Jain	Member	Non-Executive	4	4
Mr. Sandeep Naik	Member	Non-Executive	4	3

The Company Secretary of the Company acts as the Secretary of the Committee.

The Chairperson of the NRC was present at the last Annual General Meeting of the Company held on July 20, 2018.

The Board of Directors of the Company has approved Nomination & Remuneration Policy of the Company, which sets out the guiding principles for appointment & remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The Nomination & Remuneration policy forms part of the Directors Report, annexed as Annexure I. The details of the remuneration paid to the Directors is as follows:

(a) Details of Remuneration paid to Directors during the financial year 2018-19 and details of number of shares and convertible instruments held by Directors as on June 30, 2019 is as under:

Name Of The Director	Designation	Salary And Perquisite (in Rs.)	Commission (in Rs.)	Sitting Fees (in Rs.)	Contribution To Pf And Other Funds	Stock Options (in Quantity)	No. Of Equity Shares Held As On June 30, 2019
Mr. Nirmal Jain	Non - Executive Director	Nil	Nil	Nil	Nil	Nil	66,28,856
Mr. Venkataraman Rajamani	Non- Executive Director	Nil	Nil	Nil	Nil	Nil	15,69,204
Ms. Geeta Mathur	Independent Director	Nil	5,00,000/-	5,70,000/-	Nil	Nil	Nil
Mr. Nilesh Vikamsey	Independent Director	Nil	10,00,000/-	5,40,000/-	Nil	Nil	23,571
Mr. Karan Bhagat	Managing Director	5,01,78,647.06	Nil	Nil	Nil	Nil	3,06,569
Mr. Yatin Shah	Whole Time Director	4,00,78,846.42	Nil	Nil	Nil	Nil	33,10,497
Mr. Shantanu Rastogi	Independent Director	Nil	Nil	Nil	Nil	Nil	Nil
Mr. Sandeep Naik	Non- Executive Director	Nil	Nil	Nil	Nil	Nil	Nil
#Mr. Amit Shah	Non- Executive Director	Nil	Nil	Nil	Nil	Nil	15,68,421

Note:

1. #Mr. Amit Shah resigned on January 24, 2019.

The Company has not issued any convertible instruments.

(b) Remuneration to Non-Executive/ Independent Directors:

During the year under review, the Independent Directors were paid Rs. 30,000/- (Rupees Thirty Thousand only) towards sitting fees for attending each of the Board Meeting and Audit Committee Meeting and were paid Rs. 15,000/- (Rupees Fifteen Thousand only) towards sitting fees for attending each of the other committee meetings and the Independent Director's Meeting plus the reimbursement directly related to the actual travel and out-of-pocket expenses, if any, incurred by them. The Company has not granted any Employee Stock Options to the Independent Directors. There are no pecuniary relationships or transaction of the non-executive directors with the Company.

4. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee of your Company was constituted on May 14, 2019 and comprises of one non- executive director who is chairman of the Stakeholders Relationship Committee (Mr. Venkataraman Rajamani), one Independent Director (Ms. Geeta Mathur) and one executive director (Mr. Yatin Shah).

The broad terms of reference of committee are as under:

- (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.

Further during the quarter ended June 30, 2019 there was no meeting of Stakeholder Relationship Committee.

The name, designation and address of Compliance Officer of the Company is as under:

Name and designation: Mr. Ashutosh Naik,
Company Secretary &
Compliance Officer

Corporate Office Address: IIFL Centre, Kamala City,
Senapati Bapat Marg,
Lower Parel, Mumbai -
400013

Contacts: Tel: +91 22 48765600

E-mail: ashutosh.naik@iiflw.com

The Company Secretary of the Company acts as Secretary of the Committee.

There is no shareholder complaint received so far.

5. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR)

The Corporate Social Responsibility Committee presently comprises of Mr. Karan Bhagat, Managing Director, Mr. Nirmal Jain, Non-Executive Director, Mr. Nilesh Vikamsey, Chairman and Independent Director, Mr. Sandeep Naik, Non-Executive 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.

During the year ended March 31, 2019, One (1) meeting of Corporate Social Responsibility Committee was held on March 22, 2019, which was attended by Mr. Nirmal Jain and Mr. Nilesh Vikamsey, while Mr. Karan Bhagat and Mr. Sandeep Naik were granted leave of absence.

Further during the quarter ended June 30, 2019, one (1) CSR Meeting was held on May 13, 2019.

6. **RISK MANAGEMENT COMMITTEE**

The Risk Management Committee presently comprises of Mr. Venkataraman Rajamani, Non-Executive Director, Mr. Shantanu Rastogi, Non-Executive Director, Mr. Nilesh Vikamsey, Non-Executive Director, Mr. Karan Bhagat, Managing Director, Ms. Geeta Mathur, Non-Executive 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.

7. **PERIODIC REVIEW OF COMPLIANCES OF ALL APPLICABLE LAWS**

Your Company follows a system whereby all the acts, rules and regulations applicable to your Company are identified and compliance with such acts, rules and regulations is monitored by dedicated team on a regular basis. Verification of the compliances with the major acts/regulations is carried out by suitable external auditors/ lawyers/ Consultants and their reports and implementation of their observations are reported to the Board/Audit Committee. In addition, the audit and verification plan and actual status thereof are reviewed by the Board/Audit Committee periodically. A consolidated compliance certificate based on the compliance status received in respect of various laws, rules and regulations applicable to your Company is placed before the Board on regular basis and reviewed by the Board. Necessary reports are also submitted to the various regulatory authorities as per the requirements from time to time.

8. **ANNUAL GENERAL MEETINGS**

The following table gives the details of the last three Annual General Meetings of the Company:

Date of AGM	Location	Time	Whether any special resolutions passed
July 20, 2018	IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai - 400013	01.00 pm	Yes. 2 Special Resolutions were passed.
July 21, 2017	IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai - 400013	01.00pm	No
July 27, 2016	IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai - 400013	04.00 pm	No

No business was required to be transacted through Postal Ballot at the above meetings.

9. **DISCLOSURES**

(i) **Disclosure on materially significant related party transactions that may have potential conflict with the interest of company at large:**

The Company has put in place a policy for Related Party Transactions (RPT Policy) which has been approved by the Board of Directors, which is displayed on your Company's website, i.e., www.iiflwealth.com. The Policy provides for identification of RPTs, necessary approvals by the Audit

Committee/Board/Shareholders, reporting and disclosure requirements, as applicable, in compliance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All related party transactions that were entered during the financial year were in ordinary course of the business of the Company except the transaction stated in the Form AOC-2 annexed to the Directors Report pursuant to Section 134(3)(h) read with Rule 8(2) of the Companies (Accounts) Rules, 2014 to be reported under Section 188(1) of the Companies Act, 2013. However, all the related party transactions were on arms' length basis. All such Related Party Transactions were placed before the Audit Committee for approval, wherever applicable.

(ii) **Details of non-compliance:**

No strictures/penalties were imposed on your Company by the stock exchange(s) or by the Securities and Exchange Board of India or by any statutory authority on any matter related to the capital markets during the last three financial years.

(iii) **Details of establishment of Whistle Blower Policy and Vigil Mechanism:**

The Company has adopted a Vigil Mechanism and Whistle Blower Policy on June 25, 2019 and has established the necessary vigil mechanism for employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct policy. The Policy also provides for adequate safeguard against victimization of the whistle blower who avails of such mechanism and provides for the access to the Chairman of the Audit Committee. None of the whistle blowers has been denied access to the Audit Committee.

(iv) **Compliance with Mandatory and Non-Mandatory Provision**

During the financial year 2018-19, all the mandatory and non-mandatory requirements of the Corporate Governance norms under the relevant regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were not applicable to your Company. Post implementation of the composite scheme of arrangement and proposed listing of your Company, your Company has initiated steps to adhere with all the mandatory requirements of the Corporate Governance norms as prescribed under the Regulations 17 to 27 and Clause (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable to the Company.

The Company has also implemented some of the discretionary requirements, such as direct reporting by the Internal Auditor to the Audit Committee and a separate office for Chairman.

(v) **Details of utilization of funds raised through preferential allotment or qualified institutional placement as specified under Regulation 32(7A):**

During the financial year 2018-19, the Company has raised funds through preferential allotment for the purpose of conducting business operations of the Company including for general corporate purposes and working capital requirements of the Company and that there is no deviation from the purpose stated in the offer document.

(vi) **Disclosure of accounting treatment**

There was no deviation in following the treatments prescribed in any of Accounting Standards (AS) in the preparation of the financial statements of your Company.

The Company's Policies on determining 'material' subsidiaries and determination of materiality of events or information are available on the Company's website viz. URL: www.iiflwealth.com

(vii) None of the directors are related to any other director;

(viii) There are no Unclaimed shares of the

Company as on March 31, 2019

- (ix) The Company has obtained a certificate from M/s. Jayaram U. Poojari, Company Secretary in practice confirming that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority.
- (x) The relevant disclosures in relation to the number of complaints under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 have been mentioned in the Directors' Report of the Company.
- (xi) During the year the board has accepted all the recommendations made by committee(s) and there were no such instances where the Board has not accepted recommendations made by any of the committee of the Board.

10. MEANS OF COMMUNICATION TO THE STAKEHOLDERS

The primary source of information to the

shareholders, customers, analysts and other stakeholders of your Company and to public at large is through the website of your Company www.iiflwealth.com. On being listed, the Annual Report, quarterly results, shareholding pattern, material events, corporate actions, copies of press releases, schedule of analysts/investor meets, among others, will be regularly sent to Stock Exchanges and uploaded on the Company's website.

The Board of Directors has approved a policy for determining materiality of events for the purpose of making disclosure to the stock exchange.

All the disclosures made to the stock exchanges are also available on the Company's website at www.iiflwealth.com.

Upon Listing, the quarterly and annual results of your Company will be published in newspapers which are widely circulated. Your Company will also make presentation to the analyst in their meetings held from time to time, transcripts of which are uploaded on your Company's website. The schedule of analyst meets/Institutional Investors meets will also be informed to the public through the Stock Exchanges.

11. GENERAL SHAREHOLDERS' INFORMATION

1. Annual General Meeting	September 30, 2019 at 12:00 noon at Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400018.
2. Financial calendar (2019-20)	April 1, 2018 to March 31, 2019 Results for the quarter ended June 30, 2019 were approved on August 21, 2019. Results for the quarter ended September 30, 2019 – within 45 days from the end of the quarter Results for the quarter ended December 31, 2019 – within 45 days from the end of the quarter Results for the quarter and year ended March 31, 2020 – within 60 days from the end of the quarter
3. Book closure date	September 24, 2019 to September 30, 2019 (both days inclusive)
4. Dividend	During the period under review, your Company has declared an interim dividend of Rs. 5/- each on October 31, 2018 and January 29, 2019, per equity share with face value Rs.2 per share, involving a total outlay of Rs. 84,79,06,100/- (including dividend distribution tax).
5. Listing of equity shares on stock exchanges at	1. National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai-400 051 2. BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001 The Listing Fees for the financial year 2019-20 have been paid to the aforesaid Stock Exchanges.
6. Stock code	The Shares of the Company are proposed to be listed, on the date of this report.
7. Stock market data:	Not Applicable for the financial year 2018-19.
8. Demat ISIN numbers in NSDL and CDSL for equity shares	INE466L01020

9. Registrar & Transfer Agent	Link Intime India Private Limited C-101, 247, LalBahadur Shastri Marg, Gandhi Nagar, Vikhroli West, Mumbai -400083. Tel: 022-49186000, Email: rnt.helpdesk@linkintime.co.in
10. Share transfer system	Your Company's shares are compulsorily traded in dematerialized form. In the case of transfers in physical form, which are lodged at the Registrar and Transfer Agent's Office, these are processed within a period of 30 days from the date of receipt. All share transfers and other share related issues will be approved in the Stakeholders Relationship Committee Meeting, which is normally convened as and when required.
11. Dematerialization of shares	As on June 30, 2019, 99.99% of the paid-up share capital of the Company was in dematerialized form. Trading in equity shares of the Company is permitted only in dematerialized form through CDSL and NSDL as per notifications issued by the Securities and Exchange Board of India.
12. Correspondence for dematerialization, transfer of shares, non-receipt of dividend on shares and any other query relating to the shares of the Company	Link Intime India Private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083. Tel: +91 (22) 4918 6270 Email: rnt.helpdesk@linkintime.co.in Website: www.linkintime.co.in Contact Person: Jayprakash VP
13. Any query on Annual Report contact at corporate office	Mr. Ashutosh Naik, Company Secretary and Compliance Officer IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai – 400013 Email: secretarial@iiflw.com
14. Outstanding GDRs/ ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity	The Company does not have any outstanding GDRs/ADRs/Warrants as on date. The Company has outstanding unexercised ESOPs of 3491634 stock options as on March 31, 2019 under its ESOP plans which may be exercised by the grantees . Each option granted is convertible into one equity share of the Company. Upon exercise of options by grantees, the paid-up share capital of the Company will accordingly increase.

12. SHAREHOLDING PATTERN

Categories of Equity Shareholders as on June 30, 2019:

Category	Number of equity shares held	Percentage of holding
Clearing Members	10,503.00	0.0123
Other Bodies Corporate	8,69,193.00	1.0211
Foreign Company	3,55,00,239.00	41.7030
Hindu Undivided Family	46,367.00	0.0545
Mutual Funds	5,25,138.00	0.6169
Non Nationalised Banks	776.00	0.0009
Foreign Nationals	34,757.00	0.0408
Non Resident Indians	40,89,863.00	4.8045
Non Resident (Non Repatriable)	8,81,916.00	1.0360
Persons Acting In Concert	83,54,189.00	9.8139
Public	1,10,23,517.00	12.9496
Promoters	1,26,65,915.00	14.8790
Trusts	1,597.00	0.0019
Employee Welfare Trust / ESOP	46,754.00	0.0549
Foreign Portfolio Investors (Corporate)	1,08,93,843.00	12.7973
Alternate Investment Funds	1,49,271.00	0.1754
NBFCs registered with RBI	28,741.00	0.0338
Investor Education And Protection Fund	3,669.00	0.0043
TOTAL	8,51,26,248.00	100.00

13. DISTRIBUTION OF SHAREHOLDING AS ON JUNE 30, 2019

The distribution of shareholders as on JUNE 30, 2019 is as follows:

Serial #	Shares Range	Number of Shareholders	% of Total Shareholders	Total Shares for the Range	% of Issued Capital
1	1 to 500	36885	97.2911	1155193	1.3570
2	501 to 1000	348	0.9179	246122	0.2891
3	1001 to 2000	222	0.5856	318604	0.3743
4	2001 to 3000	89	0.2348	215118	0.2527
5	3001 to 4000	52	0.1372	180910	0.2125
6	4001 to 5000	24	0.0633	109798	0.1290
7	5001 to 10000	76	0.2005	537837	0.6318
8	10001 and more	216	0.5697	82362666	96.7535
Total		37912	100.00%	8,51,26,248	100.00%

14. PROCEEDS FROM PUBLIC ISSUES, RIGHT ISSUES AND PREFERENTIAL ISSUE, AMONG OTHERS

Your Company did not raise money through any public issue or right issue during the F.Y. 2018-19. During the Financial year, your company has raised INR 7,45,70,59,500 from strategic institutional investors.

15. SUBSIDIARY COMPANIES

During the year under review, the Company incorporated, a wholly owned subsidiary namely IIFL Wealth Securities IFSC Limited on June 22, 2018. The Company acquired two companies named Altiore Advisors Private Limited and Wealth Advisors (India) Private Limited on November 05, 2018 and November 22, 2018 respectively.

During the year, IIFL Private Wealth (Suisse) S.A. has ceased to be the subsidiary of IIFL Wealth Management Limited.

16. CEO/CFO CERTIFICATE

The Certificate required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, duly signed by the CEO and CFO is annexed to this Report.

17. CODE OF CONDUCT

The confirmation from the Chief Executive Officer regarding compliance with the code by all the Board Members and Senior Management forms part of the Report. The Code of Conduct is displayed on the website of the Company at www.iiflwealth.com

For and on behalf of the Board**Karan Bhagat**

Managing Director

DIN: 03247753

Place: Mumbai

Date: August 21, 2019

Venkataraman Rajamani

Non-executive Director

DIN:00011919

ANNEXURE

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,

The Board of Directors

IIFL Wealth Management Limited

We Certify that;

- (a) We have reviewed the financial statements and the cash flow statement of IIFL Wealth Management Limited for the year ended March 31, 2019 and that to the best of our knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any deficiencies in the design or operation of such internal controls.
- (d) We have indicated to the Auditors and the Audit Committee that there are
 - (i) no significant changes in internal control over financial reporting during the year;
 - (ii) no significant changes in accounting policies during the year;
 - (iii) no instances of significant fraud of which we have become aware.

For and on behalf of the Board

Karan Bhagat

Managing Director

DIN: 03247753

Place: Mumbai

Date: August 21, 2019

Mihir Nanavati

Chief Financial Officer

AUDITOR'S CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of

IIFL Wealth Management Limited

Mumbai

We have examined the compliance of conditions of Corporate Governance by, IIFL Wealth Management Limited (the "Company") for the period ended on 30th June 2019, as per the regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of schedule V of chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") as may be applicable.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance as stipulated in the said clauses. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with, in all material respect, the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

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

For J.U. Poojari & Associates

Practicing Company Secretaries

J.U. Poojari

FCS 8102 CP 8187

Place: Mumbai

Date: August 21, 2019



**COMPANY
FINANCIALS**
2018 - 19

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF IIFL WEALTH MANAGEMENT LIMITED

To The Members of IIFL Wealth Management Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of IIFL Wealth Management Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 2.1 of the Standalone financial statements, which describes the reasons for implementation of the Composite Scheme of Arrangement amongst IIFL Holdings Limited, India Infoline Finance Limited, India Infoline Media and Research Services Limited, IIFL Securities Limited, IIFL Wealth Management Limited and 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 Holdings Limited. The Scheme has been approved by the National Company Law Tribunal vide its order dated 07 March 2019 and filed with the Registrar of Companies on 11 April 2019.

Our opinion on the Standalone financial statements above and our report on Other Legal and Regulatory Requirements below is not modified in respect of this matter.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' report including Annexures to Directors' report, but does not include the standalone financial statements and our auditor's report thereon. The Directors' report including Annexures to Directors' Report is expected to be made available to us after the date of this auditor's report.
- Our opinion on the standalone financial statements does not cover the other information and we do not and we will not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our

knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- When we read the Directors' report including Annexures to Directors' Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the

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

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, The company has not paid remuneration to its director during the period, hence reporting as per the provisions of section 197 of the Act is not applicable.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Pallavi A. Gorakshakar

(Partner)

(Membership No. 105035)

Place: Mumbai

Date : 13 May 2019

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT REPORT ON INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **IIFL WEALTH MANAGEMENT LIMITED** (the "Company") as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10)

of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect

the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Pallavi A. Gorakshakar

Place: Mumbai

(Partner)

Date : 13 May 2019

(Membership No. 105035)

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable properties of freehold or leasehold land and building and hence reporting under clause (i)(c) of the CARO 2016 is not applicable.
- (ii) The Company did not have any inventory and hence reporting under clause (ii) of the CARO 2016 is not applicable.
- (iii) According to the information and explanations given to us, the Company has granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:
- (a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.
- (c) There is no overdue amount remaining outstanding as at the year end.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and hence reporting under clause (v) of the CARO 2016 is not applicable.
- (vi) Having regard to the nature of the Company's business / activities, reporting under clause (vi) CARO 2016 is not applicable.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Income-Tax, Goods and Service Tax, Custom Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities. According to the information and explanations given to us, Employees' State Insurance is not applicable to the Company.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Income-Tax, Goods and Service Tax, Custom Duty, cess and other material statutory dues in arrears as at 31 March 2019 for a period of more than six months from the date they became payable. Employees' State Insurance is not applicable to the Company.
- (c) The details of Income-tax, Goods and Service Tax, Customs Duty and Value Added Tax which have not been deposited as on 31 March 2019 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount (₹)
Income Tax Act, 1961	Income Tax	Commissioner of Income-Tax (Appeal)	Financial Year 2013-14	4,068,930

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government. The Company has not issued any debentures.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, the Company has issued equity shares. In respect of the above issue, we further report that:
- the requirement of Section 42 of the Companies Act, 2013, as applicable, have been complied with; and
 - the amounts raised have been applied by the Company during the year for the purposes for which the funds were raised.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding company and subsidiaries or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Pallavi A. Gorakshakar
(Partner)
(Membership No. 105035)

Place: Mumbai
Date : 13 May 2019

STANDALONE BALANCE SHEET AS AT MARCH 31, 2019

(₹ in Million)

PARTICULARS	NOTE NO.	AS AT MAR 31, 2019	AS AT MAR 31, 2018	AS AT APR 01, 2017
ASSETS				
1 Financial Assets				
(a) Cash and cash equivalents	4	56.75	4,101.19	2,931.90
(b) Bank balance other than (a) above	5	10.07	922.86	670.26
(c) Receivables				
(I) Trade receivables	6	1,989.79	1,413.41	1,168.27
(II) Other receivables	6	-	2,772.11	3,032.00
(d) Loans	7	112.94	28.17	16.49
(e) Investments	8	21,404.35	12,431.30	11,150.68
(f) Other financial assets	9	320.44	383.41	351.54
2 Non-Financial Assets				
(a) Current tax assets (net)		156.46	47.99	38.65
(b) Deferred tax assets (net)	10	78.77	54.05	113.11
(c) Property, plant and equipment	11	594.06	254.29	210.79
(d) Capital work-in-progress	12	1,725.46	210.76	34.07
(e) Other intangible assets	13	19.45	16.67	36.96
(f) Other non-financial assets	14	227.38	88.79	67.04
Total Assets		26,695.92	22,725.00	19,821.76
LIABILITIES AND EQUITY				
LIABILITIES				
1 Financial Liabilities				
(a) 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	15	165.01	826.78	447.74
(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		-	3,564.93	2,341.08
(b) Borrowings (other than debt securities)	16	4,140.06	3,969.01	3,978.24
(c) Other financial liabilities	17	42.04	55.74	31.48
2 Non-Financial Liabilities				
(a) Current tax liabilities (net)		0.09	3.75	5.32
(b) Provisions	18	33.71	66.28	62.04
(c) Other non-financial liabilities	19	112.49	226.42	140.24
3 EQUITY				
(a) Equity share capital	20	169.04	159.50	155.93
(b) Incremental shares pending issuance	20	1.20	1.14	0.83
(c) Other equity	21	22,032.28	13,851.45	12,658.86
Total Liabilities and Equity		26,695.92	22,725.00	19,821.76

See accompanying Notes to the Standalone Financial Statements

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
Date: May 13, 2019

Mihir Nanavati
Chief Financial Officer

Ashutosh Naik
Company Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Million)

PARTICULARS	NOTE NO.	2018 - 2019	2017 - 2018
1 Revenue from operations			
(a) Fees and commission income	22	4,822.70	6,176.80
Total revenue from operations		4,822.70	6,176.80
2 Other income	23	1,109.40	1,010.98
3 Total income (1+2)		5,932.10	7,187.78
Expenses			
(a) Finance costs	24	144.86	611.64
(b) Fees and commission expenses		384.47	286.25
(c) Impairment of financial instruments	25	(3.56)	(9.96)
(d) Employee benefits expenses	26	2,013.38	2,738.54
(e) Depreciation, amortization and impairment	11,13	172.87	126.77
(f) Others expenses	27	1,247.73	1,355.94
4 Total expenses		3,959.75	5,109.18
5 Profit before tax (3-4)		1,972.35	2,078.60
6 Tax expense:			
(a) Current tax	28	479.03	508.37
(b) Deferred tax	28	(24.51)	(12.85)
7 Profit for the year (5-6)		1,517.83	1,583.08
8 Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
- Remeasurements of Employee Benefits		(3.02)	(20.13)
(ii) Income tax relating to items that will not be reclassified to profit or loss		1.05	7.04
Subtotal		(1.97)	(13.09)
9 Total comprehensive income for the period (7+8) (Comprising profit and other comprehensive income for the year)		1,515.86	1,569.99
10 Earnings per equity share			
Basic (Rs.)	29	18.09	20.01
Diluted (Rs.)	29	17.57	19.37

See accompanying Notes to the Standalone Financial Statements
In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Pallavi A. Gorakshakar
Partner

Place: Mumbai
Date: May 13, 2019

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

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Million)

PARTICULARS	2018 - 2019	2017 - 2018
A. Cash flows from operating activities		
Net profit before taxation and extraordinary item	1,972.35	2,078.59
Adjustments for:		
Depreciation, amortization and impairment	172.87	126.77
Provisions for Employee benefits	(18.15)	17.70
Impairment of financial instruments	(3.56)	(9.96)
Net changes in Fair value through Profit and loss of Investments - Realised	130.98	268.77
Net changes in Fair value through Profit and Loss of Investments - Unrealised	(237.88)	218.30
Share based payments to employees	22.49	30.69
Interest Income	(169.47)	(401.56)
Interest expenses	144.71	604.71
Profit on Sale of Property, plant and equipment	(0.09)	(0.53)
Dividend Income from Investments	(831.41)	(1,023.06)
Distribution income from investments	(0.44)	-
Profit on Sale of Subsidiary	(0.16)	-
Operating profit before working capital changes	1,182.24	1,910.42
Changes in working Capital :		
(Increase)/ Decrease in Financial/Non-financial Assets	2,150.18	(42.56)
Increase/ (Decrease) in Financial/Non-financial Liabilities	(4,347.96)	1,696.02
Cash (used in)/generated from operations	(1,015.54)	3,563.88
Net income tax(paid) / refunds	(591.16)	(519.28)
Net cash (used in)/generated from operating activities (A)	(1,606.70)	3,044.60
B. Cash flows from investing activities		
Purchase of Investments	(128,202.90)	(269,695.01)
Sale of Investments	119,333.94	267,927.31
Sale of Subsidiary	3.40	-
Interest Received	169.77	398.74
Dividend Received	831.41	1,023.06
Purchase of fixed assets (includes intangible assets)	(2,030.01)	(326.12)
Fixed Deposit placed	912.79	(252.59)
Inter Corporate Deposit given	(54,767.49)	(153,626.62)
Inter Corporate Deposit repaid	54,683.24	153,614.97
Net cash used in investing activities (B)	(9,065.85)	(936.26)
C. Cash flows from financing activities		
Proceeds from Issuance of Share Capital	9.54	3.57
Securities Premium on issue of shares	7,536.65	472.72
Share issue expenses	(72.62)	-
Borrowings Taken	26,481.36	176,344.21
Borrowings repaid	(29,478.37)	(176,844.60)
Inter-Corporate Deposits - taken	31,452.18	23,058.33

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Million)

PARTICULARS	2018 - 2019	2017 - 2018
Inter-Corporate Deposits - repaid	(28,284.12)	(22,572.23)
Interest Paid	(168.60)	(616.07)
Dividend Paid (including Dividend Distribution Tax)	(847.91)	(784.98)
Net cash generated from financing activities (C)	6,628.11	(939.05)
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(4,044.44)	1,169.29
Opening Cash & cash equivalents (Refer Note 4)	4,101.19	2,931.90
Closing Cash & cash equivalents (Refer Note 4)	56.75	4,101.19

See accompanying Notes to the Standalone Financial Statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**

Chartered Accountants

Pallavi A. Gorakshakar
Partner

Place: Mumbai
Date: May 13, 2019

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

STATEMENT OF CHANGES IN EQUITY

As at March 31, 2019

(₹ in Million)

Particulars	Equity attributable to owners of the Company							Total Other Equity	Total
	Equity Share Capital	Equity Share pending issuance	Other Equity				Retained Earnings		
			Securities Premium Account	General Reserve	Capital Reserve	ESOP Reserve			
Balance at the beginning of the year as on April 01, 2018	159.50	1.14	10,702.58	133.50	97.25	74.68	2,843.44	13,851.45	14,012.09
Shares issued during the year	9.54		7,536.65	-	-	-	-	7,536.65	7,546.19
Share issue expenses			(72.62)	-	-	-	-	(72.62)	(72.62)
Profits for the year			-	-	-	-	1,517.83	1,517.83	1,517.83
Other comprehensive income			-	-	-	-	(1.97)	(1.97)	(1.97)
Dividends			-	-	-	-	(847.91)	(847.91)	(847.91)
Transfer (to)/from other reserves			9.17	-	-	(9.17)	-	-	-
Addition during the year pursuant to the scheme of demerger / acquisition (Refer Note 2.1)		0.06	-	-	17.34	3.12	-	20.46	20.52
Employee share based payment			-	-	-	28.39	-	28.39	28.39
Balance at the end of the year as on March 31, 2019	169.04	1.20	18,175.78	133.50	114.59	97.02	3,511.39	22,032.28	22,202.52

As at March 31, 2018

(₹ in Million)

Particulars	Equity attributable to owners of the Company							Total Other Equity	Total
	Equity Share Capital	Equity Share pending issuance	Other Equity				Retained Earnings		
			Securities Premium Account	General Reserve	Capital Reserve	ESOP Reserve			
Balance at the beginning of the year as on April 01, 2017	155.93	0.83	10,211.67	133.50	84.70	55.29	2,173.70	12,658.86	12,815.62
Shares issued during the year	3.57		472.72	-	-	-	-	472.72	476.29
Profits for the year			-	-	-	-	1,583.08	1,583.08	1,583.08
Other Comprehensive income			-	-	-	-	(13.09)	(13.09)	(13.09)
Dividends			-	-	-	-	(784.98)	(784.98)	(784.98)
Transfer (to)/from other reserves			18.19	-	-	(18.19)	-	-	-
Addition during the year pursuant to the scheme of demerger / acquisition (Refer Note 2.1)		0.31	-	-	12.55	-	(115.27)	(102.72)	(102.41)
Employee share based payment			-	-	-	37.58	-	37.58	37.58
Balance at the end of the year as on March 31, 2018	159.50	1.14	10,702.58	133.50	97.25	74.68	2,843.44	13,851.45	14,012.09

Securities Premium

Securities Premium 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. Further, fair value of exercised stock options are transferred from "ESOP Reserves" to securities Premium.

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.

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 2.1)

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.

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Pallavi A. Gorakshakar
Partner

Place: Mumbai
Date: May 13, 2019

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

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

NOTE 1. CORPORATE INFORMATION:

IIFL Wealth Management Limited ("IIFLW", the "Company") is a public limited company incorporated under the Companies Act, 1956. IIFLW is registered with SEBI as Stock Broker, Depository Participant, Research Analyst, Portfolio Manager and Distributor of Financial Products. The Company mainly acts as wealth manager and provides services relating to financial products distribution, advisory, portfolio management services by mobilizing funds and assets of various classes of investors including High Networth Individuals.

NOTE 2.1 BASIS OF PREPARATION AND PRESENTATION

Transfer of Business Undertakings under composite Scheme of Arrangement

The Board of Directors of the 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"), 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 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 IIFL Finance with IIFL Holdings to be given effect after receipt of necessary registration from 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;

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 Scheme at book values are summarized below: (₹ in Million)

Particulars	As on April 01, 2018	As on April 01, 2017*
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 financial statements as at March 31, 2018. The corresponding effects of the same have been given in Note no 20 for equity and Note no 21 for Other equity.

Further the Scheme, inter-alia, provided that consideration of ₹ 165.80 mn shall be payable to the Company by IIFL Distribution towards the transfer of Broking and Depository Participant Business Undertaking. The assets and liabilities as at April 01, 2018 transferred in respect of Broking and Depository Participant Business Undertaking from the Company to IIFL Distribution in terms of the Composite Scheme of Arrangement at book values are summarized below:

(₹ in Million)

Particulars	As on April 01, 2018
Total Assets	7,746.15
Total Liabilities	7,583.93
Net Assets	162.22

NOTE 2.2- SUMMARY STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

a) Statement of Compliance:

The Company'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.

Upto the year ended March 31, 2018, the Company prepared its financial statements in accordance with the requirements of Indian GAAP (IGAAP), as per standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2017. Refer note 3 for the details of first-time adoption exemptions availed by the Company.

- b) These financial statements have been approved for issue by the Board of Directors of the Company at their meeting held on May 13, 2019

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.

- Fees and commission relating to Distribution Services: Fees on distribution services are recognized at a point in time when the service obligations are completed and when the terms of contracts are fulfilled.

- Portfolio Management 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.
- 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 that may be classified as fair value through profit or loss or fair value through other comprehensive income.
 - Dividend income is accounted in the period in which the right to receive the same is established.
- Others: Revenue is recognised over time when the outcome of a transaction can be estimated reliably by reference to the stage of completion of the transaction.

d) 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 Company 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 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.

Leasehold improvements are amortized over the period of lease. Individual assets / Company 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 Statement of Profit and Loss when the item is derecognised.

e) **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 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

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 Statement of Profit and Loss when the asset is derecognised.

f) **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 Statement of Profit and Loss and included in

depreciation and amortization expenses.

Impairment losses are reversed in the 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.

g) **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 Company 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 Company classifies a financial asset in accordance with the Company's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company 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 Company'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, Other Receivables, Loans and Other financial assets of the Company. 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 Company'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 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 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 Company excluding investments in associate. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognised in the Statement of Profit and Loss.

Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is derecognised (i.e. removed from the Company's Balance Sheet) when any of the following occurs:

- The contractual rights to cashflows from the financial asset expires;
 - The Company transfers its contractual rights to receive cashflows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
 - The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cashflows 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 Company 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 Statement of Profit and Loss.

Impairment of financial assets:

The Company 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 Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Company 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 Company 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 Company 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 Company 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 Company 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 Company 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 Company 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 Company 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 Company 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 Company are categorized as subsequently measured at amortized cost are subsequently measured using the effective interest method.
- (ii) All financial liabilities of the Company 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.

h) **Derivative financial instruments**

The Company enters into derivative financial contracts, which are initially recognized 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 recognized in the statement of profit and 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 recognized at fair value and is subsequently remeasured at fair value at each reporting period and the resulting gain or loss is recognized in the statement of profit and loss unless the derivative is designated and effective as a hedging instrument.

i) **Fair Value**

The Company 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 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 financial statements at fair value on a recurring basis, the Company 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.

j) **Foreign Currency Translation**

These financial statements are presented in Indian Rupees, which is the Company's functional currency.

Initial Recognition:

On initial recognition, transactions in foreign currencies entered into by the Company 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 Statement of Profit and Loss.

Measurement of foreign currency items at reporting date:

Foreign currency monetary items of the Company 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 Statement of Profit and Loss.

k) 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 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 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.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the respective 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 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 Company 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 Company 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 Company. 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.

l) Provisions and Contingencies

The Company 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.

m) 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.

n) 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 Company 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 Company 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 Company's contributions to defined contribution plans are recognised in the Statement of Profit and Loss in the financial year to which they relate. The Company contributes to defined contribution plans pertaining to Employee State Insurance Scheme, Government administered Provident Fund and Pension Fund Scheme for all applicable employees.

Recognition and measurement of defined contribution plans:

The Company recognises contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company 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:

The Company provides for gratuity, a defined benefit plan, for employees. The Company makes annual contributions to funds administered by trustees and managed by 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 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 Statement of Profit and Loss in the subsequent periods.

o) 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 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.

p) 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.

q) 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 Company.

r) 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.

s) 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.

t) Recent Accounting pronouncements

The Ministry of Corporate Affairs has notified the Indian Accounting Standard (Ind AS) - 116, Leases effective April 1, 2019. The Company 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 Company 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 Company is evaluating the impact of the above.

u) Key Accounting Estimates and Judgements

The preparation of the Company'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.

NOTE 3. FIRST TIME ADOPTION OF IND AS

The Company has prepared opening balance sheet as per Ind AS as of April 1, 2017 (transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, derecognising items of assets or liabilities which are not permitted to be recognised by Ind AS, reclassifying items from I-GAAP to Ind AS as required, and applying Ind AS to measure the recognised assets and liabilities. The exemptions availed by the Group are as follows:

- (i) The Company has adopted the carrying value determined in accordance with I-GAAP for all of its property plant and equipment as deemed cost of such assets at the transition date.
- (ii) Ind AS 102 "Share-based Payment" has not been applied to equity instruments in share-based payment transactions that vested before April 1, 2017.
- (iii) The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2017
- (iv) The Company has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.
- (v) The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, as permitted by Ind AS 101, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition.
- (vi) The Company has elected not to apply Ind AS 103 Business Combinations retrospectively to past business combinations that occurred before the transition date.

(₹ in Million)

Equity Reconciliation	Notes	As At 1st April 2017	As At 31st March 2018
As per IGAAP		12,734.02	13,909.91
Change in fair value of investments	1	0.99	2.92
Expected credit loss on Trade Receivables	2	6.82	6.12
Effect of Merger of Wealth business undertaking	3	85.53	98.38
ESOP Compensation Cost	4	4.64	11.53
Deferred tax impact on above adjustments	5	(16.38)	(16.77)
As per Ind AS		12,815.62	14,012.09

(₹ in Million)

RECONCILIATION OF TOTAL COMPREHENSIVE INCOME	NOTES	AS AT 31ST MARCH 2018
Net income under Indian GAAP		1,484.57
Change in fair value of investments	1	1.93
Actuarial gain/ loss recognised on employee benefit in other comprehensive income	6	19.73
ESOP Compensation Cost	4	(30.69)
Impact of provision for Expected credit loss on trade receivables	2	(0.70)
Effect of Merger of Wealth Undertaking	3	115.27
Deferred tax impact on above adjustments	5	(7.29)
Net Income as per Ind AS		1,582.82
Other Comprehensive Income	6	(12.83)
Total Comprehensive Income as per Ind AS		1,569.99

Effect of Ind AS adoption on the Balance Sheet as at 31st March, 2018

(₹ in Million)

Sr.No.	Particulars	As at March 31, 2018			
		Notes	As per IGAAP	Ind AS adjustments	As per Ind AS
ASSETS					
1	Financial Assets				
(a)	Cash and cash equivalents	3	4,062.73	38.46	4,101.19
(b)	Bank balance other than (a) above	3	922.79	0.07	922.86
(c)	Receivables				
(I)	Trade receivables	2,3	1,404.91	8.50	1,413.41
(II)	Other receivables		2,772.11		2,772.11
(d)	Loans		28.17		28.17
(e)	Investments	1,3	12,362.36	68.94	12,431.30
(f)	Other financial assets	3,4	366.36	17.05	383.41
2	Non-Financial Assets				
(a)	Current tax assets (net)		47.99		47.99
(b)	Deferred tax assets (net)	3,5	49.42	4.63	54.05
(c)	Property, plant and equipment		250.90	3.39	254.29
(d)	Capital work-in-progress		210.76		210.76
(e)	Other intangible assets	3	14.92	1.75	16.67
(f)	Other non-financial assets	3	86.73	2.06	88.79
	Total Assets		22,580.15	144.85	22,725.00

(₹ in Million)

Sr.No.	Particulars	As at March 31, 2018			
		Notes	As per IGAAP	Ind AS adjustments	As per Ind AS
LIABILITIES AND EQUITY					
LIABILITIES					
1 Financial Liabilities					
(a)	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	3	823.06	3.72	826.78
(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		3,564.93		3,564.93
(b)	Borrowings (other than debt securities)		3,969.01		3,969.01
(c)	Other financial liabilities	3,4	18.96	36.78	55.74
2 Non-Financial Liabilities					
(a)	Current tax liabilities (net)		3.75		3.75
(b)	Provisions	3	65.07	1.21	66.28
(c)	Other non-financial liabilities	3	225.45	0.97	226.42
3 EQUITY					
(a)	Equity share capital		159.50	-	159.50
(b)	Incremental shares pending issuance		1.14	-	1.14
(c)	Other equity		13,749.28	102.17	13,851.45
Total Liabilities and Equity			22,580.15	144.85	22,725.00

Effect of Ind AS adoption on the Balance Sheet as at 1st April, 2017

(₹ in Million)

Sr.No.	Particulars	As at April 01, 2017			
		Notes	As per IGAAP	Ind AS adjustments	As per Ind AS
ASSETS					
1 Financial Assets					
(a)	Cash and cash equivalents	3	2,919.16	12.74	2,931.90
(b)	Bank balance other than (a) above		670.26		670.26
(c)	Receivables				
(I)	Trade receivables	2,3	1,119.16	49.11	1,168.27
(II)	Other receivables		3,032.00		3,032.00
(d)	Loans		16.49		16.49
(e)	Investments	1,3	11,143.90	6.78	11,150.68
(f)	Other financial assets	3,4	309.88	41.66	351.54
2 Non-Financial Assets					
(a)	Current tax assets (net)		38.65	-	38.65
(b)	Deferred tax assets (net)	3,5	26.38	86.73	113.11
(c)	Property, plant and equipment	3	199.55	11.24	210.79
(d)	Capital work-in-progress		34.07		34.07
(e)	Other intangible assets	3	34.37	2.59	36.96
(f)	Other non-financial assets	3	65.66	1.38	67.04
Total Assets			19,609.53	212.23	19,821.76

(₹ in Million)

Sr.No.	Particulars	As at April 01, 2017			
		Notes	As per IGAAP	Ind AS adjustments	As per Ind AS
LIABILITIES AND EQUITY					
LIABILITIES					
1	Financial Liabilities				
(a)	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	3	324.52	123.22	447.74
(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
(b)	Borrowings (other than debt securities)		3,978.24		3,978.24
(c)	Other financial liabilities	3,4	27.29	4.19	31.48
2	Non-Financial Liabilities				
(a)	Current tax liabilities (net)	3	5.32	-	5.32
(b)	Provisions	3	60.42	1.62	62.04
(c)	Other non-financial liabilities	3	138.64	1.60	140.24
3	EQUITY				
(a)	Equity share capital		155.93	-	155.93
(b)	Incremental shares pending issuance		0.83	-	0.83
(c)	Other equity		12,577.26	81.60	12,658.86
	Total Liabilities and Equity		19,609.53	212.23	19,821.76

Notes

- As per earlier IGAAP, Investments were valued at lower of Cost and Market Value. However as per Ind AS, Investments valued at Fair value through Profit and loss are to recognised at Fair Value and hence the Company has restated its investments to reflect the market value and corresponding impact being taken to the Statement of Profit and Loss.
- The provision is made against trade receivables on "expected credit loss" model as per Ind AS 109. Under I-GAAP the provision was made when the receivable/loan turned doubtful based on the assessment on case to case basis and applicable regulations.
- Pursuant to Composite Scheme of Arrangement, Wealth Business Undertaking was transferred to the Holding Company effective April 1, 2018 (refer note no. 2.1). The said transaction is considered as "common control business combination" under IND AS 103 and accounted as such. As per the provisions of IND AS 103 Profit after tax of Wealth Business Undertaking has been included in the Consolidated Profit after tax for the year ended March 31, 2017 (the previous financial year).
- ESOP charge is accounted using fair value method. The portion of ESOP charge payable to holding company is accordingly measured and recognised at fair value. Under I-GAAP ESOP charge was calculated based on intrinsic value method.
- Deferred tax is the tax impact of all the adjustments between IGAAP and Ind AS.
- Actuarial gains and losses pertaining to defined benefit obligations and re-measurement pertaining to return on plan assets are recognised in Other Comprehensive Income in accordance with Ind AS 19 and are not reclassified to profit or loss."
- There is no impact on Cash Flow due to first time adoption of Ind AS.

NOTE 4. CASH AND CASH EQUIVALENTS

(₹ in Million)

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
Cash and Cash Equivalents (As per Ind AS 7 Statement of Cashflows)			
Cash on hand	0.07	0.52	0.62
Cheques in hand	5.11	-	-
Balance with banks			
- In client account	-	1,288.40	-
- Others	46.55	404.55	845.97
In Deposit accounts (with original maturity of three months or less)	5.02	2,407.72	2,085.31
Cash and cash equivalents (As per Ind AS 7 Statement of Cashflows)	56.75	4,101.19	2,931.90
Out of the Fixed Deposits shown above:			
Particulars	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
Other deposits	5.02	2,407.72	2,085.31
Total	5.02	2,407.72	2,085.31

NOTE 5. BANK BALANCE OTHER THAN 4 ABOVE:

(₹ in Million)

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
Other Bank Balances			
In Deposit accounts (with original maturity of more than 3 months)	10.07	922.86	670.26
Total	10.07	922.86	670.26
Out of the Fixed Deposits shown above:			
Particulars	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
Lien marked against bank guarantee	-	584.31	383.72
Lien marked against overdraft facility	-	50.22	-
Collateral with exchange	-	278.23	276.51
Other deposits	10.07	10.10	10.03
Total	10.07	922.86	670.26

NOTE 6. RECEIVABLES (REFER NOTE 34)

(₹ in Million)

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
(i) Trade receivables			
Receivables considered good - Unsecured	1,990.26	1,417.44	1,182.26
Total (i)- Gross	1,990.26	1,417.44	1,182.26
Less: Impairment loss allowance	0.47	4.03	13.99
Total (i)- Net	1,989.79	1,413.41	1,168.27
(ii) Other receivables			
Receivables considered good - Secured	-	2,772.11	2,180.33
Receivables considered good - Unsecured	-	-	851.67
Total (ii)- Gross	-	2,772.11	3,032.00
Less: Impairment loss allowance	-	-	-
Total (ii)- Net	-	2,772.11	3,032.00

- 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 directors is a partner, director or a member as at 31st March 2019, 31st March 2018, 01st April 2017.

- b) There are no trade receivables with significant increase in credit risk (SICR) as at 31st March 2019, 31st March 2018, 01st April 2017.
- c) There are no credit impaired receivables as at 31st March 2019, 31st March 2018, 1st April 2017.
- d) Other receivables include receivables on sale of Investments aggregating to ₹ Nil (As at March 31,2018 -Nil, As at April 01,2017 - ₹ 850.60 Mn)
- e) No trade receivables and other receivables are interest bearing.

NOTE 7. LOANS (REFER NOTE 34)

(₹ in Million)

Loans	As at March 31, 2019			As at March 31, 2018			As at April 01, 2017		
	Amortised cost	Through Other Comprehensive Income	Designated at fair value through profit or loss	Amortised cost	Through Other Comprehensive Income	Designated at fair value through profit or loss	Amortised cost	Through Other Comprehensive Income	Designated at fair value through profit or loss
	Total	Subtotal	Total	Total	Subtotal	Total	Total	Subtotal	Total
(A)									
(i) Term loans*	112.06	-	112.06	27.81	-	27.81	16.16	-	16.16
(ii) Others - Staff loan	0.88	-	0.88	0.36	-	0.36	0.33	-	0.33
Total (A) -Gross	112.94	-	112.94	28.17	-	28.17	16.49	-	16.49
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-
Total (A) - Net	112.94	-	112.94	28.17	-	28.17	16.49	-	16.49
(B)									
(i) Secured	-	-	-	-	-	-	-	-	-
(ii) Unsecured	112.94	-	112.94	28.17	-	28.17	16.49	-	16.49
Total (B)-Gross	112.94	-	112.94	28.17	-	28.17	16.49	-	16.49
(C)									
(i) Loans in India									
(i) Public Sector	112.94	-	112.94	28.17	-	28.17	16.49	-	16.49
(ii) Others	-	-	-	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-
Total (C) (I)-Net	112.94	-	112.94	28.17	-	28.17	16.49	-	16.49
(ii) Loans outside India	-	-	-	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-
Total (C) (II)- Net	-	-	-	-	-	-	-	-	-
Total C(I) and C(II)	112.94	-	112.94	28.17	-	28.17	16.49	-	16.49

* Includes Loan to related parties- Refer Note 33

NOTE 8. INVESTMENTS

(₹ in Million)

Investments	As at March 31, 2019					As at March 31, 2018					As at April 01, 2017				
	Amor- tised cost	Thro- ugh profit or loss	At Fair value	Design- ated at fair value through profit or loss	Subtotal	Others	Total	Amor- tised cost	Thro- ugh profit or loss	At Fair value	Design- ated at fair value through profit or loss	Subtotal	Others	Total	
(A)															
Mutual funds	-	-	578.44	-	578.44	-	578.44	-	1,200.96	-	1,200.96	-	-	-	
Debt securities	-	-	6.86	-	6.86	-	6.86	-	22.70	-	22.70	-	5.79	5.79	
Equity instruments	20,745.27	-	-	-	20,745.27	11,134.13	-	-	-	-	-	-	5.61	11,134.70	
Alternate investment funds	-	-	73.78	-	73.78	-	73.78	-	73.51	-	73.51	-	10.19	10.19	
Total (A)	20,745.27	-	659.08	-	21,404.35	11,134.13	-	1,297.17	-	12,431.30	11,129.09	-	21.59	11,150.68	
(B)															
i) Investments outside India	447.93	-	-	-	447.93	451.33	-	-	-	-	451.33	446.28	-	21.59	
ii) Investments in India	20,297.34	-	659.08	-	20,956.42	10,682.80	-	1,297.17	-	1,297.17	11,979.97	10,682.81	-	10,682.81	
Total (B)	20,745.27	-	659.08	-	21,404.35	11,134.13	-	1,297.17	-	12,431.30	11,129.09	-	21.59	11,150.68	
(C)															
Less: Allowance for impairment loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total- Net (D) = A-C	20,745.27	-	659.08	-	21,404.35	11,134.13	-	1,297.17	-	12,431.30	11,129.09	-	21.59	11,150.68	

Name of Investment	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
	No. of Units	Total Amount (₹ in Mn)	No. of Units	Total Amount (₹ in Mn)	No. of Units	Total Amount (₹ in Mn)
Investment in Mutual Funds include :						
HDFC MUTUAL FUND SHORT TERM DBT FD DIRECT GROWTH OPEN ENDED	14,675,072.00	305.69	-	-	-	-
HDFC MUTUAL FUND LIQUID FUND RG GROWTH OPEN ENDED	5,815.00	21.28	-	-	-	-
HDFC MUTUAL FUND LIQUID FUND DIRECT GROWTH OPEN ENDED	68,363.00	251.47	-	-	-	-
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	-	-
RELIANCE LIQUID FUND-CASH PLAN-GROWTH PLAN - GROWTH OPTION	-	-	167,394.59	451.12	-	-
		578.44		1,200.96		-
Investment in Debt Securities include :						
ARCH AGRO INDUSTRIES PRIVATE LIMITED 19 LOA 17AP20 FVRS10000	3,593.00	-	-	-	-	-
INDIA REIT FUND SCHEME V	45.75	6.86	162.07	22.70	46.51	5.79
		6.86		22.70		5.79
Investment in Equity Instruments include (subsidiaries/group companies/other companies):						
IIFL DISTRIBUTION SERVICES LTD	5,120.00	153.35	5,120.00	153.35	5,120.00	153.35
IIFL ASSET MANAGEMENT LTD	32,100,000.00	525.00	32,100,000.00	525.00	32,100,000.00	525.00
IIFL INVESTMENT ADVISER & TRUSTEE SERVICES LIMITED	35,225,000.00	354.00	35,225,000.00	354.00	35,225,000.00	354.00
IIFL (ASIA) PTE LTD	140,000,000.00	264.50	140,000,000.00	264.50	140,000,000.00	264.50
IIFL PRIVATE WEALTH MANAGEMENT DUBAI LTD	918,442.00	42.50	918,442.00	42.50	918,442.00	42.50
IIFL PRIVATE WEALTH HONGKONG LTD	6,476,324.00	43.80	6,476,324.00	43.80	6,476,324.00	43.80
IIFL WEALTH FINANCE LTD (FORMERLY KNOWN AS CHEPHIS CAPITAL MARKETS LIMITED)	305,493,803.00	14,636.30	262,449,733.00	9,636.30	262,449,733.00	9,636.30
IIFL ALTERNATE ASSET ADVISORS LTD	249,481.00	2,009.15	50,000.00	9.15	50,000.00	9.15
IIFL TRUSTEE LTD (FORMERLY KNOWN AS INDIA INFOLINE TRUSTEE CO LTD)	500,000.00	5.00	500,000.00	5.00	500,000.00	5.00
IIFL PRIVATE WEALTH (SUISSE) SA	-	-	100.00	3.40	100.00	3.40
IIFL INC (USA)	140.00	54.14	140.00	54.14	140.00	54.14
IIFL ASSET MANAGEMENT (MAURITIUS) LIMITED	69,975.00	37.95	69,975.00	37.95	69,975.00	37.95
INDIA ALTERNATIVES INVESTMENT ADVISORS PRIVATE LIMITED	1.00	-	1.00	-	1.00	-
IIFL CAPITAL (CANADA) LIMITED	100,000.00	5.04	100,000.00	5.04	-	-
IIFL Wealth Securities IFSC Ltd	100,000.00	1.00	-	-	-	-
IIFL ALTIORRE ADVISORS LIMITED	108,405.00	83.30	-	-	-	-
IIFL WEALTH ADVISORS (INDIA) LIMITED	53,433,822.00	2,530.24	-	-	-	-
INDIA INFOLINE LTD (FORMERLY KNOWN AS INDIA INFOLINE DIST. CO. LTD.)	-	-	-	-	20.00	0.00#
SHANKARA BUILDING PRODUCTS LIMITED	-	-	-	-	12,192.00	5.61
		20,745.27		11,134.13		11,134.70

Name of Investment	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
	No. of Units	Total Amount (₹ in Mn)	No. of Units	Total Amount (₹ in Mn)	No. of Units	Total Amount (₹ in Mn)
Investment in Alternate Investment Funds include :						
IIFL REAL ESTATE FUND DOMESTIC SERIES 1		-		-	58.00	-
ASK SELECT FOCUS FUND	10,597.22	10.04	5,000.00	4.76	-	-
DSP AIF PHARMA FUND	100,000.00	9.62	100,000.00	9.62	-	-
MOTILAL OSWAL FOCUSED GROWTH OPPORTUNITIES FUND	743,825.58	10.99	882,448.76	12.45	624,802.18	7.69
SUNDARAM ALTERNATIVE OPPORTUNITIES FUND - NANO CAP SERIES I	147.02	14.39	147.02	16.90	25.05	2.50
SUNDARAM ALTERNATIVE OPPORTUNITIES FUND - NANO CAP SERIES II	154.74	13.88	154.74	16.52	-	-
WHITE OAK INDIA EQUITY FUND	1,293,392.79	14.86	1,293,392.79	13.26		-
		73.78		73.51		10.19
Grand Total		21,404.35		12,431.30		11,150.68

Amount less than ₹ 10,000

NOTE 9. OTHER FINANCIAL ASSETS

(₹ in Million)

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
Deposit with exchange	-	284.05	228.70
Other deposits	62.15	60.40	87.02
Advances to companies under common promoters	229.44	36.74	28.50
Fees income accrued & not due	23.41	-	-
Receivable From Employees	1.88	1.47	6.00
Others	3.56	0.75	1.32
Total	320.44	383.41	351.54

NOTE 10. DEFERRED TAXES

Significant components of deferred tax assets and liabilities for the year ended March 31, 2019 are as follows:

(₹ in Million)

	Opening balance	Addition/ Deletion on merger/demerger (Refer Note 2.1)	Recognised in profit or loss	MAT credit utilised/ Created	Recognised in/reclassified from OCI	Closing balance
Deferred tax assets:						
Difference between book base and tax base of property, plant & equipment, investment property and intangible assets	25.99	(0.20)	30.53	-	-	56.32
Impairment of Assets	1.41	-	(1.24)	-	-	0.17
Retirement benefits for employees	14.15	(0.64)	(2.64)	-	1.11	11.98
Unutilised MAT credit	13.40	-	-	-	-	13.40
Total deferred tax assets (A)	54.95	(0.84)	26.65	-	1.11	81.87
Deferred tax liabilities:						
Unrealised profit on investments etc.	(0.90)	-	(2.20)	-	-	(3.10)
Total deferred tax liabilities (B)	(0.90)	-	(2.20)	-	-	(3.10)
Deferred tax assets (A - B)	54.05	(0.84)	24.45	-	1.11	78.77

Significant components of deferred tax assets and liabilities for the year ended March 31, 2018 are as follows: (₹ in Million)

	Opening balance	Addition/ Deletion on merger/demerger (Refer Note 2.1)	Recognised in profit or loss	MAT credit utilised/ Created	Recognised in/reclassified from OCI	Closing balance
Deferred tax assets:						
Difference between book base and tax base of property, plant & equipment, investment property and intangible assets	5.17	-	20.82	-	-	25.99
Impairment of Assets	4.84	-	(3.43)	-	-	1.41
Retirement benefits for employees	11.47	-	(4.35)	-	7.03	14.15
Unutilised MAT credit	92.34	-	-	(78.94)	-	13.40
Total deferred tax assets (A)	113.82	-	13.04	(78.94)	7.03	54.95
Deferred tax liabilities:						
Difference between book base and tax base of property, plant & equipment, investment property and intangible assets	(0.59)	-	0.59	-	-	-
Unrealised profit on investments etc.	(0.12)	-	(0.78)	-	-	(0.90)
Total deferred tax liabilities (B)	(0.71)	-	(0.19)	-	-	(0.90)
Deferred tax assets (A - B)	113.11	-	12.85	(78.94)	7.03	54.05

NOTE 11. PROPERTY PLANT AND EQUIPMENT

(₹ in Million)

Particulars	Furniture Fixture	Vehicles	Office Equipment	Computers	Electrical Equipment	Total
Gross Carrying value as on April 01, 2018	203.95	18.92	34.35	83.97	6.76	347.95
Additions	410.98	-	47.24	20.62	21.10	499.94
Deductions/ Adjustments during the year	0.05	-	0.87	0.02	0.01	0.95
As at March 31, 2019	614.88	18.92	80.72	104.57	27.85	846.94
Depreciation						
Upto April 01, 2018	49.81	4.77	4.51	34.49	0.08	93.66
Depreciation for the year	95.96	6.15	13.29	39.29	4.61	159.30
Deductions/Adjustments during the year	0.03	-	0.02	0.02	0.01	0.08
Upto March 31, 2019	145.74	10.92	17.78	73.76	4.68	252.88
Net Block as at March 31, 2019	469.14	8.00	62.94	30.81	23.17	594.06

(₹ in Million)

Particulars	Furniture Fixture	Vehicles	Office Equipment	Computers	Electrical Equipment	Total
Gross Carrying value as on April 01, 2017*	118.57	16.63	12.49	57.42	5.68	210.79
Additions	90.82	5.19	23.60	26.68	3.37	149.66
Deductions/ Adjustments during the year	5.44	2.90	1.74	0.13	2.29	12.50
As at March 31, 2018	203.95	18.92	34.35	83.97	6.76	347.95
Depreciation						
Depreciation for the year	50.84	5.99	5.33	34.57	1.86	98.59
Deductions/Adjustments during the year	1.03	1.22	0.82	0.08	1.78	4.93
Upto March 31, 2018	49.81	4.77	4.51	34.49	0.08	93.66
Net Block as at March 31, 2018	154.14	14.15	29.84	49.48	6.68	254.29

* Refer Note 3

NOTE 12. CAPITAL WORK-IN-PROGRESS:

(₹ in Million)

Particulars	As At March 31, 2019
As at April 01, 2018	210.76
Additions	1,711.16
Deductions	196.46
As at March 31, 2019	1,725.46

(₹ in Million)

Particulars	As At March 31, 2018
As at April 01, 2017	34.07
Additions	177.95
Deductions	1.26
As at March 31, 2018	210.76

NOTE 13. OTHER INTANGIBLE ASSETS

(₹ in Million)

Particulars	Amount
Software/Intangible assets	
Gross Carrying value as on April 01, 2018	44.85
Additions	20.45
Deductions on account of demerger	4.10
As at March 31, 2019	61.20
Amortisation	
Upto April 01, 2018	28.18
Amortisation for the year	13.57
Deductions / adjustments during the year	-
Upto March 31, 2019	41.75
Net Block as at March 31, 2019	19.45

(₹ in Million)

Particulars	Amount
Software/Intangible assets	
Gross Carrying value as on April 01, 2017*	36.96
Additions	7.89
Deductions / adjustments during the year	-
As at March 31, 2018	44.85
Amortisation	
Amortisation for the year	28.18
Deductions / adjustments during the year	-
Upto March 31, 2018	28.18
Net Block as at March 31, 2018	16.67

* Refer Note 3

NOTE 14. OTHER NON FINANCIAL ASSETS

(₹ in Million)

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 1, 2017
Unsecured			
Prepaid expenses	140.20	69.48	52.18
Advances recoverable	83.60	17.34	13.97
Employee advance against expenses	2.79	0.89	0.85
Others	0.79	1.08	0.04
Total	227.38	88.79	67.04

NOTE 15. PAYABLES

(₹ in Million)

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 1, 2017
Trade payables			
- (i) Total outstanding dues of micro enterprises and small enterprises (Refer note 19.1)	-	-	-
- (ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	165.01	826.78	447.74
Total	165.01	826.78	447.74
Other payable			
- (i) Total outstanding dues of micro enterprises and small enterprises (Refer note 19.1)	-	-	-
- (ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	3,564.93	2,341.08
Total	-	3,564.93	2,341.08

15.1. DISCLOSURE UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

The following disclosure is made as per the requirement under the Micro, Small and Medium Enterprises Development Act, 2016 (MSMED) on the basis of confirmations sought from suppliers on registration with the specified authority under MSMED:

(₹ in Million)

Particulars	2018-19	2017-18
(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.

NOTE 16. BORROWINGS

(₹ in Million)

Particulars	As at March 31, 2019				As at March 31, 2018				As at April 01, 2017			
	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
(a) Term loans												
(i) from other parties	4.54	-	-	4.54	9.62	-	-	9.62	16.34	-	-	16.34
(b) Loans from related parties	3,654.15	-	-	3,654.15	486.10	-	-	486.10	-	-	-	-
(c) Loans repayable on demand												
(i) from banks	481.37	-	-	481.37	-	-	-	-	-	-	-	-
(d) Commercial papers	-	-	-	-	3,500.00	-	-	3,500.00	4,000.00	-	-	4,000.00
Less: Prepaid Discount	-	-	-	-	(26.71)	-	-	(26.71)	(38.10)	-	-	(38.10)
Total	4,140.06	-	-	4,140.06	3,969.01	-	-	3,969.01	3,978.24	-	-	3,978.24

Residual maturity	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
	Balance outstanding	Interest rate % (p.a)	Balance outstanding	Interest rate % (p.a)	Balance outstanding	Interest rate % (p.a)
Above 5 years	-	-	-	-	-	-
1-5 years	-	-	4.54	9.90%	11.03	9.90%
Less than 1 year	4.54	9.90%	5.08	9.90%	5.31	9.90%

- Loans repayable on demand from banks- As at 31st March 2019, the loans are secured by way of pari passu charge on specific receivables.
- Commercial papers are unsecured short term papers issued at discount. The cost on outstanding Commercial papers ranges from 8% to 10.00%.p.a.
- Loans from other parties are secured against hypothecation of vehicles.

Explanatory Notes

(₹ in Million)

Particulars	As at March 31, 2019
Term Loan 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 10 months as on balance sheet date	0.53
Car Loan taken is repayable in monthly installment. Balance Tenure is of 12 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
	4.54

(₹ in Million)

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 22 months as on balance sheet date	1.12
Car Loan taken is repayable in monthly installment. Balance Tenure is of 24 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
	9.62

(₹ in Million)

Particulars	As at April 01, 2017
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 34 months as on balance sheet date	1.65
Car Loan taken is repayable in monthly installment. Balance Tenure is of 36 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	0.70
Car Loan taken is repayable in monthly installment. Balance Tenure is of 36 months as on balance sheet date	0.76
	16.34

NOTE 17. OTHER FINANCIAL LIABILITIES

(₹ in Million)

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 1, 2017
Payable to companies under common promoters (Refer Note 33)	39.85	19.13	19.08
Others	2.19	36.61	12.40
Total	42.04	55.74	31.48

NOTE 18. PROVISIONS:

(₹ in Million)

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 1, 2017
Provision for employee benefits			
- Gratuity	33.71	15.72	34.49
- Compensated absences	-	50.56	27.55
Total	33.71	66.28	62.04

NOTE 19. OTHER NON FINANCIAL LIABILITIES:

(₹ in Million)

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 1, 2017
Revenue received in advance	-	0.20	4.32
Statutory remittances	111.61	224.29	135.50
Lease rental equalisation	0.88	1.93	0.42
Total	112.49	226.42	140.24

NOTE 20. SHARE CAPITAL:

(a) The authorised, issued, subscribed and fully paid up share capital comprises of equity shares having a par value of ₹ 2/- as follows:

(₹ in Million)

Authorised :	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
100,000,000 (As at March 31,2018 - 85,000,000; As at April 01,2017 - 85,000,000) Equity shares of ₹ 2/- each with voting rights	200.00	170.00	170.00
Issued, Subscribed and Paid Up: 84,521,324 (As at March 31,2018 - 79,753,463; As at April 01,2017 - 77,963,764) Equity shares of ₹ 2/- each fully paidup with voting rights	169.04	159.50	155.93
Total	169.04	159.50	155.93

(b) Reconciliation of the shares outstanding at the beginning and at the end of the year

(₹ in Million)

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
	No. of shares	Amount in ₹ Mn	No. of equity shares	Amount in ₹ Mn	No. of equity shares	Amount in ₹ Mn
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
Outstanding at the end of the year	84,521,324	169.04	79,753,463	159.50	77,963,764	155.93

(c) Movement of shares pursuant to the composite scheme of arrangement (Refer Note 2.1)

(₹ in Million)

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
	No. of shares	Amount in ₹ Mn	No. of equity shares	Amount in ₹ Mn	No. of equity 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)
Incremental shares to be issued	600,442	1.20	568,432	1.14	415,456	0.83

(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/- (P.Y. ₹ 9/-) 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% shares after giving effect to the Composite scheme of arrangement (Refer note 2.1):

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
	No. of equity shares	% Holding	No. of equity shares	% Holding	No. of equity 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%

(f) 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. 32

(g) 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.

NOTE 21. OTHER EQUITY:

(₹ in Million)

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 1, 2017
Securities premium	18,175.78	10,702.58	10,211.67
General reserve	133.50	133.50	133.50
Capital reserve	114.59	97.25	84.70
ESOP Reserve	97.02	74.68	55.29
Retained earnings	3,511.39	2,843.44	2,173.70
Total	22,032.28	13,851.45	12,658.86

NOTE 22. FEE AND COMMISSION INCOME

(₹ in Million)

Particulars	2018-19	2017-18
Distribution fees, commission and related income	4,771.12	5,711.89
Brokerage income	-	391.95
Asset and portfolio management related fees	51.58	72.96
TOTAL	4,822.70	6,176.80

NOTE 23. OTHER INCOME

Particulars	2018-19	2017-18
Interest income	169.47	401.56
Change in fair value of investments	107.05	(509.68)
Dividend income	831.41	1,023.06
Distribution income	0.44	-
Miscellaneous income	0.94	95.51
Profit/(loss) on sale of fixed assets	0.09	0.53
Total	1,109.40	1,010.98

NOTE 24. FINANCE COST

(₹ in Million)

Particulars	2018-19			2017-18		
	On financial liabilities measured at fair value through profit or loss	On financial liabilities measured at amortised cost	Total	No. of On financial liabilities measured at fair value through profit or loss	On financial liabilities measured at amortised cost	Total
Interest on borrowings	-	144.71	144.71	-	604.71	604.71
Other finance cost	-	0.15	0.15	-	6.93	6.93
Total	-	144.86	144.86	-	611.64	611.64

NOTE 25. IMPAIRMENT ON FINANCIAL INSTRUMENTS

(₹ in Million)

Particulars	2018-19		2017-18	
	On financial instruments measured at fair value through OCI	On financial instruments measured at amortised cost	On financial instruments measured at fair value through OCI	On financial instruments measured at amortised cost
On Trade Receivables	-	(3.56)	-	(9.96)
Total	-	(3.56)	-	(9.96)

NOTE 26. EMPLOYEE BENEFIT EXPENSES

(₹ in Million)

Particulars	2018-19	2017-18
Salaries and wages	1,835.98	2,584.38
Contribution to provident and other funds	60.14	48.86
Share based payments to employees	22.49	30.69
Staff welfare expenses	112.92	56.92
Gratuity expense (Refer Note 26.1)	15.85	(7.15)
Leave encashment	(34.00)	24.84
Total	2,013.38	2,738.54

NOTE 26.1

26.1. Gratuity Abridged Disclosure Statement as Per Indian Accounting Standard 19 (Ind AS 19)

(₹ in Million)

Particulars	2018-19	2017-18
Type of benefit	Gratuity	Gratuity
Country	India	India
Reporting currency	INR	INR
Reporting standard	Indian Accounting Standard 19 (Ind AS 19)	Indian Accounting Standard 19 (Ind AS 19)
Funding status	Funded/Unfunded	Funded/Unfunded
Starting year	01-Apr-18	01-Apr-17
Date of reporting	31-Mar-19	31-Mar-18
year of reporting	12 Months	12 Months
Assumptions (previous year)	2018-19	2017-18
Expected return on plan assets	6.63% - 7.71%	NA - 7.27%
Rate of discounting	6.63% - 7.78%	6.63%-7.78%
Rate of salary increase	7%-8%	7%-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 7.50% p.a. & thereafter 5% p.a.
Mortality rate during employment	Indian Assured Lives Mortality(2006-08)	Indian Assured Lives Mortality(2006-08)
Mortality rate after employment	N.A.	N.A.
Assumptions (current year)	2018-19	2017-18
Expected return on plan assets	NA-7.59%	NA-7.71%
Rate of discounting	7.53%-7.70%	7.53%-7.71%
Rate of salary increase	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.
Mortality rate during employment	Indian Assured Lives Mortality(2006-08)	Indian Assured Lives Mortality(2006-08)
Mortality rate after employment	N.A.	N.A.
Table showing change in the present value of projected benefit obligation	2018-19	2017-18
Present value of benefit obligation at the beginning of the year	100.40	85.92
Interest cost	7.74	6.24
Current service cost	14.64	15.52
Past service cost	-	(25.17)
Liability transferred in/ acquisitions	0.55	1.46
(Liability transferred out/ divestments)	(1.43)	(3.21)
(Gains)/ losses on curtailment	-	-
(Liabilities extinguished on settlement)	-	-
(Benefit paid directly by the employer)	-	-
(Benefit paid from the fund)	(8.01)	(0.54)
The effect of changes in foreign exchange rates	-	-
Actuarial (gains)/losses on obligations - due to change in demographic assumptions	-	3.42
Actuarial (gains)/losses on obligations - due to change in financial assumptions	0.98	8.91

(₹ in Million)

Particulars	2018-19	2017-18
Actuarial (gains)/losses on obligations - due to experience	5.10	7.85
Present value of benefit obligation at the end of the year	119.97	100.40
Table showing change in the fair value of plan assets	2018-19	2017-18
Fair value of plan assets at the beginning of the year	84.68	51.43
Interest income	6.53	3.74
Contributions by the employer	-	30.00
Expected contributions by the employees	-	-
Assets transferred in/acquisitions	-	-
(assets transferred out/ divestments)	-	-
(benefit paid from the fund)	(8.01)	(0.53)
(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	3.07	0.05
Fair value of plan assets at the end of the year	86.27	84.69
Amount recognized in the balance sheet	2018-19	2017-18
(Present value of benefit obligation at the end of the year)	(119.97)	(100.40)
Fair value of plan assets at the end of the year	86.26	84.68
Funded status (surplus/ (deficit))	(33.71)	(15.72)
Net (liability)/asset recognized in the balance sheet	(33.71)	(15.72)
Net interest cost for current year	2018-19	2017-18
Present value of benefit obligation at the beginning of the year	100.40	85.92
(fair value of plan assets at the beginning of the year)	(84.68)	(51.43)
Net liability/(asset) at the beginning	15.72	34.49
Interest cost	7.74	6.24
(Interest income)	(6.53)	(3.74)
Net interest cost for current year	1.21	2.50
Expenses recognized in the statement of profit or loss for current year	2018-19	2017-18
Current service cost	14.64	15.52
Net interest cost	1.21	2.50
Past service cost	-	(25.17)
(Expected contributions by the employees)	-	-
(Gains)/losses on curtailments and settlements	-	-
Net effect of changes in foreign exchange rates	-	-
Expenses recognized	15.85	(7.15)
Expenses recognized in the other comprehensive income (OCI) for current year	2018-19	2017-18
Actuarial (gains)/losses on obligation for the year	6.09	20.18
Return on plan assets, excluding interest income	(3.07)	(0.05)
Change in asset ceiling	-	-
Net (income)/expense for the year recognized in oci	3.02	20.13
Balance sheet reconciliation	2018-19	2017-18
Opening net liability	15.72	34.49
Expenses recognized in statement of profit or loss	15.85	(7.15)
Expenses recognized in oci	3.02	20.13

(₹ in Million)

Particulars	2018-19	2017-18
Net liability/(asset) transfer in	0.55	1.46
Net (liability)/asset transfer out	(1.43)	(3.21)
(Benefit paid directly by the employer)	-	-
(Employer's contribution)	-	(30.00)
Net liability/(asset) recognized in the balance sheet	33.71	15.72
Category of assets	2018-19	2017-18
Government of india assets	-	-
State government securities	-	-
Special deposits scheme	-	-
Debt instruments	-	-
Corporate bonds	-	-
Cash and cash equivalents	-	-
Insurance fund	86.26	84.68
Asset-backed securities	-	-
Structured debt	-	-
Other	-	-
Total	86.26	84.68
Other details	2018-19	2017-18
No of active members	603	533
Per month salary for active members	61.48	52.52
Weighted average duration of pbo	9	9
Average expected fs	9	9
Projected benefit obligation (pbo)	122.13	100.40
Prescribed contribution for next year (12 months)	52.48	29.99
Maturity analysis of the benefit payments	2018-19	2017-18
1st following year	9.20	8.54
2nd following year	9.95	8.48
3rd following year	10.76	9.04
4th following year	10.66	9.60
5th following year	12.45	9.35
Sum of years 6 to 10	49.37	44.88
Sum of years 11 and above	151.17	140.08
Sensitivity analysis	2018-19	2017-18
PBO on current assumptions	119.97	105.33
Delta effect of +1% change in rate of discounting	(8.70)	(7.75)
Delta effect of -1% change in rate of discounting	9.99	8.93
Delta effect of +1% change in rate of salary increase	5.40	5.04
Delta effect of -1% change in rate of salary increase	(5.37)	(4.99)
Delta effect of +1% change in rate of employee turnover	1.70	1.47
Delta effect of -1% change in rate of employee turnover	(1.99)	(1.73)

26.2 DEFINED CONTRIBUTION PLANS

(₹ in Million)

Particulars	2018-19	2017-18
Contribution to provident fund	60.12	48.80
Contribution to ESIC	0.02	0.06
Contribution to labour welfare fund	0.00#	0.00#
Total	60.14	48.86

Amount less than ₹ 10,000.

NOTE 27. OTHER EXPENSES

(₹ in Million)

Particulars	2018-19	2017-18
Operations and fund management expenses	15.48	52.19
Rent and energy cost	299.70	315.83
Insurance	1.39	13.74
Repairs & maintenance	10.92	10.35
Marketing, advertisement and business promotion expenses	302.95	343.01
Travelling & conveyance	155.04	134.75
Legal & professional fees	151.61	150.05
Communication	19.42	26.30
Software charges / Technology cost	75.46	66.84
Office & other expenses	172.41	198.97
Directors' fees and commission	2.62	2.56
Remuneration to Auditors :		
Audit fees (net of GST input credit)	0.71	1.38
Other services (net of GST input credit)	0.80	1.80
Goods & Service tax/Swachh Bharat Cess	0.02	0.00#
Certification expenses	0.66	1.76
Out Of pocket expenses	0.29	0.04
Corporate social responsibility expenses & donation	38.25	36.37
Total	1,247.73	1,355.94

Amount less than ₹ 10,000

NOTE 28. INCOME TAXES

Disclosure pursuant to Ind AS 12 "Income Taxes"

(a) Major components of tax expense/ (income)

(₹ in Million)

Particulars	2018-19	2017-18
Statement of Profit and Loss:		
(a) Profit and Loss section:		
(i) Current Income tax :		
Current income tax expense	479.03	512.99
Tax expense in respect of earlier years	-	(4.62)
	479.03	508.37
(ii) Deferred Tax:		
Tax expense on origination and reversal of temporary differences	(24.51)	(12.85)
	(24.51)	(12.85)
Income tax expense reported in the statement of profit or loss [(i)+(ii)]	454.52	495.52

Particulars	2018-19	2017-18
(b) Other Comprehensive Income (OCI) Section:		
(i) Items not to be reclassified to profit or loss in subsequent periods:		
(A) Deferred tax expense/(income):		
On re-measurement of defined benefit plans	1.05	7.04
	1.05	7.04
Income tax expense reported in the other comprehensive income [(i)+(ii)]	1.05	7.04
(b) Reconciliation of Income tax expense and accounting profit multiplied by domestic tax rate applicable in India:		(₹ in Million)
Particulars	2018-19	2017-18
(a) Profit/(loss) before tax	1,972.35	2,078.60
(b) Income tax expense at tax rates applicable to individual entities	689.22	719.43
(c) (i) Tax on income subject to lower tax rate		
(A) Gains on investments (including fair valuation)	(82.37)	72.43
(d) (ii) Tax on Income exempt from Tax		
(A) Income from Investments (Including tax suffered income on investment in AIF)	(0.15)	(228.73)
(B) Other items (including tax suffered income on investment in AIF)	-	(38.16)
(iii) Tax on expense not tax deductible		
Expenses not allowable as tax deductible as per tax laws	7.01	17.80
(vi) Tax effect of losses of current year on which no deferred tax benefit is recognised	-	5.87
(v) Tax on Dividend earned from Offshore subsidiary	(145.26)	(62.76)
(vi) Effect on deferred tax due to change in Income tax	-	(0.37)
(vii) Tax effect on various other items	(13.93)	10.01
Total effect of tax adjustments [(i) to (xii)]	(234.70)	(223.91)
(e) Tax expense recognised during the year	454.52	495.52

NOTE 29. EARNINGS PER SHARE:

Basic and diluted earnings per share ["EPS"] computed in accordance with IND AS 33 "Earnings per share".

(₹ in Million)

Particulars		2018-19	2017-18
Face value of equity shares in ₹ fully paid up		2.00	2.00
BASIC			
Profit after tax as per statement of profit and loss before other comprehensive income	A	1,517.83	1,583.08
Weighted average number of shares subscribed*	B	83,915,167	79,105,199
Face value of equity shares (in ₹) fully paid		2.00	2.00
Basic EPS (₹)	A/B	18.09	20.01
DILUTED			
Profit after tax as per statement of profit and loss before other comprehensive income	A	1,517.83	1,583.08
Weighted number of shares subscribed*	B	83,915,167	79,105,199
Add: Potential equity shares on account of conversion of employee stock option	C	2,454,209	2,634,966
Weighted average number of shares outstanding	D=B+C	86,369,376	81,740,165
Diluted EPS (₹)	A/D	17.57	19.37

*including 580,199 (As at March 31,2018 - 470,442) weighted average no. of shares pending issuance as at the year end as per the Composite Scheme of Arrangement (Refer note 2.1)

NOTE 30. CAPITAL, OTHER COMMITMENTS AND CONTINGENT LIABILITIES AT BALANCE SHEET DATE:

Capital and Other Commitments (₹ in Million)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Commitments to contribute funds for the acquisition of property, plant and equipment and intangible assets	589.38	83.77	89.54
Total	589.38	83.77	89.54

Contingent Liabilities (₹ in Million)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Bank guarantees (refer note 30.1)	-	1,100.00	750.00
Corporate guarantee	2,100.00	2,000.00	-
Disputed income tax demand*	80.84	4.07	-
Total	2,180.84	3,104.07	750.00

30.1 Fixed Deposits amounting to Nil (As at March 31, 2018 - ₹ 573.48 Mn; As at April 01, 2017 - ₹ 375.00 Mn) are pledged against this.

Corporate guarantee issued to a bank towards provision of credit facilities to a subsidiary of the Company.

* Amount paid under protest with respect to income tax demand ₹ 16.05 Mn (Previous years - 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 31. MINIMUM LEASE RENTALS

The Company has taken office premises on operating lease at various locations. Lease rent in respect of the same amounting to ₹ 278.05 Mn (PY - ₹ 294.72 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:

Particulars	As at March 31, 2019	As at March 31, 2018
Due for		
- Up to One year	77.90	261.75
- One to Five years	247.34	99.65
- Above Five years	-	-
Total	326.24	362.40

Note 31A. Corporate Social Responsibility

During the year, the Company has spent ₹31.54 mn (P.Y. ₹33.51 mn) as against ₹31.54 mn (P.Y. ₹28.26 mn) required to be spent as per section 135 of the Companies Act 2013 in respect of Corporate Social Responsibility (CSR). The Company was focused on implementing long term high impact projects approved by the CSR Committee. The Company 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 32.

The 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.

Particulars	ESOP 2012	ESOP 2015
No. of options granted upto March 31, 2019	2,731,935	9,242,941
	(A - 1,240,900; B - 752,550; C - 607,500; D - 117,100; E - 13,885)	(A - 6,965,945; B - 900,000; C - 950,000; D - 121,141; E - 135,827; F - 170,028)

Particulars	ESOP 2012	ESOP 2015
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	-	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	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

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 33. RELATED PARTY DISCLOSURES:

Related party disclosures for the year ended 31st March, 2019

a) List of Related parties:

NATURE OF RELATIONSHIP	NAME OF PARTY
Director/ Key Managerial Personnel	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 Ms. Geeta Mathur, Independent Director Mr. Sandeep Achyut Naik, Director Mr. Shantanu Rastogi, Director
Other Related Parties(Holding Company) (Refer Note 2.1)	IIFL Holdings Limited
Subsidiaries	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 Altiore 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
Other Related Parties(Fellow Subsidiaries) (Refer Note 2.1)	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)

NATURE OF RELATIONSHIP	NAME OF PARTY
	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)
Other Related Parties	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
	5paisa Capital Limited
	5paisa P2P Limited
	5paisa 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
	Naysa Shah Family Private Trust
	Kiaah Shah Family Private Trust

b) Significant Transactions With Related parties

(₹ in Million)

Nature of Transaction	Director/ Key Managerial Personnel	Other related Parties* (Holding Company) (Refer Note 2.1)	Sub- sidiary	Other Related Parties* (Fellow Subsidiaries) (Refer Note 2.1)	Other Related Parties	Total
Share Capital Issued:						
Amit Shah	-	-	-	-	-	-
	(1.80)	-	-	-	-	(1.80)
General Atlantic Singapore Fund Pte Ltd	-	-	-	-	1.13	1.13
	-	-	-	-	-	-
Securities Premium Received:						
Amit Shah	-	-	-	-	-	-
	(252.00)	-	-	-	-	(252.00)
General Atlantic Singapore Fund Pte Ltd	-	-	-	-	939.82	939.82
	-	-	-	-	-	-
Investment						
IIFL Alternate Asset Advisors Limited	-	-	2,000.00	-	-	2,000.00
	-	-	-	-	-	-
IIFL Wealth Finance Limited	-	-	5,000.00	-	-	5,000.00
	-	-	-	-	-	-

(₹ in Million)

Nature of Transaction	Director/ Key Managerial Personnel	Other related Parties* (Holding Company) (Refer Note 2.1)	Sub- sidiary	Other Related Parties* (Fellow Subsidiaries) (Refer Note 2.1)	Other Related Parties	Total
IIFL Wealth Securities IFSC Limited	-	-	1.00	-	-	1.00
	-	-	-	-	-	-
Subscription of NCD						
IIFL Wealth Finance Limited	-	-	12.52	-	-	12.52
	-	-	-	-	-	-
Redemption of NCD						
IIFL Wealth Finance Limited	-	-	4,705.08	-	-	4,705.08
	-	-	-	-	-	-
Advances Towards Capital Asset Given						
IIFL Facilities Services Limited	-	-	-	1,700.00	-	1,700.00
	-	-	-	-	-	-
Sale of inventories/Investments (Net)						
IIFL Holdings Limited	-	-	-	-	-	-
	-	(0.00)#	-	-	-	(0.00)#
IIFL Alternate Asset Advisors Limited	-	-	140.41	-	-	140.41
	-	-	-	-	-	-
IIFL Wealth Finance Limited	-	-	-	-	-	-
	-	-	(0.19)	-	-	(0.19)
ICD taken						
IIFL Distribution Services Limited	-	-	364.96	-	-	364.96
	-	-	(85.00)	-	-	(85.00)
IIFL Asset Management Limited	-	-	2,870.70	-	-	2,870.70
	-	-	(6,624.50)	-	-	(6,624.50)
IIFL Trustee Limited	-	-	6.60	-	-	6.60
	-	-	-	-	-	-
India Infoline Finance Limited	-	-	-	-	-	-
	-	-	-	(565.00)	-	(565.00)
IIFL Alternate Asset Advisors Limited	-	-	2,299.61	-	-	2,299.61
	-	-	(1,124.50)	-	-	(1,124.50)
IIFL Wealth Finance Limited	-	-	22,684.25	-	-	22,684.25
	-	-	(12,338.33)	-	-	(12,338.33)
IIFL Investment Adviser and Trustee Services Limited	-	-	4,183.00	-	-	4,183.00
	-	-	(2,721.00)	-	-	(2,721.00)
IIFL Holdings Limited	-	-	-	-	-	-
	-	(165.00)	-	-	-	(165.00)
ICD Repaid						
IIFL Distribution Services Limited	-	-	354.31	-	-	354.31
	-	-	(37.75)	-	-	(37.75)
IIFL Asset Management Limited	-	-	1,484.50	-	-	1,484.50
	-	-	(6,624.50)	-	-	(6,624.50)
IIFL Trustee Limited	-	-	6.60	-	-	6.60
	-	-	-	-	-	-
IIFL Holdings Limited	-	-	-	-	-	-
	-	(165.00)	-	-	-	(165.00)
India Infoline Finance Limited	-	-	-	-	-	-
	-	-	-	(565.00)	-	(565.00)
IIFL Alternate Asset Advisors Limited	-	-	118.01	-	-	118.01
	-	-	(1,124.50)	-	-	(1,124.50)
IIFL Wealth Finance Limited	-	-	22,390.99	-	-	22,390.99
	-	-	(12,049.49)	-	-	(12,049.49)

(₹ in Million)

Nature of Transaction	Director/ Key Managerial Personnel	Other related Parties* (Holding Company) (Refer Note 2.1)	Sub- sidiary	Other Related Parties* (Fellow Subsidiaries) (Refer Note 2.1)	Other Related Parties	Total
IIFL Investment Adviser and Trustee Services Limited	-	-	3,936.30	-	-	3,936.30
	-	-	(2,571.00)	-	-	(2,571.00)
ICD Given						
IIFL Investment Adviser and Trustee Services Limited	-	-	674.80	-	-	674.80
	-	-	(6,567.00)	-	-	(6,567.00)
IIFL Alternate Asset Advisors Limited	-	-	8,715.90	-	-	8,715.90
	-	-	(3,721.00)	-	-	(3,721.00)
IIFL Distribution Services Limited	-	-	48.20	-	-	48.20
	-	-	(68.50)	-	-	(68.50)
IIFL Asset Management Limited	-	-	224.10	-	-	224.10
	-	-	(2,474.14)	-	-	(2,474.14)
IIFL Wealth Finance Limited	-	-	44,978.07	-	-	44,978.07
	-	-	(140,795.00)	-	-	(140,795.00)
IIFL Trustee Limited	-	-	1.00	-	-	1.00
	-	-	-	-	-	-
IIFL Wealth Securities IFSC Limited	-	-	0.50	-	-	0.50
	-	-	-	-	-	-
IIFL Altiore Advisors Limited	-	-	11.10	-	-	11.10
	-	-	-	-	-	-
IIFL Wealth Employee Benefit Trust	-	-	48.83	-	-	48.83
	-	-	(0.80)	-	-	(0.80)
IIFL Management Services Limited	-	-	-	65.00	-	65.00
	-	-	-	-	-	-
ICD Received back						
IIFL Investment Adviser and Trustee Services Limited	-	-	674.80	-	-	674.80
	-	-	(6,567.00)	-	-	(6,567.00)
IIFL Alternate Asset Advisors Limited	-	-	8,715.90	-	-	8,715.90
	-	-	(3,721.00)	-	-	(3,721.00)
IIFL Distribution Services Limited	-	-	48.20	-	-	48.20
	-	-	(68.50)	-	-	(68.50)
IIFL Trustee Limited	-	-	1.00	-	-	1.00
	-	-	-	-	-	-
IIFL Asset Management Limited	-	-	249.10	-	-	249.10
	-	-	(2,449.14)	-	-	(2,449.14)
IIFL Wealth Finance Limited	-	-	44,978.07	-	-	44,978.07
	-	-	(140,795.00)	-	-	(140,795.00)
IIFL Wealth Employee Benefit Trust	-	-	15.99	-	-	15.99
	-	-	-	-	-	-
Dividend Income						
IIFL Private Wealth (Mauritius) Ltd	-	-	831.41	-	-	831.41
	-	-	(362.67)	-	-	(362.67)
IIFL Securities Limited	-	-	-	-	-	-
	-	-	-	(0.00)#	-	(0.00)#
Fees Earned For Services (including Brokerage) rendered						
IIFL Securities Limited	-	-	-	-	-	-
	-	-	-	(109.62)	-	(109.62)
IIFL Home Finance Limited	-	-	-	53.64	-	53.64
	-	-	-	-	-	-
Samasta Microfinance Limited	-	-	-	81.72	-	81.72
	-	-	-	-	-	-

(₹ in Million)

Nature of Transaction	Director/ Key Managerial Personnel	Other related Parties* (Holding Company) (Refer Note 2.1)	Sub- sidiary	Other Related Parties* (Fellow Subsidiaries) (Refer Note 2.1)	Other Related Parties	Total
India Infoline Finance Limited	-	-	-	18.87	-	18.87
	-	-	-	(12.27)	-	(12.27)
IIFL Asset Management Limited	-	-	-	-	-	-
	-	-	(10.70)	-	-	(10.70)
Interest Income on ICD Given						
IIFL Altiore Advisors Limited	-	-	0.36	-	-	0.36
	-	-	-	-	-	-
IIFL Alternate Asset Advisors Limited	-	-	74.87	-	-	74.87
	-	-	(4.88)	-	-	(4.88)
IIFL Investment Adviser and Trustee Services Limited	-	-	0.57	-	-	0.57
	-	-	(6.43)	-	-	(6.43)
IIFL Distribution Services Limited	-	-	0.17	-	-	0.17
	-	-	(0.19)	-	-	(0.19)
IIFL Asset Management Limited	-	-	0.70	-	-	0.70
	-	-	(4.09)	-	-	(4.09)
IIFL Trustee Limited	-	-	0.00#	-	-	0.00#
	-	-	-	-	-	-
IIFL Wealth Finance Limited	-	-	68.89	-	-	68.89
	-	-	(230.93)	-	-	(230.93)
IIFL Wealth Securities IFSC Limited	-	-	0.01	-	-	0.01
	-	-	-	-	-	-
IIFL Wealth Employee Benefit Trust	-	-	-	-	-	1.31
	-	-	(0.20)	-	-	(0.20)
IIFL Wealth Employee Welfare Benefit Trust	-	-	1.31	-	-	1.31
	-	-	-	-	-	-
Income on Investment						
IIFL Wealth Finance Limited	-	-	5.83	-	-	5.83
	-	-	(1.19)	-	-	(1.19)
IIFL Alternate Asset Advisors Limited	-	-	1.24	-	-	1.24
	-	-	-	-	-	-
Interest Expense on ICD						
IIFL Distribution Services Limited	-	-	3.46	-	-	3.46
	-	-	(1.38)	-	-	(1.38)
IIFL Asset Management Limited	-	-	24.64	-	-	24.64
	-	-	(59.12)	-	-	(59.12)
IIFL Investment Adviser and Trustee Services Limited	-	-	30.51	-	-	30.51
	-	-	(20.56)	-	-	(20.56)
IIFL Trustee Limited	-	-	0.01	-	-	0.01
	-	-	-	-	-	-
IIFL Wealth Finance Limited	-	-	74.97	-	-	74.97
	-	-	(25.73)	-	-	(25.73)
IIFL Alternate Asset Advisors Limited	-	-	2.86	-	-	2.86
	-	-	(6.97)	-	-	(6.97)
IIFL Holdings Limited	-	-	-	-	-	-
	-	(0.29)	-	-	-	(0.29)
Fees/Expenses incurred/Reimbursed for Services procured						
IIFL Distribution Services Limited	-	-	87.89	-	-	87.89
	-	-	(93.84)	-	-	(93.84)
IIFL Investment Adviser and Trustee Services Limited	-	-	24.00	-	-	24.00
	-	-	(24.00)	-	-	(24.00)

(₹ in Million)

Nature of Transaction	Director/ Key Managerial Personnel	Other related Parties* (Holding Company) (Refer Note 2.1)	Sub- sidiary	Other Related Parties* (Fellow Subsidiaries) (Refer Note 2.1)	Other Related Parties	Total
IIFL Alternate Asset Advisors Limited	-	-	45.00	-	-	45.00
	-	-	-	-	-	-
India Infoline Finance Limited	-	-	-	14.35	-	14.35
	-	-	-	(6.87)	-	(6.87)
IIFL Securities Limited	-	-	-	0.20	-	0.20
	-	-	-	(22.51)	-	(22.51)
IIFL Facility Services Limited	-	-	-	232.34	-	232.34
	-	-	-	(217.98)	-	(217.98)
IIFL Holdings Limited	-	65.16	-	-	-	65.16
	-	-	-	-	-	-
Corporate Social Responsibility Expenses						
India Infoline Foundation Limited	-	-	-	-	15.21	15.21
	-	-	-	-	(32.84)	(32.84)
Remuneration paid to Directors						
Karan Bhagat	50.18	-	-	-	-	50.18
	(44.15)	-	-	-	-	(44.15)
Yatin Shah	40.08	-	-	-	-	40.08
	(34.78)	-	-	-	-	(34.78)
Sitting Fee\Commission Paid to Directors						
Geeta Mathur	1.07	-	-	-	-	1.07
	(0.82)	-	-	-	-	(0.82)
Nilesh Vikamsey	1.54	-	-	-	-	1.54
	(1.24)	-	-	-	-	(1.24)
Dividend Paid						
IIFL Holdings Limited	-	450.00	-	-	-	450.00
	-	(405.00)	-	-	-	(405.00)
Karan Bhagat	59.92	-	-	-	-	59.92
	(43.29)	-	-	-	-	(43.29)
Yatin Shah	33.11	-	-	-	-	33.11
	(29.79)	-	-	-	-	(29.79)
Amit Shah	15.68	-	-	-	-	15.68
	(20.42)	-	-	-	-	(20.42)
General Atlantic Singapore Fund Pte Ltd	-	-	-	-	186.20	186.20
	-	-	-	-	(162.48)	(162.48)
Allocation / Reimbursement of Expenses Received						
IIFL Asset Management Limited	-	-	36.27	-	-	36.27
	-	-	(19.88)	-	-	(19.88)
IIFL Investment Adviser and Trustee Services Limited	-	-	35.87	-	-	35.87
	-	-	(21.28)	-	-	(21.28)
IIFL Alternate Asset Advisors Limited	-	-	5.46	-	-	5.46
	-	-	(2.40)	-	-	(2.40)
IIFL Distribution Services Limited	-	-	-	-	-	-
	-	-	(1.67)	-	-	(1.67)
IIFL Wealth Finance Limited	-	-	25.16	-	-	25.16
	-	-	(22.27)	-	-	(22.27)
Allocation / Reimbursement of Expenses Paid						
IIFL Securities Limited	-	-	-	14.06	-	14.06
	-	-	-	(48.58)	-	(48.58)
IIFL Holdings Limited	-	25.63	-	-	-	25.63
	-	(32.32)	-	-	-	(32.32)

(₹ in Million)

Nature of Transaction	Director/ Key Managerial Personnel	Other related Parties* (Holding Company) (Refer Note 2.1)	Sub- sidiary	Other Related Parties* (Fellow Subsidiaries) (Refer Note 2.1)	Other Related Parties	Total
IIFL Alternate Asset Advisors Limited	-	-	51.48	-	-	51.48
	-	-	-	-	-	-
IIFL Distribution Services Limited	-	-	0.48	-	-	0.48
	-	-	(0.96)	-	-	(0.96)
IIFL Facilities Services Limited	-	-	-	0.01	-	0.01
	-	-	-	(0.54)	-	(0.54)
Other funds received						
IIFL Holdings Limited	-	0.02	-	-	-	0.02
	-	-	-	-	-	-
IIFL Securities Limited	-	-	-	0.12	-	0.12
	-	-	-	(0.09)	-	(0.09)
IIFL Trustee Limited	-	-	-	-	-	-
	-	-	(0.28)	-	-	(0.28)
IIFL Investment Adviser and Trustee Services Limited	-	-	11.93	-	-	11.93
	-	-	(6.72)	-	-	(6.72)
IIFL Alternate Asset Advisors Limited	-	-	1.37	-	-	1.37
	-	-	(0.76)	-	-	(0.76)
IIFL Distribution Services Limited	-	-	8.84	-	-	8.84
	-	-	(8.93)	-	-	(8.93)
IIFL Wealth Securities IFSC Limited	-	-	0.47	-	-	0.47
	-	-	-	-	-	-
IIFL Asset Management Limited	-	-	5.84	-	-	5.84
	-	-	(6.90)	-	-	(6.90)
IIFL Wealth Finance Limited	-	-	9.31	-	-	9.31
	-	-	(7.84)	-	-	(7.84)
IIFL Altire Advisors Limited	-	-	0.00#	-	-	0.00#
	-	-	-	-	-	-
IIFL Management Services Limited	-	-	-	0.71	-	0.71
	-	-	-	(0.01)	-	(0.01)
IIFL Home Finance Limited	-	-	-	-	-	-
	-	-	-	(0.01)	-	(0.01)
IIFL Facilities Services Limited	-	-	-	17.01	-	17.01
	-	-	-	(0.00)#	-	(0.00)#
IIFL Insurance Brokers Limited	-	-	-	-	-	-
	-	-	-	(0.22)	-	(0.22)
India Infoline Finance Limited	-	-	-	0.11	-	0.11
	-	-	-	(0.61)	-	(0.61)
Other funds paid						
IIFL Securities Limited	-	-	-	1.27	-	1.27
	-	-	-	(0.18)	-	(0.18)
IIFL Holdings Limited	-	0.07	-	-	-	0.07
	-	-	-	-	-	-
IIFL Alternate Asset Advisors Limited	-	-	-	-	-	-
	-	-	(0.01)	-	-	(0.01)
IIFL Asset Management Limited	-	-	0.21	-	-	0.21
	-	-	(0.22)	-	-	(0.22)
IIFL Distribution Services Limited	-	-	0.09	-	-	0.09
	-	-	(0.36)	-	-	(0.36)
IIFL Wealth Finance Limited	-	-	-	-	-	-
	-	-	(0.02)	-	-	(0.02)

(₹ in Million)

Nature of Transaction	Director/ Key Managerial Personnel	Other related Parties* (Holding Company) (Refer Note 2.1)	Sub- sidiary	Other Related Parties* (Fellow Subsidiaries) (Refer Note 2.1)	Other Related Parties	Total
IIFL Investment Adviser and Trustee Services Limited	-	-	0.08	-	-	0.08
	-	-	(3.54)	-	-	(3.54)
IIFL Facilities Services Limited	-	-	-	0.00#	-	0.00#
	-	-	-	(0.00)#	-	(0.00)#
India Infoline Finance Limited	-	-	-	0.00#	-	0.00#
	-	-	-	(0.06)	-	(0.06)
IIFL Insurance Brokers Limited	-	-	-	-	-	-
	-	-	-	(0.70)	-	(0.70)
5 Paisa Capital Limited	-	-	-	-	0.02	0.02
	-	-	-	-	-	-

(c) Amount due to / from related parties (Closing Balances):

(₹ in Million)

	Director/ Key Managerial Personnel	Other related Parties* (Holding Companies) (Refer Note 2.1)	Sub- sidiary	Other Related Parties (Fellow Subsidiaries) (Refer Note 2.1)	Other Related Parties	Total
Sundry payables						
IIFL Distribution Services Limited	-	-	-	-	-	-
	-	-	(11.71)	-	-	(11.71)
IIFL Alternate Asset Advisors Limited	-	-	34.98	-	-	34.98
	-	-	-	-	-	-
India Infoline Finance Limited	-	-	-	4.87	-	4.87
	-	-	-	(7.42)	-	(7.42)
IIFL Facilities Services Limited	-	-	-	0.00#	-	0.00#
	-	-	-	-	-	-
Sundry receivables						
IIFL Alternate Asset Advisors Limited	-	-	-	-	-	-
	-	-	(1.44)	-	-	(1.44)
IIFL Wealth Finance Limited	-	-	10.31	-	-	10.31
	-	-	(10.07)	-	-	(10.07)
IIFL Investment Adviser and Trustee Services Limited	-	-	7.17	-	-	7.17
	-	-	(4.61)	-	-	(4.61)
IIFL Distribution Services Limited	-	-	171.74	-	-	171.74
	-	-	-	-	-	-
IIFL Asset Management Limited	-	-	19.63	-	-	19.63
	-	-	(6.92)	-	-	(6.92)
IIFL Altiore Advisors Limited	-	-	0.07	-	-	0.07
	-	-	-	-	-	-
IIFL Wealth Securities IFSC Limited	-	-	0.00#	-	-	0.00#
	-	-	-	-	-	-
IIFL Wealth Advisors (India) Limited	-	-	1.87	-	-	1.87
	-	-	-	-	-	-
IIFL Wealth Employee Welfare Benefit Trust	-	-	1.18	-	-	1.18
	-	-	-	-	-	-
IIFL Wealth Employee Benefit Trust	-	-	-	-	-	-
	-	-	(0.18)	-	-	(0.18)
IIFL Securities Limited	-	-	-	0.45	-	0.45
	-	-	-	-	-	-
IIFL Management Limited	-	-	-	0.03	-	0.03
	-	-	-	-	-	-

(₹ in Million)

Nature of Transaction	Director/ Key Managerial Personnel	Other related Parties* (Holding Company) (Refer Note 2.1)	Sub- sidiary	Other Related Parties* (Fellow Subsidiaries) (Refer Note 2.1)	Other Related Parties	Total
IIFL Facilities Services Limited	-	-	-	17.00	-	17.00
	-	-	-	-	-	-
Payable to Client						
IIFL Wealth Finance Limited	-	-	(0.15)	-	-	(0.15)
IIFL Asset Management Limited	-	-	(138.85)	-	-	(138.85)
	-	-	-	-	-	-
ICD Taken						
IIFL Distribution Services Limited	-	-	57.90	-	-	57.90
	-	-	(47.26)	-	-	(47.26)
IIFL Investment Adviser and Trustee Services Limited	-	-	396.70	-	-	396.70
	-	-	(150.00)	-	-	(150.00)
IIFL Asset Management Limited	-	-	1,386.20	-	-	1,386.20
	-	-	-	-	-	-
IIFL Alternate Asset Advisors Limited	-	-	2,181.60	-	-	2,181.60
	-	-	-	-	-	-
IIFL Wealth Finance Limited	-	-	582.10	-	-	582.10
	-	-	(288.84)	-	-	(288.84)
ICD Given						
IIFL Management Services Ltd	-	-	-	65.00	-	65.00
	-	-	-	-	-	-
IIFL Asset Management Limited	-	-	(25.00)	-	-	(25.00)
IIFL Wealth Securities IFSC Limited	-	-	0.50	-	-	0.50
	-	-	-	-	-	-
IIFL Altiore Advisors Limited	-	-	11.10	-	-	11.10
	-	-	-	-	-	-
IIFL Wealth Employee Benefit Trust	-	-	-	-	-	-
	-	-	(2.63)	-	-	(2.63)
IIFL Wealth Employee Welfare Benefit Trust	-	-	35.47	-	-	35.47
	-	-	-	-	-	-

Note:

- I) Figures in bracket represents previous year figures.
 II) Related parties are identified and certified by the management.
 # Amount less than ₹ 10,000

NOTE 34. DISCLOSURE PURSUANT TO IND AS 107 "FINANCIAL INSTRUMENTS: DISCLOSURES"

Financial Risk Management

34A.1. Credit Risk

Credit risk refers to risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. Credit risk assessment on various components is described below:

1) Loans

The Company has outstanding loans to staff and Inter corporate deposits. The company has not made any provision on ECL as credit risk is considered insignificant.

2) Trade and other Receivables

The Company's trade receivables primarily include receivables from mutual funds, alternative Investment funds, customers under Portfolio Management scheme and Advisory services arrangements. The Company has made lifetime expected credit loss provision based on provision matrix which takes into account historical experience in collection and credit losses.

Movement in the Expected Credit Loss/ Impairment Loss allowance with regards to trade receivables is as follows :

(₹ in Million)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Balance at the beginning of the year	4.03	13.99
Movement in expected credit loss allowances on trade receivables	(3.56)	(9.96)
Balance at the end of the year	0.47	4.03

3) Others

In addition to the above, balances and deposits with banks, investments in bonds, debt securities and in units of funds and other financial assets also have exposure to credit risk.

Credit risk on balances and deposits with banks is limited as these balances are generally held with banks and financial institutions with high credit ratings and/or with capital adequacy ratio above the prescribed regulatory limits.

The credit risk in respect of 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.

Credit Risk on Other Financial assets is considered insignificant considering the nature of such assets and absence of counter party risk.

34B. Liquidity Risk

Liquidity risk refers to the risk that the Company may not be able to meet its short-term financial obligations. The Company 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 Company 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 Company 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
Trade Payables	165.01	162.96	-	2.05	-	-
Borrowings (Other than Debt Securities)	4,140.06	4,135.97	2.29	1.80	-	-
Other financial liabilities	42.04	42.04	-	-	-	-
Total	4,347.11	4,340.97	2.29	3.85	-	-
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
Trade Payables	826.78	165.07	-	661.72	-	-
Other Payables	3,564.93	3,564.93	-	-	-	-
Borrowings (Other than Debt Securities)	3,969.01	1,982.46	1,979.41	2.60	4.54	-
Other financial liabilities	55.74	55.74	-	-	-	-
Total	8,416.46	5,768.20	1,979.41	664.32	4.54	-
Financial liabilities	As at April 01 2017					
	Total	Less than 1 months	1 months to 6 months	6 months to 1 year	Between 1 to 5 years	5 years and above
Trade Payables	447.74	186.35	-	261.40	-	-
Other Payables	2,341.08	2,341.08	-	-	-	-
Borrowings (Other than Debt Securities)	3,978.24	996.60	2,967.89	2.72	11.03	-
Other financial liabilities	31.48	31.48	-	-	-	-
Total	6,798.54	3,555.51	2,967.89	264.12	11.03	-

34C. 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.

34C.1 Currency Risk

The Company (including its foreign subsidiaries) does not run a proprietary trading position in foreign currencies and foreign currency denominated instruments. However the Company 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	INR	Euro	CHF
Trade Receivables	0.01	-	-	-	-

The carrying amount of Financial assets and liabilities subject to foreign exchange risk for FY 2017-2018 are as below:

Particulars	USD	MUR	INR	Euro	CHF
Trade Receivables	-	-	-	-	-

Below is the sensitivity analysis for the year considering 1% appreciation/(depreciation):

(₹ in Million)

Particulars	2018-19	2017-18
Increase		
Impact on Profit and Loss after tax	0.00#	-
Impact on Equity	0.00#	-
Decrease		
Impact on Profit and Loss after tax	(0.00)#	-
Impact on Equity	(0.00)#	-

Amount less than ₹ 10,000

34C.2 Interest rate risk

The Company has considered interest rate risk on financial assets and liabilities accounted for on amortised cost basis.

The Company'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:

(₹ in Million)

Particulars	As at 31st March 2019	As at 31st March 2018	As at April 01 2017
Floating Rate Liabilities (Borrowings)	481.37	-	-

A hypothetical 0.25% shift in underlying benchmark rates will have the below impact :

(₹ in Million)

Impact on Profit and Loss after tax and equity	2018-19	2017-18
Increase of 0.25%	(0.78)	-
Decrease of 0.25%	0.78	-

34C3. 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 Company to price risks.

The carrying amount of financial assets and liabilities subject to price risk is as below:

(₹ in Million)

Particulars	As at 31st March 2019	As at 31st March 2018	As at April 01 2017
Financial Assets			
Investments	659.08	1,297.17	21.59
	659.08	1,297.17	21.59

Sensitivity to change in prices of the above assets and liabilities are measured on the following parameters

(₹ in Million)

Investments in AIFs / MFs / others	1% change in the NAV/price
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 :

Particulars	2018-19	2017-18	2016-17
Increase			
Impact on Profit and Loss after tax	4.29	8.44	0.14
Impact on Equity	4.29	8.44	0.14
Decrease			
Impact on Profit and Loss after tax	(4.29)	(8.44)	(0.14)
Impact on Equity	(4.29)	(8.44)	(0.14)

34D. Capital Management

The Company'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 Company and regulatory capital requirements of its businesses and constituent entities.

34E. 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)	
Financial Assets					
(a)	Cash and cash equivalents	56.75	-	-	56.75
(b)	Bank balance other than (a) above	10.07	-	-	10.07
(c)	Receivables				-
	(I) Trade receivables	1,989.79	-	-	1,989.79
	(II) Other receivables	-	-	-	-
(d)	Loans	112.94			112.94
(e)	Investments	20,745.27	659.08	-	21,404.35
(f)	Other financial assets	320.44	-	-	320.44
	Total	23,235.26	659.08	-	23,894.34
Financial Liabilities					
(a)	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	165.01	-	-	165.01
	(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	-			-
(b)	Borrowings (other than debt securities)	4,140.06	-	-	4,140.06
(c)	Other financial liabilities	42.04	-	-	42.04
	Total	4,347.11	-	-	4,347.11

Sr No.	Particulars	As at 31st March 2018			Total
		Measure at Amortised Cost	Measured At Fair Value through Profit or Loss (P/L)	Measured At Fair Value through Other Comprehensive Income (OCI)	
Financial Assets					
(a)	Cash and cash equivalents	4,101.19	-	-	4,101.19
(b)	Bank balance other than (a) above	922.86	-	-	922.86
(c)	Receivables				-
	(I) Trade receivables	1,413.41	-	-	1,413.41
	(II) Other receivables	2,772.11	-	-	2,772.11
(d)	Loans	28.17			28.17
(e)	Investments	11,134.13	1,297.17	-	12,431.30
(f)	Other financial assets	383.41	-	-	383.41
	Total	20,755.28	1,297.17	-	22,052.45
Financial Liabilities					
(a)	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	826.78	-	-	826.78
	(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	3,564.93			3,564.93
(b)	Borrowings (other than debt securities)	3,969.01	-	-	3,969.01
(c)	Other financial liabilities	55.74	-	-	55.74
	Total	8,416.46	-	-	8,416.46
Sr No.	Particulars	As at April 01 2017			Total
		Measure at Amortised Cost	Measured At Fair Value through Profit or Loss (P/L)	Measured At Fair Value through Other Comprehensive Income (OCI)	
Financial Assets					
(a)	Cash and cash equivalents	2,931.90	-	-	2,931.90
(b)	Bank balance other than (a) above	670.26	-	-	670.26
(c)	Receivables				-
	(I) Trade receivables	1,168.27	-	-	1,168.27
	(II) Other receivables	3,032.00	-	-	3,032.00
(d)	Loans	16.49			16.49
(e)	Investments	11,129.09	21.59	-	11,150.68
(f)	Other financial assets	351.54	-	-	351.54
	Total	19,299.55	21.59	-	19,321.14

Sr No.	Particulars	As at April 01 2017			Total
		Measure at Amortised Cost	Measured At Fair Value through Profit or Loss (P/L)	Measured At Fair Value through Other Comprehensive Income (OCI)	
Financial Liabilities					
(a)	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	447.74	-	-	447.74
	(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
(b)	Borrowings (other than debt securities)	3,978.24	-	-	3,978.24
(c)	Other financial liabilities	31.48	-	-	31.48
	Total	6,798.54	-	-	6,798.54

34E.1. Fair values of financial instruments

The Company 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 include 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 Company 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.

34E. 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
Financial Assets				
Investments in Mutual funds	578.44			578.44
Investments in Debt securities		6.86		6.86
Investments in Alternate Investment Funds #			73.78	73.78
Total Assets	578.44	6.86	73.78	659.08

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
Financial Assets				
Investments in Mutual funds	1,200.96			1,200.96
Investments in Debt securities		22.70		22.70
Investments in Alternate Investment Funds #			73.51	73.51
Total Assets	1,200.96	22.70	73.51	1,297.17

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 01.04.2017			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments in Debt securities		5.79		5.79
Investments in Equity Shares	5.61		-	5.61
Investments in Alternate Investment Funds #			10.19	10.19
Total Assets	5.61	5.79	10.19	21.59

The fair values of these investments are determined basis the NAV published by the funds.

Reconciliation of Level 3 fair value measurements (₹ in Million)

Particulars	As at 31st March 2019	As at 31st March 2018	As at April 01 2017
Opening Balance	73.51	10.19	938.79
Total gains or losses	-	-	-
- in profit or loss	0.44	-	104.07
Purchases	(3.30)	0.82	0.98
Disposal/ Settlements	5.00	62.50	246.61
Transfer out of Level 3	(1.87)	-	(1,280.26)
Closing Balance	73.78	73.51	10.19

34E. 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 April 01 2017	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets						
Cash and cash equivalents	56.75	56.75	4,101.19	4,101.19	2,931.90	2,931.90
Bank balance other than above	10.07	10.07	922.86	922.86	670.26	670.26
Receivables						
(I) Trade receivables	1,989.79	1,989.79	1,413.41	1,413.41	1,168.27	1,168.27
(II) Other receivables	-	-	2,772.11	2,772.11	3,032.00	3,032.00
Loans	112.94	112.94	28.17	28.17	16.49	16.49
Investments	20,745.27	20,745.27	11,134.13	11,134.13	11,129.09	11,129.09
Other financial assets	320.44	320.44	383.41	383.41	351.54	351.54
Financial Liabilities						
(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	165.01	165.01	826.78	826.78	447.74	447.74

34E. 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 1st April 2017	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
(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	-	-	3,564.93	3,564.93	2,341.08	2,341.08
Borrowings (other than debt securities)	4,140.06	4,140.06	3,969.01	3,969.01	3,978.24	3,978.24
Other financial liabilities	42.04	42.04	55.74	55.74	31.48	31.48

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.

NOTE 35. SEGMENT REPORTING

In the opinion of the management, there is only one reportable business segment (Distribution fees) as envisaged by Ind AS 108 'Operating Segments', as prescribed under section 133 of the Act. Accordingly, no separate disclosure for segment reporting is required to be made in the financial statements of the Company. Secondary segment based on geography has not been presented as the Company operates primarily in India and the Company perceives that there is no significant difference in its risk and returns in operating from different geographic areas within India.

NOTE 36. EVENTS AFTER REPORTING PERIOD

There were no subsequent events from the date of financial statements till the date of adoption of accounts.

NOTE 37. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issuance by the Board of Directors on May 13, 2019

For and on behalf of the Board of Directors

Karan Bhagat
Managing Director
(DIN: 03247753)

R. Venkataraman
Director
(DIN: 00011919)

Place: Mumbai
Date: May 13, 2019

Mihir Nanavati
Chief Financial Officer

Ashutosh Naik
Company Secretary

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF IIFL WEALTH MANAGEMENT LIMITED

Report on the audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of IIFL Wealth Management Limited ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31 March 2019, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2019, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit

evidence obtained by us and other auditors in terms of their reports referred to in the sub-paragraphs (a) and (b) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matter

We draw attention to Note 2.1 of the financial statements, which describes the reasons for implementation of the Composite Scheme of Arrangement amongst IIFL Holdings Limited, India Infoline Finance Limited, India Infoline Media and Research Services Limited, IIFL Securities Limited, IIFL Wealth Management Limited and 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 Holdings 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 opinion is not modified in respect of this matter.

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

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' report, but does not include the consolidated financial statements and our auditor's report thereon. The Directors' report is expected to be made available to us after the date of this auditor's report.
- Our opinion on the consolidated financial statements does not cover the other information and will not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the

other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- When we read the Directors' report including Annexures to Directors' Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management

either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Other Matters

- (a) We did not audit the financial statements of seven subsidiaries whose financial statements reflect total assets of Rs.1358.54 mn as at 31st March, 2019, total revenues of Rs.1323.43 mn and net cash inflows amounting to Rs.243.02 mn for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.
- (b) Five subsidiaries 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 Parent'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 Parent'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 Parent and audited by us. Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based

on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries, referred to in the Other Matters section above we report, to the extent applicable that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Parent as on 31st March, 2019 taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;
 - ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent and its subsidiary companies incorporated in India.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Pallavi A. Gorakshakar

(Partner)

(Membership No. 105035)

Place: Mumbai

Date : 13 May 2019

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause

(i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of IIFL Wealth Management Limited (hereinafter referred to as "the Parent") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent and its subsidiary companies, which are

companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent and its subsidiary companies, which are companies incorporated in

India.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion to the best of our information and

according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one subsidiary company, which is a company incorporated in India, is based solely on the corresponding report of the auditors of such company incorporated in India.

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

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Pallavi A. Gorakshakar

(Partner)
(Membership No. 105035)

Place: Mumbai

Date : 13 May 2019

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2019

(₹ in Million)

Particulars	Note No.	As At Mar 31, 2019	As At Mar 31, 2018	As At Apr 01, 2017
ASSETS				
1 Financial Assets				
(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
2 Non-Financial Assets				
(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
Total Assets		97,802.22	95,665.78	75,964.26
LIABILITIES AND EQUITY				
LIABILITIES				
1 Financial Liabilities				
(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
2 Non-Financial Liabilities				
(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
3 EQUITY				
(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
Total Liabilities and Equity		97,802.22	95,665.78	75,964.26

See accompanying Notes to the Consolidated Financial Statements

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
Date: May 13, 2019

Mihir Nanavati
Chief Financial Officer

Ashutosh Naik
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Million)

Particulars	Note No.	2018 - 2019	2017 - 2018
1 Revenue from operations			
(a) Interest income	27	6,537.90	6,590.82
(b) Dividend & Distribution income on investments	28	293.83	485.73
(c) Fees and commission income	28A	8,081.37	8,831.73
(d) Net gain on fair value changes	29	572.88	677.22
(e) Sale of products		4.10	-
Total revenue from operations		15,490.08	16,585.50
2 Other income	30	281.80	562.60
3 Total income (1+2)		15,771.88	17,148.10
Expenses			
(a) Finance costs	31	4,270.59	5,587.63
(b) Fees and commission expenses		662.18	669.03
(c) Impairment on financial instruments	32	(76.64)	126.06
(d) Purchases of Stock-in-trade		205.62	-
(e) Changes in Inventories of stock-in-trade		(197.51)	-
(f) Employee benefits expenses	33	3,311.71	3,895.78
(g) Depreciation, amortization and impairment	13,16	215.06	136.10
(h) Others expenses	34	2,001.56	1,832.74
4 Total expenses		10,392.57	12,247.34
5 Profit before tax (3-4)		5,379.31	4,900.76
6 Tax expense:			
(a) Current tax	35	1,642.20	1,134.04
(b) Deferred tax	35	(8.36)	(34.97)
7 Profit for the year (5-6)		3,745.47	3,801.69
8 Other comprehensive income			
(a) (i) Items that will not be reclassified to profit or loss			
- Remeasurements of Employee Benefits		(4.66)	(26.36)
(ii) Income tax relating to items that will not be reclassified to profit or loss		2.42	8.82
Subtotal (a)		(2.24)	(17.54)
(b) (i) Items that will be reclassified to profit or loss			
- Foreign currency translation reserve		100.34	24.25
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Subtotal (b)		100.34	24.25
Other comprehensive income (a+b)		98.10	6.71
9 Total comprehensive income for the year (7+8) (Comprising profit and other comprehensive income for the year)		3,843.57	3,808.40
10 Earnings per equity share			
Basic (Rs.)	36	44.63	48.06
Diluted (Rs.)	36	43.37	46.51

See accompanying Notes to the Consolidated Financial Statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Pallavi A. Gorakshakar
Partner

Place: Mumbai
Date: May 13, 2019

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

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Million)

Particulars	2018 - 2019	2017 - 2018
A. Cash flows from operating activities		
Net profit before tax and other comprehensive income	5,379.31	4,900.76
Adjustments for:		
Depreciation, amortization and impairment	215.06	136.10
Provisions for employee benefits	(17.35)	31.79
Net changes in fair value through profit and loss of investments - realised	(586.33)	(768.33)
Net changes in fair value through profit and loss of investments - unrealised	(303.92)	426.02
Impairment on financial instruments	(76.64)	126.06
Net change in fair value of derivative financial instruments	62.71	(24.64)
Share based payments to employees	28.38	37.48
Interest income	(6,636.61)	(6,779.56)
Interest expenses	4,219.23	5,521.74
Dividend income from investments	(14.02)	(670.79)
Distribution income from investments	(273.90)	(205.81)
Loss on sale of subsidiary	-	-
Net gain on sale of property, plant and equipment	0.75	(0.53)
Interest paid	(3,527.09)	(3,910.03)
Interest received	6,442.18	6,036.27
Operating profit before working capital changes	4,911.76	4,856.53
Changes in working Capital :		
(Increase)/ Decrease in financial/non-financial assets	(3,699.70)	1,107.03
Increase/(Decrease) in financial/non-financial liabilities	(2,238.56)	1,790.71
Cash (used in)/generated from operations	(1,026.50)	7,754.27
(Increase)/ decrease in loans	21,038.24	(34,167.56)
Cash generated from/(used in) operating activities	20,011.74	(26,413.29)
Net income tax(paid) / refunds	(1,526.52)	(1,306.35)
Net cash generated from/(used in) operating activities (A)	18,485.22	(27,719.64)
B. Cash flows from investing activities		
Purchase of investments	(1,316,941.27)	(1,354,691.62)
Sale of investments	1,299,237.06	1,363,928.18
Sale of subsidiary	3.40	-
Interest received	100.89	185.62
Acquisition of subsidiaries	(2,613.54)	-
Fixed deposit (placed)/matured	1,061.50	999.78
Inter-corporate deposits given	(65.00)	(1,350.00)
Inter-corporate deposits returned back	-	1,350.00
Dividend income	14.02	670.79
Purchase/sale of property, plant and equipment (includes intangible assets and CWIP)	(2,094.31)	(367.49)
Net cash generated from/(used in) investing activities (b)	(21,297.25)	10,725.26
c. Cash flows from financing activities		
Issuance of share capital	9.54	3.57
Securities premium received	7,536.65	472.72

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Million)

Particulars	2018 - 2019	2017 - 2018
Dividend paid (including dividend distribution tax)	(847.66)	(784.98)
Treasury stock	(34.58)	(0.78)
Borrowings - raised	279,374.22	555,707.32
Borrowings - repaid	(309,287.74)	(544,603.13)
Debt securities and subordinated liabilities- taken	29,016.97	13,460.90
Debt securities and subordinated liabilities - repaid	(6,343.79)	(11,125.80)
Inter-corporate deposits taken	-	165.00
Inter-corporate deposits repaid	-	(165.00)
Others	2.02	(0.10)
Share issue expenses paid	(79.62)	-
Shares pending issuance	0.06	0.31
Interest paid	(150.37)	(502.26)
Net cash (used in)/generated from financing activities (c)	(804.30)	12,627.77
Net (decrease)/increase in cash and cash equivalents (a+b+c)	(3,616.33)	(4,366.61)
Opening cash & cash equivalents	5,262.56	9,629.17
Closing cash & cash equivalents	1,646.23	5,262.56

See accompanying notes to the consolidated financial statements
In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Pallavi A. Gorakshakar
Partner

Place: Mumbai
Date: May 13, 2019

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Particulars	Equity attributable to owners of the Company										Total	
	Equity		Other Equity					Equity				
	Share Capital	Share pending issuance	Securities Premium Account	General Reserve	Special Reserve Pursuant to Section 45 IC of 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, 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)
Profit for the year	-	-	-	-	-	-	-	-	3,745.47	-	3,745.47	3,745.47
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 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

As at March 31, 2019

Particulars	Equity attributable to owners of the Company										Total	
	Equity		Equity		Other Equity							
	Share Capital	Share pending issuance	Securities Premium Account	General Reserve	Special Reserve Pursuant to Section 45 IC of 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, 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
Profit for the year	-	-	-	-	-	-	-	-	3,801.69	-	3,801.69	3,801.69
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 2.1)	-	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

As at March 31, 2018

(₹ in Million)

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)

Debenture Redemption Reserve (DRR)

One of the subsidiaries of the group has issued Non-convertible debentures and created DRR in terms of the Companies (Share capital and Debenture) Rules, 2014 (as amended). The amounts credited to DRR may not be utilised except to redeem the debentures. The subsidiary has created debenture 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

Place: Mumbai
Date: May 13, 2019

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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

NOTE 1. CORPORATE INFORMATION:

The Consolidated Financial Statements 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 Altiore Advisors Private Limited (Formerly known as Altiore Advisors Private Limited) (w.e.f November 05, 2018), IIFL Wealth Employee Welfare Benefit Trust, IIFL Wealth Employee Benefit Trust, 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 net worth 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 financial statements have been approved for issue by the Board of Directors of IIFL Wealth Management at their meeting held on May 13, 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 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 Consolidated financial statements from the date the Holding Company gains control until the date the Holding Company ceases to control the subsidiary.

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 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 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 statements as of the same date as the financial statements of the Parent to enable the Parent to

Consolidated the financial statements 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 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 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.

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 within 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 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 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 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 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.

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.

2.1 BASIS OF PREPARATION AND PRESENTATION

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;

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 Million)		
Particulars	As On April 1, 2018	As On April 01, 2017*
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 financial statements as at March 31, 2018. The corresponding effects of the same have been given in Note no 25 for equity and Note no 26 for Other equity.

NOTE 3. FIRST TIME ADOPTION OF IND AS

The Group has prepared opening balance sheet as per Ind AS as of April 1, 2017 (transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, derecognising items of assets or liabilities which are not permitted to be recognised by Ind AS, reclassifying items from I-GAAP to Ind AS as required, and applying Ind AS to measure the recognised assets and liabilities. The exemptions availed by the Group are as follows:

- (i) The Group has adopted the carrying value determined in accordance with I-GAAP for all of its property plant and equipment and investment property as deemed cost of such assets at the transition date.
- (ii) Ind AS 102 "Share-based Payment" has not been applied to equity instruments in share-based payment transactions that vested before April 1, 2017.
- (iii) The Group has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2017
- (iv) The Group has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.
- (v) The Group has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, as permitted by Ind AS 101, the Group has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition.
- (vi) The Group has elected not to apply Ind AS 103 Business Combinations retrospectively to past business combinations that occurred before the transition date.
- (vii) The estimates as at April 1, 2017 and at March 31, 2018 are consistent with those made for the same dates in accordance with the I-GAAP.

(₹ in million)			
Equity Reconciliation	Notes	As At 1st April 2017	As At 31st March 2018
As per IGAAP		15,241.62	18,895.48
Change in fair value of investments	1	208.76	47.21
Impairment on Financial Instruments	2	(39.51)	(26.58)
Effective Interest Rate for financial liabilities recognised at amortized cost	3	19.90	-
Expected credit loss on Trade Receivables	4	6.82	5.88
Effect of Merger of Wealth business undertaking	5	85.53	98.38
ESOP Compensation Cost	6	(2.49)	(2.39)
Consolidation of IIFL Wealth Employee Benefit trust	7	(1.83)	(2.81)
Adjustment on retrospective application of Ind AS 103	8	(288.32)	(288.32)
Securities Premium on Debentures	9	-	(85.68)
Deferred tax impact on above adjustments	10	(32.05)	(12.24)
As per Ind AS		15,198.43	18,628.93

(₹ in Million)

RECONCILIATION OF TOTAL COMPREHENSIVE INCOME	NOTES	AS AT 31ST MARCH 2018
Net income under Indian GAAP		3,853.11
Change in fair value of investments	1	(158.45)
Actuarial gain/ loss recognised on employee benefit in other comprehensive income	11	25.96
Impairment on Financial Instruments	2	12.93
Effective Interest Rate for financial liabilities recognised at amortized cost	3	(19.90)
ESOP Compensation Cost	6	(37.48)
Impact of provision for expected credit loss on Trade Receivables	4	(0.94)
Profit attributable to Wealth Business Undertaking	5	115.27
Others	7	(0.20)
Deferred tax impact on above adjustments	10	11.14
Net Income as per Ind AS		3,801.44
Other Comprehensive Income	11	6.96
Total Comprehensive Income as per Ind AS		3,808.40

Effect of Ind AS adoption on the Balance Sheet as at 31st March, 2018

(₹ in Million)

Sr.No.	Particulars	As at March 31, 2018			
		Notes	As per IGAAP	Ind AS adjustments	As per Ind AS
ASSETS					
1	Financial Assets				
(a)	Cash and cash equivalents	5,7	5,224.10	38.46	5,262.56
(b)	Bank balance other than (a) above	5	2,189.39	0.07	2,189.46
(c)	Derivative financial instruments		49.75		49.75
(d)	Receivables				
	(I) Trade receivables	4,5	1,943.70	8.26	1,951.96
	(II) Other receivables		3,106.72		3,106.72
(e)	Loans	2	70,587.76	(26.58)	70,561.18
(f)	Investments	1,5	10,998.79	113.23	11,112.02
(g)	Other financial assets	5	419.32	3.36	422.68
2	Non-Financial Assets				
(a)	Inventories		-		-
(b)	Current tax assets (net)		125.66		125.66
(c)	Deferred tax assets (net)	5,10	161.14	9.17	170.31
(d)	Investment property				-
(e)	Biological assets other than bearer plants				-
(f)	Property, plant and equipment	5	263.37	3.39	266.76
(g)	Capital work-in-progress		217.34		217.34
(h)	Intangible assets under development				-
(i)	Goodwill	8	288.32	(288.32)	-
(j)	Other intangible assets	5	37.41	1.75	39.16
(k)	Other non-financial assets	5	188.16	2.06	190.22
3	Assets classified as held for sale				-
	Total Assets		95,800.93	(135.15)	95,665.78

(₹ in Million)

Sr.No.	Particulars	As at March 31, 2018			
		Notes	As per IGAAP	Ind AS adjustments	As per Ind AS
LIABILITIES AND EQUITY					
LIABILITIES					
1 Financial Liabilities					
(a)	Derivative financial instruments		814.25		814.25
(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	5	1,242.58	3.72	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	9	18,490.58	71.71	18,562.29
(d)	Borrowings (other than debt securities)	7	45,480.20	2.81	45,483.01
(e)	Subordinated liabilities	9	5,604.00	13.98	5,617.98
(f)	Other financial liabilities	5,6	1,405.00	37.00	1,442.00
2 Non-Financial Liabilities					
(a)	Current tax liabilities (net)		36.77		36.77
(b)	Provisions	5	116.03	1.21	117.24
(c)	Deferred tax liabilities (net)		-		-
(d)	Other non-financial liabilities	5,7	290.10	0.97	291.07
3 EQUITY					
(a)	Equity share capital		159.50		159.50
(b)	Incremental shares pending issuance		-	1.14	1.14
(c)	Other equity		18,735.98	(267.69)	18,468.29
Total Liabilities and Equity			95,800.93	(135.15)	95,665.78

Effect of Ind AS adoption on the Balance Sheet as at 1st April, 2017

(₹ in Million)

Sr.No.	Particulars	As at April 01, 2017			
		Notes	As per IGAAP	Ind AS adjustments	As per Ind AS
ASSETS					
1 Financial Assets					
(a)	Cash and cash equivalents	5,7	9,616.40	12.77	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	4,5	1,544.87	49.11	1,593.98
(II)	Other receivables		3,888.78		3,888.78
(e)	Loans	2	36,559.19	(39.51)	36,519.68
(f)	Investments	1,5	19,854.18	214.55	20,068.73
(g)	Other financial assets		337.99	35.01	373.00
2 Non-Financial Assets					
(a)	Current tax assets (net)		92.70		92.70
(b)	Deferred tax assets (net)	5,10	134.87	71.06	205.93

(₹ in Million)

Sr.No.	Particulars	As at April 01, 2017			
		Notes	As per IGAAP	Ind AS adjustments	As per Ind AS
(c)	Property, plant and equipment	5	202.86	11.24	214.10
(d)	Capital work-in-progress		35.65		35.65
(e)	Goodwill	8	288.32	(288.32)	-
(f)	Other intangible assets	5	38.53	2.59	41.12
(g)	Other non-financial assets	5	100.05	1.38	101.43
3	Assets classified as held for sale				-
	Total Assets		75,894.38	69.88	75,964.26
	LIABILITIES AND EQUITY				
	LIABILITIES				
1	Financial Liabilities				
(a)	Derivative financial instruments		254.01		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	5	798.33	123.22	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		17,838.60		17,838.60
(d)	Borrowings (other than debt securities)	7	33,985.45	1.83	33,987.28
(e)	Deposits		-		-
(f)	Subordinated liabilities		4,435.00		4,435.00
(g)	Other financial liabilities	3,5,6	558.44	(15.24)	543.20
2	Non-Financial Liabilities				
(a)	Current tax liabilities (net)		176.11	-	176.11
(b)	Provisions	5	90.18	1.62	91.80
(c)	Other non-financial liabilities	5,7	175.56	1.64	177.20
3	EQUITY				
(a)	Equity share capital		155.93		155.93
(b)	Incremental shares pending issuance		-	0.83	0.83
(c)	Other equity		15,085.69	(44.02)	15,041.67
	Total Liabilities and Equity		75,894.38	69.88	75,964.26

Notes

- As per earlier IGAAP, Investments were valued at lower of Cost and Market Value. However as per Ind AS, Investments valued at Fair value through Profit and loss are to recognised at Fair Value and hence the Group has restated its investments to reflect the market value and corresponding impact being taken to Profit and Loss account.
- The Group had recognised Standard Assets Provision on its Loan assets till Financial year 2017-2018 which was as required by RBI Prudential Norms. After the adoption of Ind AS the Group is required to calculate Expected Credit Loss(ECL) on all its financial assets. The impact shown above is the differential impact due to adoption of ECL by the Company.
- The Group was accounting its transaction cost on debt securities on a straight line basis. However after adopting Ind AS, the Group has

recognised the transaction costs as per Effective Rate of Interest (EIR) method and the amount shown above is the impact of this adjustment.

4. The provision is made against trade receivables on "expected credit loss" model as per Ind AS 109. Under I-GAAP the provision was made when the receivable/loan turned doubtful based on the assessment on case to case basis and applicable regulations.
5. Pursuant to Composite Scheme of Arrangement, Wealth Business Undertaking was transferred to the Holding Company effective April 1, 2018 (refer note 2.1). The said transaction is considered as "common control business combination" under IND AS 103 and accounted as such. As per the provisions of IND AS 103 Profit after tax of Wealth Business Undertaking has been included in the Consolidated Profit after tax for the year ended March 31, 2017 (the previous financial year).
6. ESOP charge is accounted using fair value method. The portion of ESOP charge payable to holding company is accordingly measured and recognised at fair value. Under I-GAAP ESOP charge was calculated based on intrinsic value method.
7. Employee benefit trust is consolidated as per Ind AS based on evaluation of control.
8. Pursuant to adoption of IND AS 103 applicable to Business Combinations, goodwill as on the date of transition recorded under I-GAAP in respect of business combinations under common control and other transaction has been reversed.
9. The Securities premium received on issue of debentures was classified under Reserves & Surplus in IGAAP while the same is reclassified to Borrowings under Ind AS.
10. Deferred tax is the tax impact of all the adjustments between IGAAP and Ind AS.
11. Actuarial gains and losses pertaining to defined benefit obligations and re-measurement pertaining to return on plan assets are recognised in Other Comprehensive Income in accordance with Ind AS 19 and are not reclassified to profit or loss."
12. Derivative component of Debt securities has been separated and transferred to Derivative Financial Instruments
13. There is no impact on Cash Flow due to first time adoption of Ind AS.

NOTE 4. CASH AND CASH EQUIVALENTS

(₹ in Million)

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
Cash and Cash Equivalents (As per Ind AS 7 Statement of Cashflows)			
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
Cash and cash equivalents (As per Ind AS 7 Statement of Cashflows)	1,646.23	5,262.56	9,629.17
Out of the Fixed Deposits shown above:			
			(₹ in Million)
Particulars	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
Lien marked against overdraft facility	-	10.04	10.03
Other deposits	400.46	2,694.93	2,922.37
Total	400.46	2,704.97	2,932.40

NOTE 5. BANK BALANCE OTHER THAN 4 ABOVE:

(₹ in Million)

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
Other Bank Balances			
In Deposit accounts (with original maturity of more than 3 months)	1,127.95	2,189.46	3,189.23
Total	1,127.95	2,189.46	3,189.23

Out of the Fixed Deposits shown above:

(₹ in Million)

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
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
Total	1,127.95	2,189.46	3,189.23

NOTE 6. DERIVATIVE FINANCIAL INSTRUMENTS (REFER NOTE 37)

(₹ in Million)

Part I	As at March 31, 2019			As at March 31, 2018			As at April 01, 2017		
	Notional amounts	Fair value - Assets	Fair value - Liabilities	Notional amounts	Fair value - Assets	Fair value - Liabilities	Notional amounts	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	-	985.80	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	-	814.25	243.21	-	243.20
Subtotal(ii)	7,924.51	960.95	2,469.24	1,800.05	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	1,800.05	49.75	814.25	1,314.81	10.76	254.01

(₹ in Million)

Part II	As at March 31, 2019			As at March 31, 2018			As at April 01, 2017		
	Notional amounts	Fair value - Assets	Fair value - Liabilities	Notional amounts	Fair value - Assets	Fair value - Liabilities	Notional amounts	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	1,800.05	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	1,800.05	49.75	814.25	1,314.81	10.76	254.01

NOTE 7. RECEIVABLES (REFER NOTE 37)

(₹ in Million)

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
(i) Trade receivables			
Receivables considered good - Unsecured	2,963.93	1,956.23	1,607.96
Total (i)- Gross	2,963.93	1,956.23	1,607.96
Less: Impairment loss allowance	3.19	4.27	13.98
Total (i)- Net	2,960.74	1,951.96	1,593.98
(ii) Other receivables			
Receivables considered good - Secured	407.10	2,772.11	2,180.33
Receivables considered good - Unsecured	3,837.46	334.61	1,708.45
Total (ii)- Gross	4,244.56	3,106.72	3,888.78
Less: Impairment loss allowance	-	-	-
Total (ii)- Net	4,244.56	3,106.72	3,888.78

- 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 directors is a partner, director or a member as at 31st March 2019, 31st March 2018, 01st April 2017.
- b) There are no trade receivables with significant increase in credit risk (SICR) as at 31st March 2019, 31st March 2018, 01st April 2017.
- c) There are no credit impaired receivables as at 31st March 2019, 31st March 2018, 01st April 2017.
- d) Other receivables include receivables on sale of Investments aggregating to ₹ 3,785.78 Mn (As at 31st March 2018- Nil, As at 01st April 2017- ₹ 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.

NOTE 8. LOANS (REFER NOTE 37)

Loans	As at March 31, 2019				As at March 31, 2018				As at April 01, 2017			
	Amortised cost	Through Other Comprehensive Income	Through profit or loss	Designated at fair value	Subtotal	Total	Amortised cost	Through Other Comprehensive Income	Through profit or loss	Designated at fair value	Subtotal	Total
(A)												
(i) Term loans*	49,885.56	-	-	-	-	49,885.56	70,857.35	36,679.04	-	-	-	36,679.04
(ii) Others - Staff loan	7.04	-	-	7.04	-	7.39	8.42	-	-	-	-	8.42
Total (A) - Gross	49,892.60	-	-	49,892.60	-	70,864.74	36,687.46	-	-	-	-	36,687.46
Less: Impairment loss allowance	(228.00)	-	-	(228.00)	-	(303.56)	(167.78)	-	-	-	-	(167.78)
Total (A) - Net	49,664.60	-	-	49,664.60	-	70,561.18	36,519.68	-	-	-	-	36,519.68
(B)												
(i) Secured by tangible assets	47,755.41	-	-	47,755.41	-	67,585.72	33,941.98	-	-	-	-	33,941.98
(ii) Unsecured	2,137.19	-	-	2,137.19	-	3,279.02	2,745.48	-	-	-	-	2,745.48
Less: Impairment loss allowance	(228.00)	-	-	(228.00)	-	(303.56)	(167.78)	-	-	-	-	(167.78)
Total (B) - Gross	49,664.60	-	-	49,664.60	-	70,561.18	36,519.68	-	-	-	-	36,519.68
(C)												
(I) Loans in India												
(i) Public Sector	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Others	49,892.60	-	-	49,892.60	-	70,864.74	36,687.46	-	-	-	-	36,687.46
Less: Impairment loss allowance	(228.00)	-	-	(228.00)	-	(303.56)	(167.78)	-	-	-	-	(167.78)
Total (I) - Net	49,664.60	-	-	49,664.60	-	70,561.18	36,519.68	-	-	-	-	36,519.68
(II) Loans outside India												
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-	-
Total (C) (II) - Net	-	-	-	-	-	-	-	-	-	-	-	-
Total C (I) and C(II)	49,664.60	-	-	49,664.60	-	70,561.18	36,519.68	-	-	-	-	36,519.68

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

NOTE 9. INVESTMENTS

(₹ in Million)

Investments	As at March 31, 2019					As at March 31, 2018					As at April 01, 2017								
	Amor- tised cost	Thro- ugh profit or loss	At Fair value	Subtotal	Others	Total	Amor- tised cost	Thro- ugh profit or loss	At Fair value	Subtotal	Others	Total	Amor- tised cost	Thro- ugh profit or loss	At Fair value	Subtotal	Others	Total	
(A)																			
Mutual funds	-	-	1,566.65	-	1,566.65	-	-	2,284.99	-	2,284.99	-	2,284.99	-	-	613.82	-	613.82	-	613.82
Debt securities	-	-	13,014.87	-	13,014.87	-	-	3,383.07	-	3,383.07	-	3,383.07	-	-	10,589.74	-	10,589.74	-	10,589.74
Govt securities	-	-	10,352.03	-	10,352.03	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	2.68	-	2.68	-	-	0.60	-	0.60	-	0.60	-	-	23.04	-	23.04	-	23.04
Alternate investment funds	-	-	5,004.38	-	5,004.38	-	-	3,782.96	-	3,782.96	-	3,782.96	-	-	8,842.13	-	8,842.13	-	8,842.13
Others	-	-	585.05	-	585.05	-	-	1,660.40	-	1,660.40	-	1,660.40	-	-	-	-	-	-	-
Total (A)	-	-	30,525.66	-	30,525.66	-	-	11,112.02	-	11,112.02	-	11,112.02	-	-	20,068.73	-	20,067.73	-	20,067.73
(B)																			
i) Investments outside India	-	-	82.36	-	82.36	-	-	400.27	-	400.27	-	400.27	-	-	565.36	-	565.36	-	565.36
ii) Investments in India	-	-	30,443.30	-	30,443.30	-	-	10,711.75	-	10,711.75	-	10,711.75	-	-	19,503.37	-	19,503.37	-	19,503.37
Total (B)	-	-	30,525.66	-	30,525.66	-	-	11,112.02	-	11,112.02	-	11,112.02	-	-	20,068.73	-	20,068.73	-	20,068.73
(C)																			
Less: Allowance for impairment loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total- Net (D) = A-C	-	-	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 01st April 2017 Nil) are kept as collateral

Name of Investment	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
	No. of Units	Total Amount (₹ in Mn)	No. of Units	Total Amount (₹ in Mn)	No. of Units	Total Amount (₹ in Mn)
Investment in Mutual Funds include :						
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 FOCUSSED 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	-	-
RELIANCE LIQUID FUND-CASH PLAN-GROWTH PLAN - GROWTH OPTION	-	-	167,394.59	451.11	-	-
		1,566.65		2,284.99		613.82

Name of Investment	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
	No. of Units	Total Amount (₹ in Mn)	No. of Units	Total Amount (₹ in Mn)	No. of Units	Total Amount (₹ in Mn)
Investment in Government Securities include :						
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	-	-	-	-
Investment in Debt Securities include :						
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 1 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	-	-	-	-
ANDHRABANK 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-B9C603C BR NCD 10AP17 FVRS1LAC	-	-	-	-	100.00	465.98
ECL FINANCE LIMITED SR-I9J603A BR NCD 05FB20 FVRS1LAC	1.00	0.16	-	-	-	-
EDELWEISS FINANCE & INVESTMENTS LTD G7K503B 04-APRIL-19	150.00	20.05	-	-	-	-
EDELWEISS FINVEST PRIVATE LIMITED SR-A0A702A NCD 26MAY20 FVRS1LAC	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	-	-	-	-

Name of Investment	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
	No. of Units	Total Amount (₹ in Mn)	No. of Units	Total Amount (₹ in Mn)	No. of Units	Total Amount (₹ in Mn)
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-IX9.21 BD PERPETUAL FVRS10LAC LOA UPTO 27AP17	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 PERPETUAL FVRS10LAC LOA UPTO 03SP17	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 FVRS1LAC	629.00	111.99	629.00	62.90	629.00	62.90
RELIANCE CAPITAL LIMITED SR-B/359A TYPE IV BR NCD 24OT19 FVRS1LAC	704.00	125.25	704.00	70.40	704.00	70.40
RELIANCE CAPITAL LIMITED SR-B/364A TYPE I BR NCD 04NV19 FVRS1LAC	336.00	59.59	336.00	33.60	336.00	33.60
RELIANCE CAPITAL LIMITED SR-B/433A BR NCD 09AG21 FVRS1LAC	4,241.00	459.19	3,321.00	333.62	-	-
RELIANCE FINANCIAL LIMITED SR B/190328N BR NCD 11JN22 FVRS1LAC	2,692.00	289.34	-	-	-	-
RELIANCE CAPITAL LIMITED MLD SERIES B/435A 25OCT21 FVRS1LAC	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-I 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	-	-	-	-

Name of Investment	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
	No. of Units	Total Amount (₹ in Mn)	No. of Units	Total Amount (₹ in Mn)	No. of Units	Total Amount (₹ in Mn)
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	
Investment in Equity Instrument include :						
FINEWORTHY 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	
Investment in Alternate investment funds include :						
ABAKKUS 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

Name of Investment	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
	No. of Units	Total Amount (₹ in Mn)	No. of Units	Total Amount (₹ in Mn)	No. of Units	Total Amount (₹ in Mn)
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	2001.52
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 1	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

Name of Investment	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
	No. of Units	Total Amount (₹ in Mn)	No. of Units	Total Amount (₹ in Mn)	No. of Units	Total Amount (₹ in Mn)
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	-	-	-	-
XPONENTIA 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
Investment in Others include:						
IRB INVIT FUND	8,815,000.00	585.05	20,240,000.00	1,660.40	-	-
		585.05		1,660.40		-
Total		30,525.66		11,112.02		20,068.73

NOTE 10. OTHER FINANCIAL ASSETS

(₹ in Million)

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
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
Total	524.06	422.68	373.00

NOTE 11. INVENTORIES - (AT LOWER OF COST AND NET REALISABLE VALUE)

(₹ in Million)

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
Stock in trade	197.51	-	-
Total	197.51	-	-
Aggregate Market Value- Stock in hand - Quoted	197.51	-	-

NOTE 12. DEFERRED TAXES

Significant components of deferred tax assets and liabilities for the year ended March 31, 2019 are as follows:

(₹ in Million)

	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
Deferred tax assets:							
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)	-	-	-	-
Total deferred tax assets (A)	184.87	0.16	(2.46)	0.66	1.72	2.42	187.37
Offsetting of deferred tax (assets) with deferred tax liabilities	(14.56)	-	-	-	-	-	(13.04)
Net Deferred tax (assets)	170.31						174.33
Deferred tax liabilities:							
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
Total deferred tax liabilities (B)	14.56	287.41	(10.83)	-	-	-	291.14
Offsetting of deferred tax liabilities with deferred tax (assets)	(14.56)	-	-	-	-	-	(13.04)
Net Deferred tax liabilities	-	287.41	(10.83)	-	-	-	278.10

Significant components of deferred tax assets and liabilities for the year ended March 31, 2018 are as follows:

(₹ in Million)

	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
Deferred tax assets:							
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
Total deferred tax assets (A)	208.00	-	47.45	0.06	(79.46)	8.82	184.87
Offsetting of deferred tax (assets) with deferred tax liabilities	(2.07)	-	-	-	-	-	(14.56)
Net Deferred tax (assets)	205.93						170.31

(₹ in Million)

	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
Deferred tax liabilities:							
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
Total deferred tax liabilities (B)	2.07	-	12.49	-	-	-	14.56
Offsetting of deferred tax liabilities with deferred tax (assets)	(2.07)	-	-	-	-	-	(14.56)
Net Deferred tax liabilities	-	-	-	-	-	-	-

NOTE 13. PROPERTY PLANT AND EQUIPMENT

As at March 31, 2019

(₹ in Million)

Particulars	Furniture Fixture	Vehicles	Office Equipment	Air Conditioner	Computers	Electrical Equipment	Land	Total
Gross Carrying value as on								
April 01, 2018	214.39	18.92	27.91	7.01	84.94	6.75	1.00	360.92
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	638.04	18.92	58.92	28.29	112.66	28.70	1.00	886.53
Depreciation								
Upto April 01, 2018	50.02	4.77	3.95	0.64	34.70	0.08	-	94.16
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	154.27	10.92	17.40	3.51	78.60	5.53	-	270.23
Net Block as at March 31, 2019	483.77	8.00	41.52	24.78	34.06	23.17	1.00	616.30

As at March 31, 2018

(₹ in Million)

Particulars	Furniture Fixture	Vehicles	Office Equipment	Air Conditioner	Computers	Electrical Equipment	Land	Total
Gross carrying value as on								
April 01, 2017	119.69	16.63	10.53	2.27	58.31	5.67	1.00	214.10
Additions	102.65	5.19	17.77	6.18	27.25	3.37	-	162.41
Deductions/ Adjustments during the year	6.20	2.90	0.30	1.44	0.13	2.29	-	13.26
Foreign Currency Translation	1.75	-	0.09	-	0.49	-	-	2.33
As at March 31, 2018	214.39	18.92	27.91	7.01	84.94	6.75	1.00	360.92
Depreciation								
Upto April 01, 2017	-	-	-	-	-	-	-	-
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	-	0.46	-	-	2.31
Upto March 31, 2018	50.02	4.77	3.95	0.64	34.70	0.08	-	94.16
Net Block as at March 31, 2018	164.37	14.15	23.96	6.37	50.24	6.67	1.00	266.76

NOTE 14. CAPITAL WORK-IN-PROGRESS:

As at March 31, 2019

(₹ in Million)

Particulars	As At March 31, 2019
As at April 01, 2018	217.34
Additions	1,714.68
Deductions	197.69
As at March 31, 2019	1,734.33

As at March 31, 2018

(₹ in Million)

Particulars	As At March 31, 2018
As at April 01, 2017	35.65
Additions	184.64
Deductions	2.95
As at March 31, 2018	217.34

NOTE 15. GOODWILL ON ACQUISITION

A summary of changes in the carrying amount of goodwill is as follows:

(₹ in Million)

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 1, 2017
Carrying value at the beginning of the year			
Goodwill on business acquisition (Refer Note 45)	1,878.51	-	-
Carrying value at the end of the year	1,878.51	-	-

NOTE 16. OTHER INTANGIBLE ASSETS

As at March 31, 2019

(₹ in Million)

Particulars	Software	Customer Relations	Asset Management Rights	Total
Softwares/Customer Relations/Asset management rights acquired				
Gross Carrying value as on April 01, 2018	73.10	-	-	73.10
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)
As at March 31, 2019	224.66	728.20	23.96	976.82
Amortisation				
Upto April 01, 2018	33.94	-	-	33.94
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	-	-	-	-
Upto March 31, 2019	92.21	12.97	0.41	105.59
Net Block as at March 31, 2019	132.45	715.23	23.55	871.23

As at March 31, 2018

(₹ in Million)

Particulars	Software	Customer Relations	Asset Management Rights	Total
Software/Customer Relations/Asset management rights acquired				
Gross Carrying value as on April 01, 2017	41.12	-	-	41.12
Additions	31.98	-	-	31.98
Deductions / adjustments during the year	-	-	-	-
Foreign Currency Translation	-	-	-	-
As at March 31, 2018	73.10	-	-	73.10
Amortisation				
Upto April 01, 2017	-	-	-	-
Amortisation for the year	33.93	-	-	33.93
Deductions / adjustments during the year	-	-	-	-
Foreign Currency Translation	(0.01)	-	-	(0.01)
Upto March 31, 2018	33.94	-	-	33.94
Net Block as at March 31, 2018	39.16	-	-	39.16

NOTE 17. OTHER NON FINANCIAL ASSETS

(₹ in Million)

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 1, 2017
Unsecured			
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
Total	409.86	190.22	101.43

NOTE 18. PAYABLES

(₹ in Million)

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 1, 2017
Trade payables			
(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
Total	514.73	1,246.30	921.55
Other payables			
(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
Total	846.42	3,425.94	2,341.08

18.1. DISCLOSURE UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

The following disclosure is made as per the requirement under the Micro, Small and Medium Enterprises Development Act, 2016 (MSMED) on the basis of confirmations sought from suppliers on registration with the specified authority under MSMED:

(₹ in Million)

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.

NOTE 19. DEBT SECURITIES

(₹ in Million)

Particulars	As at March 31, 2019				As at March 31, 2018				As at April 01, 2017			
	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
Total	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 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	-	-	-	-	-	-	-	-	-	-	-	-
Total	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

Residual maturity	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
	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% - 11.18%	-	-	-	-
1-5 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
1-5 years	1,983.40	Market linked	-	-	-	-
Less than 1 year	-	-	-	-	-	-

The Secured Listed Non-Convertible Debentures of the Company are Secured by pari passu mortgage and charge over the Company's Identified Immovable Property, charge on present and future receivables to the extent equal to the principal and interest amount of the secured non-convertible debentures outstanding at any point of time and first exclusive charge by way of pledge on specific identified liquid or debt fund/ identified bonds/ perpetual bonds issued by bank/ marketable debt securities (being non-capital market investments of the Company) for each tranche in accordance with the respective tranche private placement offer document/ information memorandum.

(₹ in Million)

Particulars	As at March 31, 2019
Debt Securities include :	Issue price (₹ in Mn)
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

(₹ in Million)

Particulars	As at March 31, 2019
Debt Securities include :	Issue price (₹ in Mn)
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

(₹ in Million)

Particulars	As at March 31, 2019
Debt Securities include :	Issue price (₹ in Mn)
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
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
	41,921.23

* includes Derivative component of Debt Securities

(₹ in Million)

Particulars	As at March 31, 2018
Debt Securities include :	Issue price (₹ in Mn)
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

(₹ in Million)

Particulars	As at March 31, 2018
Debt Securities include :	Issue price (₹ in Mn)
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. 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	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
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

(₹ in Million)

Particulars	As at March 31, 2018
Debt Securities include :	Issue price (₹ in Mn)
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
	19,263.01

* includes Derivative component of Debt Securities

(₹ in Million)

Particulars	As at April 01, 2017
Debt Securities include :	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
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

(₹ in Million)

Particulars	As at April 01, 2017
Debt Securities include :	Issue price (₹ in Mn)
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

(₹ in Million)

Particulars	As at April 01, 2017
Debt Securities include :	Issue price (₹ in Mn)
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
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
	18,025.20

* includes Derivative component of Debt Securities

NOTE 20. BORROWINGS (OTHER THAN DEBT SECURITIES)

(₹ in Million)

Particulars	As at March 31, 2019				As at March 31, 2018				As at April 01, 2017			
	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
(a) Term loans												
(i) from banks	-	-	-	-	-	-	-	-	-	-	-	-
(ii) from other parties	4.54	-	-	4.54	9.62	-	-	9.62	16.33	-	-	16.33
(b) Loans repayable on demand												
(i) from banks	1,981.36	-	-	1,981.36	107.45	-	-	107.45	-	-	-	-
(ii) from other parties	-	-	-	-	-	-	-	-	-	-	-	-
(c) Borrowings from Collateralized Borrowing and Lending Obligation (CBLO)	9,850.00	-	-	9,850.00	-	-	-	-	-	-	-	-
Less: Prepaid Discount	(1.87)	-	-	(1.87)	-	-	-	-	-	-	-	-
(d) Commercial papers	3,978.50	-	-	3,978.50	45,850.00	-	-	45,850.00	34,250.00	-	-	34,250.00
Less: Prepaid Discount	(151.72)	-	-	(151.72)	(484.06)	-	-	(484.06)	(279.05)	-	-	(279.05)
Total	15,660.81	-	-	15,660.81	45,483.01	-	-	45,483.01	33,987.28	-	-	33,987.28
Residual maturity	As at March 31, 2019				As at March 31, 2018				As at April 01, 2017			
At Amortised cost	Balance outstanding		Interest rate % (p.a)		Balance outstanding		Interest rate % (p.a)		Balance outstanding		Interest rate % (p.a)	
Above 5 years	-		-		-		-		-		-	
1-5 years	-		-		4.54		9.90%		11.03		9.90%	
Less than 1 year	15,660.81		8.00% - 10.40%		45,478.47		7.85% - 8.70%		33,976.25		7.20% - 9.90%	

- 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 01st April 2017, the loans are secured by way of pari passu charge on receivables and corporate guarantee 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.

(₹ in Million)

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 10 months as on balance sheet date	0.53
Car Loan taken is repayable in monthly installment. Balance Tenure is of 12 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
	4.54

(₹ in Million)

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 22 months as on balance sheet date	1.12
Car Loan taken is repayable in monthly installment. Balance Tenure is of 24 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
	9.62

(₹ in Million)

Particulars	As at April 01, 2017
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 34 months as on balance sheet date	1.65
Car Loan taken is repayable in monthly installment. Balance Tenure is of 36 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
	16.33

NOTE 21. SUBORDINATED LIABILITIES:

(₹ in Million)

Particulars	As at March 31, 2019				As at March 31, 2018				As at April 01, 2017			
	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
(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	1,500.00	-	-	1,500.00
Subordinated debt	4,201.34	-	-	4,201.34	4,117.98	-	-	4,117.98	2,935.00	-	-	2,935.00
Total (A)	5,701.34	-	-	5,701.34	5,617.98	-	-	5,617.98	4,435.00	-	-	4,435.00
(B)												
Subordinated liabilities in India	5,701.34	-	-	5,701.34	5,617.98	-	-	5,617.98	4,435.00	-	-	4,435.00
Subordinated liabilities outside India	-	-	-	-	-	-	-	-	-	-	-	-
Total (B)	5,701.34	-	-	5,701.34	5,617.98	-	-	5,617.98	4,435.00	-	-	4,435.00

Residual maturity	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
	Balance outstanding	Interest rate % (p.a)	Balance outstanding	Interest rate % (p.a)	Balance outstanding	Interest rate % (p.a)
At Amortised cost						
Above 5 years	1,500.00	10.00 %	2,522.98	8.80 % to 10.00%	4,435.00	9.10 % to 9.36%
1-5 years	4,201.34	8.8 % to 9.36%	3,095.00	9.10 % to 9.36%	-	-
Less than 1 year						

* Indicates Effective Interest Rate

(₹ in Million)

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 02/03/2027	500.00
	1,500.00
(ii) Subordinated debt include	
	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 13/06/2022	25.36
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

(₹ in Million)

Particulars	As at March 31, 2019
11.18% Subordinated Debt of Face Value Rs. 1000000 Each Redeemable on 02/05/2023	69.22
11.25% Subordinated Debt of Face Value Rs. 1000000 Each Redeemable on 02/05/2023	10.00
11.25% Subordinated Debt of Face Value Rs. 1000000 Each Redeemable on 02/05/2023	230.43
11.30% Subordinated Debt of Face Value Rs. 1000000 Each Redeemable on 02/05/2023	70.05
11.33% Subordinated Debt of Face Value Rs. 1000000 Each Redeemable on 02/05/2023	79.76
11.37% Subordinated Debt of Face Value Rs. 1000000 Each Redeemable on 02/05/2023	111.21
11.40% Subordinated Debt of Face Value Rs. 1000000 Each Redeemable on 02/05/2023	20.25
11.45% Subordinated Debt of Face Value Rs. 1000000 Each Redeemable on 02/05/2023	10.25
11.62% Subordinated Debt of Face Value Rs. 1000000 Each Redeemable on 02/05/2023	82.54
12.18% Subordinated Debt of Face Value Rs. 1000000 Each Redeemable on 02/05/2023	49.06
12.28% Subordinated Debt of Face Value Rs. 1000000 Each Redeemable on 02/05/2023	115.21
11.11% Subordinated Debt of Face Value Rs. 1000000 Each Redeemable on 10/01/2024	58.00
	4,201.34

(₹ in Million)

Particulars	As at March 31, 2018
(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 02/03/2027	500.00
	1,500.00
(ii) Subordinated debt include	
	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

(₹ in Million)

Particulars	As at April 01, 2017
(i) Perpetual Debt Instruments include	
	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
(ii) Subordinated debt include	
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

NOTE 22. OTHER FINANCIAL LIABILITIES

(₹ in Million)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
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
Total	2,760.11	1,442.00	543.20

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 Million)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Provision for employee benefits			
- Gratuity	85.64	51.45	58.39
- Compensated absences	-	65.79	33.41
Total	85.64	117.24	91.80

NOTE 24. OTHER NON FINANCIAL LIABILITIES:

(₹ in Million)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Revenue received in advance	-	0.20	21.41
Statutory remittances	259.14	288.94	155.37
Lease rental equalisation	0.92	1.93	0.42
Total	260.06	291.07	177.20

NOTE 25. SHARE CAPITAL:

(a) The authorised, issued, subscribed and fully paid up share capital comprises of equity shares having a par value of ₹ 2/- as follows:

(₹ in Million)

Authorised :	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
100,000,000 (As at March 31, 2018 - 85,000,000; As at April 01, 2017 - 85,000,000) Equity shares of ₹ 2/- each with voting rights		200.00		170.00		170.00
Issued, Subscribed and Paid Up: 84,521,324 (As at March 31, 2018 - 79,753,463; As at April 01, 2017 - 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
Total		168.97		159.50		155.93

(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 April 01, 2017	
	No. of equity shares	Amount in ₹ Mn	No. of equity shares	Amount in ₹ Mn	No. of equity shares	Amount in ₹ Mn
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
Subtotal	84,521,324	169.04	79,753,463	159.50	77,963,764	155.93
Less: Treasury stock						
At the beginning of the year	(1,789)	-	(381)	-	-	-
Movement during the year	(34,051)	(0.07)	(1,408)	-	(381)	-
At the end of the year	(35,840)	(0.07)	(1,789)	-	(381)	-
Outstanding at the end of the year	84,485,484	168.97	79,751,674	159.50	77,963,383	155.93

(c) Movement of shares pursuant to the composite scheme of arrangement (Refer Note 2.1)

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
	No. of equity shares	Amount in ₹ Mn	No. of equity shares	Amount in ₹ Mn	No. of equity 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)
Incremental shares to be issued	600,442	1.20	568,432	1.14	415,456	0.83

(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/-) 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 2.1):

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
	No. of equity shares	% holding	No. of equity shares	% holding	No. of equity 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%

(f) 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

(g) 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.

NOTE 26. OTHER EQUITY:

(₹ in Million)

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 1, 2017
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
Total	28,933.98	18,468.29	15,041.67

NOTE 27. INTEREST INCOME

(₹ in Million)

Particulars	2018-19				2017-18			
	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	-	5,279.98
Interest income from investments	-	-	574.72	574.72	-	-	1,156.48	1,156.48
Interest on deposits with banks	-	53.28	-	53.28	-	153.03	-	153.03
Other interest income	-	0.52	-	0.52	-	1.33	-	1.33
Total	-	5,963.18	574.72	6,537.90	-	5,434.34	1,156.48	6,590.82

NOTE 28. DIVIDEND & DISTRIBUTION INCOME ON INVESTMENTS

(₹ in Million)

Particulars	2018-19	2017-18
Dividend Income	13.50	10.41
Distribution income on investments	280.33	475.32
TOTAL	293.83	485.73

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 Million)

Particulars	2018-19	2017-18
Distribution fees, commission and related income	5,652.91	6,823.05
Brokerage income	295.46	427.34
Advisory fees and related income	328.01	6.45
Trustee fees	71.71	32.97
Asset and portfolio management related fees	1,733.28	1,541.92
TOTAL	8,081.37	8,831.73

NOTE 29. NET GAIN/LOSS ON FAIR VALUE CHANGE:

(₹ in Million)

Particulars	2018-19	2017-18
(A) Net gain/ (loss) on financial instruments at fair value through profit or loss		
On trading portfolio		
- Investments	716.31	702.92
- Derivatives	(143.43)	(25.70)
(B) Others		
Total net gain/(loss) on fair value changes (C)	572.88	677.22
(D) Fair value changes:		
- Realised	594.33	820.41
- Unrealised	(21.45)	(143.19)
Total net gain/(loss) on fair value changes	572.88	677.22

NOTE 30. OTHER INCOME

(₹ in Million)

Particulars	2018-19	2017-18
Interest income	98.71	188.74
Change in fair value of investments	173.91	(383.20)
Dividend income	0.52	660.38
Distribution income	0.44	-
Miscellaneous income	8.97	96.15
Profit/(loss) on sale of fixed assets	(0.75)	0.53
Total	281.80	562.60

NOTE 31. FINANCE COST

(₹ in Million)

Particulars	2018-19			2017-18		
	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
Interest on debt securities	(40.23)	1,469.51	1,429.28	933.08	642.79	1,575.87
Interest on subordinated liabilities	-	567.52	567.52	-	476.43	476.43
Other finance cost	-	51.36	51.36	-	65.89	65.89
Total	(40.23)	4,310.82	4,270.59	933.08	4,654.55	5,587.63

NOTE 32. IMPAIRMENT ON FINANCIAL INSTRUMENTS (REFER NOTE 37)

(₹ in Million)

Particulars	2018-19		2017-18	
	On financial instruments measured at fair value through OCI	On financial instruments measured at amortised cost	On financial instruments measured at fair value through OCI	On financial instruments measured at amortised cost
On loans	-	(75.56)	-	135.77
On Trade receivables	-	(1.08)	-	(9.71)
Total	-	(76.64)	-	126.06

NOTE 33. EMPLOYEE BENEFITS EXPENSES

(₹ in Million)

Particulars	2018-19	2017-18
Salaries and wages	3,056.80	3,673.37
Contribution to provident and other funds	90.97	71.09
Share based payments to employees	28.38	37.48
Staff welfare expenses	152.91	82.05
Gratuity expense (Refer Note 33.1)	27.66	(2.09)
Leave encashment	(45.01)	33.88
Total	3,311.71	3,895.78

NOTE 33.1

Gratuity Abridged Disclosure Statement as Per Indian Accounting Standard 19 (Ind AS 19)

For the year ended 31st March 2019

(₹ in Million)

Particulars	2018-19	2017-18
Type of benefit	Gratuity	Gratuity
Country	India	India
Reporting currency	INR	INR
Reporting standard	Indian Accounting Standard 19 (Ind AS 19)	Indian Accounting Standard 19 (Ind AS 19)
Funding status	Funded/Unfunded	Funded/Unfunded
Starting period	01-Apr-18	01-Apr-17
Date of reporting	31-Mar-19	31-Mar-18
Period of reporting	12 Months	12 Months
Assumptions (previous period)		
Expected return on plan assets	6.63%- 7.78%	6.63%- 7.78%
Rate of discounting	7.71%- 7.80%	6.63%- 7.78%
Rate of salary increase	7%-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.
Mortality rate during employment	Indian Assured Lives Mortality(2006-08)	Indian Assured Lives Mortality(2006-08)
Mortality rate after employment	N.A.	N.A.
Assumptions (current period)		
Expected return on plan assets	7.53%-7.64%	7.53%-7.71%
Rate of discounting	7.53%-7.70%	7.53%-7.80%
Rate of salary increase	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.
Mortality rate during employment	Indian Assured Lives Mortality(2006-08)	Indian Assured Lives Mortality(2006-08)
Mortality rate after employment	N.A.	N.A.
Table showing change in the present value of projected benefit obligation		
Present value of benefit obligation at the beginning of the period	136.13	109.82
Interest cost	10.50	7.60
Current service cost	24.05	21.87
Past service cost	-	(27.82)
Liability transferred in/ acquisitions	17.66	5.29
(Liability transferred out/ divestments)	(2.13)	(5.30)
(Benefit paid directly by the employer)	(0.44)	(1.20)
(Benefit paid from the fund)	(8.43)	(0.54)
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

(₹ in Million)

Particulars	2018-19	2017-18
Actuarial (gains)/losses on obligations - due to experience	4.76	10.92
Present value of benefit obligation at the end of the period	185.00	136.13
Table showing change in the fair value of plan assets		
Fair value of plan assets at the beginning of the period	84.68	51.43
Interest income	6.89	3.74
Contributions by the employer	-	30.00
Assets transferred in/acquisitions	13.22	-
(Benefit paid from the fund)	(8.43)	(0.54)
Return on plan assets, excluding interest income	3.00	0.05
Fair value of plan assets at the end of the period	99.36	84.68
Amount recognized in the balance sheet		
(Present value of benefit obligation at the end of the period)	(185.00)	(136.13)
Fair value of plan assets at the end of the period	99.36	84.68
Funded status (surplus/ (deficit))	(85.64)	(51.45)
Net (liability)/asset recognized in the balance sheet	(85.64)	(51.45)
Particulars	2018-2019	2017-2018
Net interest cost for current period		
Present value of benefit obligation at the beginning of the period	136.13	109.82
(fair value of plan assets at the beginning of the period)	(84.68)	(51.43)
Net liability/(asset) at the beginning	51.45	58.39
Interest cost	10.50	7.60
(Interest income)	(6.89)	(3.74)
Net interest cost for current period	3.61	3.86
Expenses recognized in the statement of profit or loss for current period		
Current service cost	24.05	21.87
Net interest cost	3.61	3.86
Past service cost	-	(27.82)
Expenses recognized	27.66	(2.09)
Expenses recognized in the other comprehensive income (OCI) for current period		
Actuarial (gains)/losses on obligation for the period	7.65	26.41
Return on plan assets, excluding interest income	(2.99)	(0.05)
Net (income)/expense for the period recognized in oci	4.66	26.36
Balance sheet reconciliation		
Opening net liability	51.45	58.39
Expenses recognized in statement of profit or loss	27.66	(2.09)
Expenses recognized in OCI	4.66	26.36
Net liability/(asset) transfer in	4.44	5.29
Net (liability)/asset transfer out	(2.13)	(5.30)
(Benefit paid directly by the employer)	(0.44)	(1.20)
(Employer's contribution)	-	(30.00)
Net liability/(asset) recognized in the balance sheet	85.64	51.45
Category of assets		
Government of India assets	-	-
State government securities	-	-
Special deposits scheme	-	-

(₹ in Million)

Particulars	2018-19	2017-18
Debt instruments	-	-
Corporate bonds	-	-
Cash and cash equivalents	-	-
Insurance fund	99.36	84.68
Asset-backed securities	-	-
Structured debt	-	-
Other	-	-
Total	99.36	84.68
Other details		
No of active members	975	852
Per month salary for active members	87.98	72.13
Weighted average duration of pbo	69	62
Average expected future service	60	51
Projected benefit obligation (pbo)	185.00	136.13
Prescribed contribution for next year (12 months)	54.93	30.00
Maturity analysis of the benefit payments		
1st following year	14.59	10.62
2nd following year	13.90	10.51
3rd following year	15.14	11.17
4th following year	15.73	12.00
5th following year	17.22	11.89
Sum of years 6 to 10	73.73	57.32
Sum of years 11 and above	222.47	182.88
Sensitivity analysis		
PBO on current assumptions	(12.77)	134.10
Delta effect of +1% change in rate of discounting	14.67	(10.00)
Delta effect of -1% change in rate of discounting	8.56	11.53
Delta effect of +1% change in rate of salary increase	(8.42)	6.85
Delta effect of -1% change in rate of salary increase	2.03	(6.71)
Delta effect of +1% change in rate of employee turnover	(2.40)	1.63
Delta effect of -1% change in rate of employee turnover	-	(1.95)

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

33.2 DEFINED CONTRIBUTION PLANS:

(₹ in Million)

The Group has recognised the following amounts as an expense and included in the Employee Benefit Expenses.

Particulars	2018-19	2017-18
Contribution to provident fund	90.52	70.95
Contribution to ESIC	0.45	0.14
Contribution to labour welfare fund	#	#
Total	90.97	71.09

Amount less than ₹ 10,000.

NOTE 34. OTHER EXPENSES:-

(₹ in Million)

Particulars	2018-19	2017-18
Operations and fund management expenses	168.99	167.62
Rent and energy cost	446.70	414.88
Insurance	5.94	9.78
Repairs & maintenance	14.90	10.01
Marketing, advertisement and business promotion expenses	449.84	417.15
Travelling & conveyance	236.88	187.69
Legal & professional fees	266.50	230.53
Communication	43.54	44.03
Software charges / Technology cost	130.65	101.50
Office & other expenses	136.82	160.44
Directors' fees and commission	15.22	12.57
Remuneration to Auditors :		
Audit fees (net of GST input credit)	10.53	8.60
Other services (net of GST input credit)	2.40	2.40
Goods & Service tax	0.15	0.29
Certification expenses	0.13	2.10
Out Of pocket expenses	0.69	0.26
Corporate social responsibility expenses & donation (Refer Note 43)	71.68	62.89
Total	2,001.56	1,832.74

NOTE 35. INCOME TAXES

Disclosure pursuant to Ind AS 12 "Income Taxes"

(a) Major components of tax expense/ (income)

(₹ in Million)

Particulars	2018-19	2017-18
Consolidated statement of Profit and Loss:		
(a) Profit and Loss section:		
(i) Current Income tax :		
Current income tax expense	1,642.21	1,138.91
Effect of previously unrecognised tax losses and tax offsets used during the current year	-	-
Tax expense in respect of earlier years	(0.01)	(4.87)
	1,642.20	1,134.04
(ii) Deferred Tax:		
Tax expense on origination and reversal of temporary differences	(8.36)	(34.97)
Effect of previously unrecognised tax losses and tax offsets on which deferred tax benefit is recognised	-	-

(₹ in Million)

Particulars	2018-19	2017-18
Effect on deferred tax balances due to the change in income tax rate	-	-
	(8.36)	(34.97)
Income tax expense reported in the consolidated statement of profit or loss [(i)+(ii)]	1,633.84	1,099.07
(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	8.82
Income tax expense reported in the other comprehensive income	2.42	8.82

(b) Reconciliation of Income tax expense and accounting profit multiplied by domestic tax rate applicable in India: (₹ in Million)

Particulars	2018-19	2017-18
(a) Profit/(loss) before tax	5,379.31	4,900.76
(b) Income tax expense at tax rates applicable to individual entities	1,986.71	1,466.89
(c) (i) Tax on income subject to lower tax rate		
(A) Gains on investments (including fair valuation)	(125.77)	(36.76)
(d) (ii) Tax on Income exempt from Tax		
(A) Income from Investments (Including tax suffered income on investment in AIF)	(95.93)	(250.96)
(B) Income exempt on account of Merger	-	(38.09)
(iii) Tax on expense not tax deductible		
Expenses not allowable as tax deductible as per tax laws	12.87	28.67
(iv) Tax effect of losses of current year on which no deferred tax benefit is recognised	30.46	10.21
(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)
(vii) Tax effect on various other items	(29.23)	10.06
Total effect of tax adjustments [(i) to (vii)]	(352.87)	(367.82)
(e) Tax expense recognised during the year	1,633.84	1,099.07

NOTE 36. EARNINGS PER SHARE:**Basic and diluted earnings per share ["EPS"] computed in accordance with IND AS 33 "Earnings per share".**

(₹ in Million)

Particulars		2018-19	2017-18
Face value of equity shares in ₹ fully paid up		2.00	2.00
BASIC			
Profit after tax as per Consolidated Statement of Profit and Loss before Other Comprehensive Income	A	3,745.47	3,801.69
Weighted average number of shares subscribed*	B	83,915,167	79,105,199
Face value of equity shares (in ₹) fully paid		2.00	2.00
Basic EPS (₹)	A/B	44.63	48.06

(₹ in Million)

Particulars		2018-19	2017-18
DILUTED			
Profit after tax as per Consolidated Statement of Profit and Loss before Other Comprehensive Income	A	3,745.47	3,801.69
Weighted average number of shares subscribed*	B	83,915,167	79,105,199
Add: Potential equity shares on account of conversion of employee stock option	C	2,454,209	2,634,966
Weighted average number of shares outstanding	D=B+C	86,369,376	81,740,165
Diluted EPS (₹)	A/D	43.37	46.51

*including 580,199 (As at March 31, 2018 - 470,442) 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

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:

(₹ in Million)

Particulars	Apr 2018- Mar 2019				
	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

(₹ in Million)

Particulars	Apr 2017- Mar 2018				
	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

* 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 FY 18-19 is as follows

(₹ in Million)

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 FY 17-18 is as follows

(₹ in Million)

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	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

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 :

(₹ in Million)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Balance at the beginning of the year	4.27	13.98
Movement in expected credit loss allowances on trade receivable	(1.08)	(9.71)
Balance at the end of the year	3.19	4.27

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.

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:

(₹ in Million)

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
Total	67,782.09	15,337.66	5,647.06	9,366.34	19,415.85	18,015.18

(₹ in Million)

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	373.07
Total	76,591.78	18,366.83	32,942.28	871.36	12,954.16	11,457.15

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	-	-	-

Below is the sensitivity analysis for the year considering 1% appreciation/(depreciation):

(₹ in Million)

Particulars	2018-19	2017-18
Increase		
Impact on Profit and Loss after tax	1.26	2.95
Impact on Equity	1.26	2.95
Decrease		
Impact on Profit and Loss after tax	(1.26)	(2.95)
Impact on Equity	(1.26)	(2.95)

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:

(₹ in Million)

Particulars	As at 31st March 2019	As at 31st March 2018
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 :

(₹ in Million)

Impact on Profit and Loss after tax and equity	2018-19
Increase of 0.25%	(8.76)
Decrease of 0.25%	8.76

The loans arising from lending operations generally provide for of 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:

(₹ in Million)

Particulars	As at 31st March 2019	As at 31st March 2018
Loans	49,107.60	68,341.30
Impact on Profit and Loss after tax and equity		
Increase of 0.25%		79.87
Decrease of 0.25%		(79.87)

37C.3 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:

(₹ in Million)

Particulars	As at 31st March 2019	As at 31st March 2018
Financial Assets		
Derivative financial instruments	960.95	49.75
Investments	30,525.66	11,112.02
	31,486.61	11,161.77
Financial Liabilities		
Derivative financial instruments	2,516.09	814.25
Debt securities	15,353.04	8,561.10
	17,869.13	9,375.35

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

(₹ in Million)

Below is the sensitivity analysis for the year :

Particulars	2018-19	2017-18
Increase		
Impact on Profit and Loss after tax	50.78	65.23
Impact on Equity	50.78	65.23
Decrease		
Impact on Profit and Loss after tax	(50.78)	(65.23)
Impact on Equity	(50.78)	(65.23)

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

(₹ in Million)

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)	
	Financial Assets				
(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

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)	
(e)	Loans	49,664.60	-	-	49,664.60
(f)	Investments	-	30,525.66	-	30,525.66
(g)	Other financial assets	524.06	-	-	524.06
	Total	60,168.14	31,486.61	-	91,654.75
Financial Liabilities					
(a)	Derivative financial instruments	-	2,516.09	-	2,516.09
(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	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
	Total	49,912.96	17,869.13	-	67,782.09

(₹ in Million)

Sr No.	Particulars	As at 31st March 2018			Total
		Measure at Amortised Cost	Measured At Fair Value through Profit or Loss (P/L)	Measured At Fair Value through Other Comprehensive Income (OCI)	
Financial Assets					
(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
	Total	83,494.56	11,161.77	-	94,656.33

(₹ in Million)

Sr No.	Particulars	As at 31st March 2018			Total
		Measure at Amortised Cost	Measured At Fair Value through Profit or Loss (P/L)	Measured At Fair Value through Other Comprehensive Income (OCI)	
Financial Liabilities					
(a)	Derivative financial instruments	-	814.25	-	814.25
(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	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
	Total	67,216.42	9,375.35	-	76,591.77

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 include 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.

(₹ in Million)

Financial instruments measured at fair value	Recurring fair value measurements at 31.03.2019			
	Level 1	Level 2	Level 3	Total
Financial Assets				
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
Total Assets	2,151.70	24,327.85	5,007.06	31,486.61
Financial Liabilities measured at Fair values				
Bonds/ Debentures	-	15,353.04	-	15,353.04
Derivative financial liabilities	-	2,516.09	-	2,516.09
Total Liabilities	-	17,869.13	-	17,869.13

* 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.

(₹ in Million)

Financial instruments measured at fair value	Recurring fair value measurements at 31.03.2018			
	Level 1	Level 2	Level 3	Total
Financial Assets				
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
Total Assets	3,945.39	3,432.82	3,783.56	11,161.77
Financial Liabilities measured at Fair values				
Bonds/ Debentures	-	8,561.10	-	8,561.10
Derivative financial liabilities	-	814.25	-	814.25
Total Liabilities	-	9,375.35	-	9,375.35

* 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 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.

(₹ in Million)

Financial Assets and liabilities which are measured at amortised cost for which fair values are disclosed	As at at 31st March, 2019			
	Level 1	Level 2	Level 3	Total
Financial Liabilities				
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 at 31st March, 2018			
	Level 1	Level 2	Level 3	Total
Financial Liabilities				
Debt securities		9,939.53		9,939.53
Subordinated liabilities		5,586.63		5,586.63

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	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

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 Million)

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 1, 2017
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
Total	2,567.55	806.51	1,225.50

Contingent Liabilities

(₹ in Million)

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 1, 2017
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	-
Total	3,701.61	3,104.07	750.00

39.1 Fixed Deposits amounting to ₹ 800.75 Mn (FY 18 - ₹ 573.48 Mn; FY 17 - ₹ 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 April 01, 2017 - 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) 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 Million)

Particulars	As At March 31, 2019	As At April 1, 2018
Due for		
- Up to One year	122.43	322.87
- One to Five years	272.30	152.28
- Above Five years	0.29	-
Total	395.02	476.15

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 Million)

	For the year ended March 31, 2019		For the year ended March 31, 2018	
	Segment Revenue	Segment Results	Segment Revenue	Segment Results
Wealth Management	13,988.68	4,970.85	15,552.00	4,470.54
Asset Management	1,783.20	408.46	1,596.10	430.22
Total	15,771.88	5,379.31	17,148.10	4,900.76

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 Million)

Segment assets	As At March 31, 2019	As At March 31, 2018	As At April 1, 2017
Wealth Management	95,575.64	93,392.03	73,254.99
Asset Management	1,786.84	2,171.98	2,410.64
Total segment assets	97,362.48	95,564.01	75,665.63
Unallocated assets	439.74	101.77	298.63
Consolidated total assets	97,802.22	95,665.78	75,964.26

(₹ in Million)

Segment liabilities	As At March 31, 2019	As At March 31, 2018	As At April 1, 2017
Wealth Management	67,851.51	76,660.60	60,327.83
Asset Management	276.28	339.48	261.89
Total segment liabilities	68,127.79	77,000.08	60,589.72
Unallocated liabilities	570.28	36.77	176.11
Consolidated total liabilities	68,698.07	77,036.85	60,765.83

For the purpose of monitoring segment performance and allocating resources between segments:

- All assets are allocated to reportable segments other than
- All liabilities are allocated to reportable segments other than

41.4 Other segment information

(₹ in Million)

Depreciation and amortisation	For the year ended March 31, 2019	For the year ended March 31, 2018
Wealth Management	204.13	129.61
Asset Management	10.93	6.49
Total	215.06	136.10

(₹ in Million)

Interest Income included in segment revenue	For the year ended March 31, 2019	For the year ended March 31, 2018
Wealth Management	6,630.03	6,753.35
Asset Management	6.57	26.21
Total	6,636.60	6,779.56

(₹ in Million)

Finance Cost	For the year ended March 31, 2019	For the year ended March 31, 2018
Wealth Management	4,270.59	5,587.41
Asset Management	#	0.22
Total	4,270.59	5,587.63

Amount less than ₹ 10,000.

41.5 Geographical information

(₹ in Million)

	For the year ended March 31, 2019	For the year ended March 31, 2018
	Segment Revenue	Segment Revenue
India	14,726.45	15,606.06
Mauritius	916.39	1,239.13
Singapore	115.69	271.54
Others	13.35	31.37
Total	15,771.88	17,148.10

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
Director/ Key Managerial Personnel	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 Ms. Geeta Mathur, Independent Director Mr. Sandeep Achyut Naik, Director Mr. Shantanu Rastogi, Director
Other Related Parties (Holding Company) (Refer Note 2.1)	IIFL Holdings Limited
Other Related Parties (Fellow Subsidiaries) (Refer Note 2.1)	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)
Other Related Parties	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 Naysa Shah Family Private Trust Kiaah Shah Family Private Trust

b) List of Transactions of the Group with the related parties net off Eliminations (₹ in Million)

Nature of Transaction	Year	Whole Time Director/Key Managerial Personnel	Other Related Parties	Other Related Parties(Holding Company) (Refer Note 2.1)	Other Related Parties (Fellow Subsidiaries) (Refer Note 2.1)	Total
Share Capital Issued:						
Amit Shah	2018-19	-	-	-	-	-
	2017-18	-	(1.80)	-	-	(1.80)
General Atlantic Singapore Fund Pte Ltd	2018-19	-	1.13	-	-	1.13
	2017-18	-	-	-	-	-
Securities Premium Received:						
Amit Shah	2018-19	-	-	-	-	-
	2017-18	-	(252.00)	-	-	(252.00)
General Atlantic Singapore Fund Pte Ltd	2018-19	-	939.82	-	-	939.82
	2017-18	-	-	-	-	-
Sale of Investment						
IIFL Holdings Limited	2018-19	-	-	-	-	-
	2017-18	-	-	(0.00)#	-	(0.00)#
Subscription of NCD						
India Infoline Finance Limited	2018-19	-	-	-	643.92	643.92
	2017-18	-	-	-	-	-
IIFL Home Finance Limited	2018-19	-	-	-	892.24	892.24
	2017-18	-	-	-	-	-
Samasta Microfinance Limited	2018-19	-	-	-	1,214.99	1,214.99
	2017-18	-	-	-	-	-
Redemption of NCD						
India Infoline Finance Limited	2018-19	-	-	-	204.86	204.86
	2017-18	-	-	-	-	-
IIFL Home Finance Limited	2018-19	-	-	-	147.13	147.13
	2017-18	-	-	-	-	-
ICD taken						
IIFL Holdings Limited	2018-19	-	-	-	-	-
	2017-18	-	-	(165.00)	-	(165.00)
India Infoline Finance Limited	2018-19	-	-	-	-	-
	2017-18	-	-	-	(565.00)	(565.00)
ICD repaid						
IIFL Holdings Limited	2018-19	-	-	-	-	-
	2017-18	-	-	(165.00)	-	(165.00)
India Infoline Finance Limited	2018-19	-	-	-	-	-
	2017-18	-	-	-	(565.00)	(565.00)
ICD Given						
IIFL Management Services Limited	2018-19	-	-	-	65.00	65.00
	2017-18	-	-	-	-	-
Loan Given						
Karan Bhagat	2018-19	157.70	-	-	-	157.70
	2017-18	(150.00)	-	-	-	(150.00)
Yatin Shah	2018-19	59.20	-	-	-	59.20
	2017-18	(150.11)	-	-	-	(150.11)
Nirmal Jain	2018-19	1,507.72	-	-	-	1,507.72
	2017-18	(2,764.49)	-	-	-	(2,764.49)
Venkataraman Rajamani	2018-19	1,500.00	-	-	-	1,500.00
	2017-18	(2,505.88)	-	-	-	(2,505.88)
Madhu Jain	2018-19	-	1,507.72	-	-	1,507.72
	2017-18	-	(1,255.96)	-	-	(1,255.96)

(₹ in Million)

Nature of Transaction	Year	Whole Time Director/Key Managerial Personnel	Other Related Parties	Other Related Parties(Holding Company) (Refer Note 2.1)	Other Related Parties (Fellow Subsidiaries) (Refer Note 2.1)	Total
Loan Received Back						
Karan Bhagat	2018-19	-	-	-	-	-
	2017-18	(150.00)	-	-	-	(150.00)
Yatin Shah	2018-19	-	-	-	-	-
	2017-18	(150.11)	-	-	-	(150.11)
Nirmal Jain	2018-19	1,507.72	-	-	-	1,507.72
	2017-18	(2,764.49)	-	-	-	(2,764.49)
Venkataraman Rajamani	2018-19	1,500.00	-	-	-	1,500.00
	2017-18	(2,505.88)	-	-	-	(2,505.88)
Madhu Jain	2018-19	-	1,507.72	-	-	1,507.72
	2017-18	-	(1,255.96)	-	-	(1,255.96)
Advances Towards Capital Asset Given						
IIFL Facilities Services Limited	2018-19	-	-	-	1,700.00	1,700.00
	2017-18	-	-	-	-	-
Fees Earned For Services (including Brokerage) rendered						
IIFL Securities Limited	2018-19	-	-	-	-	-
	2017-18	-	-	-	(109.62)	(109.62)
Samasta Microfinance Limited	2018-19	-	-	-	106.72	106.72
	2017-18	-	-	-	-	-
India Infoline Finance Limited	2018-19	-	-	-	18.87	18.87
	2017-18	-	-	-	(12.27)	(12.27)
IIFL Home Finance Limited	2018-19	-	-	-	53.64	53.64
	2017-18	-	-	-	-	-
Karan Bhagat	2018-19	-	-	-	-	-
	2017-18	(0.00)#	-	-	-	(0.00)#
Yatin Prakash Shah HUF	2018-19	0.00#	-	-	-	0.00#
	2017-18	(0.00)#	-	-	-	(0.00)#
Kyra Family Private Trust	2018-19	-	-	-	-	-
	2017-18	(0.00)#	-	-	-	(0.00)#
Kalki Family Private Trust	2018-19	0.01	-	-	-	0.01
	2017-18	-	-	-	-	-
Bhagat Family Private Trust	2018-19	-	-	-	-	-
	2017-18	(0.00)#	-	-	-	(0.00)#
Kyrush Family Private Trust	2018-19	-	-	-	-	-
	2017-18	(0.00)#	-	-	-	(0.00)#
Interest Income on ICD Given						
IIFL Management Services Limited	2018-19	-	-	-	2.11	2.11
	2017-18	-	-	-	-	-
Income on Investment						
India Infoline Finance Limited	2018-19	-	-	-	3.31	3.31
	2017-18	-	-	-	-	-
IIFL Home Finance Limited	2018-19	-	-	-	0.76	0.76
	2017-18	-	-	-	-	-
Interest Income on Loan Given						
Karan Bhagat	2018-19	0.14	-	-	-	0.14
	2017-18	(0.45)	-	-	-	(0.45)
Yatin Shah	2018-19	0.05	-	-	-	0.05
	2017-18	(1.08)	-	-	-	(1.08)
Nirmal Jain	2018-19	2.72	-	-	-	2.72
	2017-18	(5.59)	-	-	-	(5.59)

(₹ in Million)

Nature of Transaction	Year	Whole Time Director/Key Managerial Personnel	Other Related Parties	Other Related Parties(Holding Company) (Refer Note 2.1)	Other Related Parties (Fellow Subsidiaries) (Refer Note 2.1)	Total
Venkataraman Rajamani	2018-19	2.72	-	-	-	2.72
	2017-18	(4.84)	-	-	-	(4.84)
Madhu Jain	2018-19	-	2.72	-	-	2.72
	2017-18	-	(2.45)	-	-	(2.45)
Interest Expense on ICD Taken						
IIFL Holdings Limited	2018-19	-	-	-	-	-
	2017-18	-	-	(0.29)	-	(0.29)
Fees/Expenses incurred/Reimbursed For Services Procured						
IIFL Holdings Limited	2018-19	-	-	65.16	-	65.16
	2017-18	-	-	-	-	-
IIFL Securities Limited	2018-19	-	-	-	54.54	54.54
	2017-18	-	-	-	(53.49)	(53.49)
IIFL Wealth (UK) Limited	2018-19	-	-	-	91.72	91.72
	2017-18	-	-	-	(55.22)	(55.22)
India Infoline Finance Limited	2018-19	-	-	-	14.35	14.35
	2017-18	-	-	-	(6.87)	(6.87)
IIFL Capital Inc.	2018-19	-	-	-	33.91	33.91
	2017-18	-	-	-	-	-
IIFL Management Services Limited	2018-19	-	-	-	-	-
	2017-18	-	-	-	(0.44)	(0.44)
IIFL Facilities Services Limited	2018-19	-	-	-	263.34	263.34
	2017-18	-	-	-	(249.17)	(249.17)
5 Paisa Capital Limited	2018-19	-	(0.00)#	-	-	(0.00)#
	2017-18	-	(0.10)	-	-	(0.10)
IIFL Capital Pte Ltd	2018-19	-	-	-	4.38	4.38
	2017-18	-	-	-	-	-
Corporate Social Responsibility Expenses (CSR)						
India Infoline Foundation Limited	2018-19	-	43.11	-	-	43.11
	2017-18	-	(47.84)	-	-	(47.84)
Remuneration To KMPs						
Karan Bhagat	2018-19	50.18	-	-	-	50.18
	2017-18	(44.15)	-	-	-	(44.15)
Yatin Shah	2018-19	40.08	-	-	-	40.08
	2017-18	(34.86)	-	-	-	(34.86)
Gratuity Expenses						
Sitting Fees/Commission To Directors						
Geeta Mathur	2018-19	1.07	-	-	-	1.07
	2017-18	(0.82)	-	-	-	(0.82)
Nilesh Vikamsey	2018-19	1.54	-	-	-	1.54
	2017-18	(1.24)	-	-	-	(1.24)
Dividend Paid						
IIFL Holdings Limited	2018-19	-	-	450.00	-	450.00
	2017-18	-	-	(405.00)	-	(405.00)
Karan Bhagat	2018-19	59.92	-	-	-	59.92
	2017-18	(43.29)	-	-	-	(43.29)
Yatin Shah	2018-19	33.11	-	-	-	33.11
	2017-18	(29.79)	-	-	-	(29.79)
Amit Shah	2018-19	-	15.68	-	-	15.68
	2017-18	-	(20.42)	-	-	(20.42)

(₹ in Million)

Nature of Transaction	Year	Whole Time Director/Key Managerial Personnel	Other Related Parties	Other Related Parties(Holding Company) (Refer Note 2.1)	Other Related Parties (Fellow Subsidiaries) (Refer Note 2.1)	Total
General Atlantic Singapore Fund Pte Ltd	2018-19	-	186.20	-	-	186.20
	2017-18	-	(162.48)	-	-	(162.48)
Reimbursement of expenses Received						
IIFL Capital Inc.	2018-19	-	-	-	24.53	24.53
	2017-18	-	-	-	(4.82)	(4.82)
Reimbursement of expenses Paid						
IIFL Holdings Limited	2018-19	-	-	26.13	-	26.13
	2017-18	-	-	(32.82)	-	(32.82)
IIFL Securities Limited	2018-19	-	-	-	14.06	14.06
	2017-18	-	-	-	(48.62)	(48.62)
IIFL Capital Inc.	2018-19	-	-	-	0.82	0.82
	2017-18	-	-	-	(0.75)	(0.75)
IIFL Facilities Services Limited	2018-19	-	-	-	0.01	0.01
	2017-18	-	-	-	(0.54)	(0.54)
IIFL Management Services Limited	2018-19	-	-	-	-	-
	2017-18	-	-	-	(1.23)	(1.23)
India Infoline Commodities Limited	2018-19	-	-	-	-	-
	2017-18	-	-	-	(0.18)	(0.18)
Other funds received						
IIFL Management Services Limited	2018-19	-	-	-	1.17	1.17
	2017-18	-	-	-	(0.02)	(0.02)
IIFL Facilities Services Limited	2018-19	-	-	-	17.01	17.01
	2017-18	-	-	-	(0.00)#	(0.00)#
IIFL Securities Limited	2018-19	-	-	-	0.12	0.12
	2017-18	-	-	-	(0.20)	(0.20)
IIFL Insurance Brokers Ltd.	2018-19	-	-	-	-	-
	2017-18	-	-	-	(0.22)	(0.22)
IIFL Home Finance Limited	2018-19	-	-	-	-	-
	2017-18	-	-	-	(0.12)	(0.12)
India Infoline Finance Limited	2018-19	-	-	-	0.11	0.11
	2017-18	-	-	-	(0.61)	(0.61)
IIFL Holdings Limited	2018-19	-	-	0.02	-	0.02
	2017-18	-	-	-	-	-
Other funds paid						
IIFL Securities Limited	2018-19	-	-	-	1.30	1.30
	2017-18	-	-	-	(0.48)	(0.48)
India Infoline Finance Limited	2018-19	-	-	-	0.00#	0.00#
	2017-18	-	-	-	(0.07)	(0.07)
IIFL Facilities Services Limited	2018-19	-	-	-	0.00#	0.00#
	2017-18	-	-	-	(0.00)#	(0.00)#
IIFL Holdings Limited	2018-19	-	-	-	0.07	0.07
	2017-18	-	-	-	-	-
5 Paisa Capital Limited	2018-19	-	0.02	-	-	0.02
	2017-18	-	-	-	-	-
IIFL Insurance Brokers Ltd.	2018-19	-	-	-	-	-
	2017-18	-	-	-	(0.70)	(0.70)

c) Amount due to / from related parties (Closing Balance)

(₹ in Million)

Nature of Transaction	Year	Whole Time Director/Key Managerial Personnel	Other Related Parties	Other Related Parties(Holding Company) (Refer Note 2.1)	Other Related Parties (Fellow Subsidiaries) (Refer Note 2.1)	Total
Sundry payables:						
India Infoline Finance Limited	2018-19	-	-	-	4.87	4.87
	2017-18	-	-	-	(7.42)	(7.42)
IIFL Holdings Limited	2018-19	-	-	-	-	-
	2017-18	-	-	(0.58)	-	(0.58)
IIFL Capital Inc.	2018-19	-	-	-	15.37	15.37
	2017-18	-	-	-	-	-
IIFL Securities Limited	2018-19	-	-	-	9.16	9.16
	2017-18	-	-	-	-	-
IIFL Wealth (UK) Limited	2018-19	-	-	-	4.28	4.28
	2017-18	-	-	-	-	-
IIFL Facilities Services Limited	2018-19	-	-	-	(0.00)#	(0.00)#
	2017-18	-	-	-	-	-
Sundry receivables:						
IIFL Management Services Limited	2018-19	-	-	-	3.06	3.06
	2017-18	-	-	-	-	-
IIFL Securities Limited	2018-19	-	-	-	0.45	0.45
	2017-18	-	-	-	(0.04)	(0.04)
IIFL Facilities Services Limited	2018-19	-	-	-	17.00	17.00
	2017-18	-	-	-	-	-
Loan Given:						
Karan Bhagat	2018-19	157.84	-	-	-	157.84
	2017-18	-	-	-	-	-
Yatin Shah	2018-19	59.25	-	-	-	59.25
	2017-18	-	-	-	-	-
ICD Given						
IIFL Management Services Limited	2018-19	-	-	-	65.00	65.00
	2017-18	-	-	-	-	-
Receivable from Broker:						
IIFL Securities Limited	2018-19	-	-	-	-	-
	2017-18	-	-	-	(0.26)	(0.26)
India Infoline Commodities Limited	2018-19	-	-	-	-	-
	2017-18	-	-	-	(0.03)	(0.03)

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.

NOTE 43. CORPORATE SOCIAL RESPONSIBILITY

During the year, the Group has spent ₹ 66.70 Mn (FY 17-18 - ₹ 49.40 Mn) as against ₹ 63.79 Mn (FY 18 - ₹ 44.09 Mn) 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		
		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 Altiore 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	Hong Kong	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 Altiore Advisors Limited	Wealth Management, and Advisory business	November 05, 2018	100%	83.30
				2,613.54

B Assets acquired and liabilities recognised at the date of acquisition

(₹ in Million)

Particulars	IIFL Wealth Advisors (India) Limited	IIFL Altiore Advisors Limited
Financial Assets		
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
Non-Financial Assets		
Current tax assets (Net)	-	0.04
Property, plant and equipment	7.08	-
Other intangible assets	4.85	-
Other non-financial assets	7.11	-
Financial Liabilities		
Trade & other payables	(52.29)	(4.62)
Borrowings	-	(4.07)
Other financial liabilities	(6.72)	(1.50)
Non-Financial Liabilities		
Current tax liabilities (Net)	(2.82)	-
Provisions	(2.02)	-
Deferred tax liabilities (Net)	(0.67)	-
	210.09	(8.70)

C Goodwill arising on acquisition

(₹ in Million)

Particulars	IIFL Wealth Advisors (India) Limited	IIFL Altiore Advisors Limited	Total
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
Goodwill arising on acquisition of subsidiaries	1,591.94	-	1,591.94
Deferred tax Liability recognised on customer relation	254.46	32.11	286.57
Total Goodwill	1,846.40	32.11	1,878.51

D Impact of 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. 1.20 Mn attributable to IIFL Altiore 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 Altiore Advisors Limited.

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 Million)

Particulars Name of the subsidiary	As at March 31, 2019		As at March 31, 2018
	IIFL Wealth Securities IFSC Limited	IIFL Wealth Employee Welfare benefit Trust	IIFL Capital (Canada) Limited
Assets			
Financial Assets	0.39	-	3.22
Non-financial Assets	-	35.73	0.68
Total	0.39	35.73	3.90
Liabilities			
Financial Liabilities	0.65	36.68	1.07
Non-Financial Liabilities	0.01	0.14	-
Total	0.66	36.82	1.07
	2018-2019	2018-2019	2017-2018
Revenue for the period ended	-	-	0.02
Expenses for the period ended	1.26	0.05	5.29
Profit / (Loss) before tax for the period ended	(1.26)	(0.05)	(5.28)
Profit / (Loss) after tax for the period ended	(1.26)	(0.05)	(5.28)

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. SUBSEQUENT EVENTS

There were no subsequent events from the date of financial statements till the date of adoption of accounts

NOTE 48. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issuance by the Board of Directors on May 13, 2019

For and on behalf of the Board of Directors

Karan Bhagat
Managing Director
(DIN: 03247753)

R. Venkataraman
Director
(DIN: 00011919)

Place: Mumbai
Date: May 13, 2019

Mihir Nanavati
Chief Financial Officer

Ashutosh Naik
Company Secretary

Annexure A

"Form AOC-I (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)"
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries													(Amount in Million)	
Sr. No.	Particulars	Reporting Currency	Share Capital	Reserves & Surplus	Exchange Rate	Total Assets	Total Liabilities	Investments	Total Turnover/Income	Profit/(Loss) before taxation	Provision for taxation (including deferred tax)	Profit after taxation	Proposed Dividend	% of Shareholding
1	IIFL Trustee Limited "	INR	5.00	27.03	1.00	39.92	7.89	-	29.17	21.68	6.03	15.65	-	100.00%
2	IIFL Distribution Services Limited	INR	0.51	51.14	1.00	74.31	22.66	2.18	188.18	9.29	2.36	6.93	-	100.00%
3	IIFL Asset Management Ltd	INR	321.00	1,542.68	1.00	2,083.09	219.41	30.51	1,582.11	726.70	131.71	594.99	-	100.00%
4	IIFL Alternate Asset Advisors Limited	INR	2.49	2,311.48	1.00	2,515.46	201.49	126.11	735.51	158.46	25.91	132.55	-	100.00%
5	IIFL Investment Adviser and Trustee Services Limited	INR	352.25	262.12	1.00	737.34	122.97	-	532.86	243.47	70.49	172.98	-	100.00%
6	IIFL Wealth Finance Limited	INR	3,054.94	15,953.89	1.00	85,086.94	66,078.11	29,393.74	7,097.04	2,731.37	916.29	1,815.08	-	100.00%
7	IIFL Wealth Advisors (India) Limited	INR	53.43	190.67	1.00	307.98	63.88	231.79	333.31	109.95	27.19	82.76	-	100.00%
8	IIFL Altior Advisors Limited	INR	1.08	(10.98)	1.00	1.51	11.41	-	1.92	(7.53)	-	(7.53)	-	100.00%
9	IIFL Wealth Securities IFSC Limited	INR	1.00	(1.26)	1.00	0.39	0.65	-	-	(1.26)	-	(1.26)	-	100.00%
10	IIFL Wealth Employee Welfare Benefit Trust	INR	0.01	(1.11)	1.00	35.73	36.83	35.47	0.25	(1.11)	-	(1.11)	-	100.00%
11	IIFL (Asia) Pte. Limited	INR S \$	473.17 14.00	(148.84) (7.60)	1.00 50.71	325.23 6.41	0.90 0.02	320.99 6.33	0.15 -	(0.91) (0.02)	- -	(0.91) (0.02)	- -	100.00%

Sr. No.	Particulars	Reporting Currency	Share Capital	Reserves & Surplus	Exchange Rate	Total Assets	Total Liabilities	Total Investments	Total Turnover/Income	Profit/(Loss) before taxation	Provision for taxation (including deferred tax)	Profit after taxation	Proposed Dividend	% of Shareholding
12	IIFL Securities Pte. Limited	INR	49.15	45.81	1.00	97.82	2.86	-	33.23	(35.82)	-	(35.82)	-	100.00%
		S \$	1.03	0.84	50.71	2.10	0.23	-	0.65	(0.70)	-	(0.70)	-	
13	IIFL Capital Pte. Limited	INR	252.91	(135.45)	1.00	162.85	45.39	-	115.38	(134.27)	-	(134.27)	-	100.00%
		S \$	5.30	(2.98)	50.71	3.21	0.90	-	2.09	(2.61)	-	(2.61)	-	
14	IIFL Inc	INR	61.69	(14.37)	1.00	50.41	3.09	-	120.81	19.30	3.40	15.90	-	100.00%
		USD	1.03	(0.35)	69.28	0.73	0.04	-	1.73	0.28	0.05	0.23	-	
15	IIFL Private Wealth Management (Dubai) Limited	INR	57.99	127.70	1.00	195.57	9.88	-	146.90	93.23	-	93.23	-	100.00%
		AED	3.37	6.47	18.86	10.37	0.52	-	7.93	4.90	-	4.90	-	
16	IIFL Private Wealth Hong Kong Limited	INR	51.90	14.33	1.00	66.89	0.66	-	5.39	(0.57)	(0.28)	(0.29)	-	100.00%
		HKD	6.48	1.02	8.83	7.58	0.07	-	0.61	(0.06)	0.03	(0.03)	-	
17	IIFL Asset Management (Mauritius) Limited	INR	4.19	631.18	1.00	692.89	57.52	82.35	916.39	367.08	10.48	356.60	-	100.00%
		USD	0.07	9.10	69.28	10.00	0.83	1.19	13.11	5.25	0.15	5.10	-	
18	IIFL Capital (Canada) Limited	INR	5.04	0.76	1.00	9.07	3.27	-	26.76	3.18	0.21	2.97	-	100.00%
		CAD	0.10	0.01	51.93	0.17	0.06	-	0.50	0.06	0.00	0.06	-	

Note 1: All subsidiaries have common year end March 31, 2019 hence no additional information under Section 129(3) read with Rule 5 has been disclosed.

Note 2: Names of the subsidiaries which are yet to commence operations: IIFL Wealth Securities IFSC Limited

Note 3: Names of the subsidiaries which liquidated or sold during the year: IIFL Private Wealth (Suisse) SA

For and on behalf of the Board of Directors of IIFL Wealth Management Limited

Karan Bhagat
Managing Director

(DIN: 03247753)

R. Venkataraman
Director

(DIN: 00011919)

Place : Mumbai

Dated: August 21, 2019

Mihir Nanavati
Chief Financial Officer

Ashutosh Naik
Company Secretary

CORPORATE INFORMATION

BOARD OF DIRECTORS

Nilesh Vikamsey, Chairman and Independent Director
Nirmal Jain, Non-Executive Director
R. Venkataraman, Non-Executive Director
Karan Bhagat, Managing Director
Yatin Shah, Whole-time Director
Geeta Mathur, Independent Director
Sandeep Naik, Non-Executive Director
Shantanu Rastogi, Non-Executive Director
Subbaraman Narayan, Independent Director

COMMITTEES OF BOARD

AUDIT COMMITTEE

Geeta Mathur, Chairperson
Nilesh Vikamsey
Shantanu Rastogi

NOMINATION AND REMUNERATION COMMITTEE

Geeta Mathur, Chairperson
Nirmal Jain
Nilesh Vikamsey
Sandeep Naik

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Karan Bhagat
Nirmal Jain
Nilesh Vikamsey
Sandeep Naik

STAKEHOLDERS RELATIONSHIP COMMITTEE

R. Venkataraman
Geeta Mathur
Yatin Shah

RISK MANAGEMENT COMMITTEE

R. Venkataraman
Karan Bhagat
Nilesh Vikamsey
Shantanu Rastogi
Geeta Mathur

CHIEF FINANCIAL OFFICER

Mihir Nanavati

COMPANY SECRETARY

Ashutosh Naik

AUDITORS

Deloitte Haskins & Sells LLP, Chartered Accountants

INTERNAL AUDITORS

KPMG

REGISTERED & CORPORATE OFFICE

IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai (MH) – 400 013

BANKERS

ICICI BANK LIMITED, HDFC BANK LIMITED

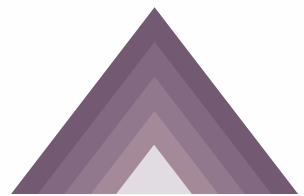
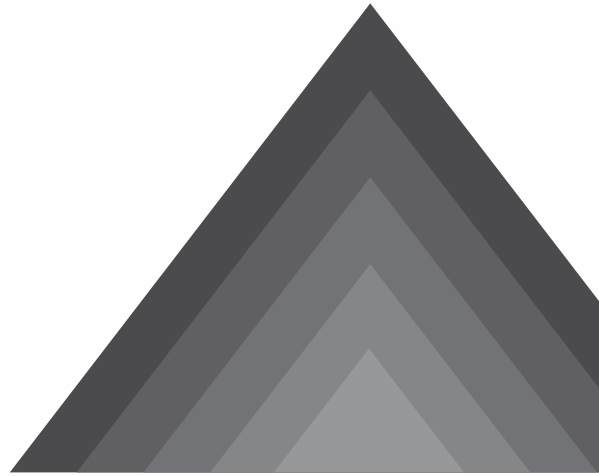
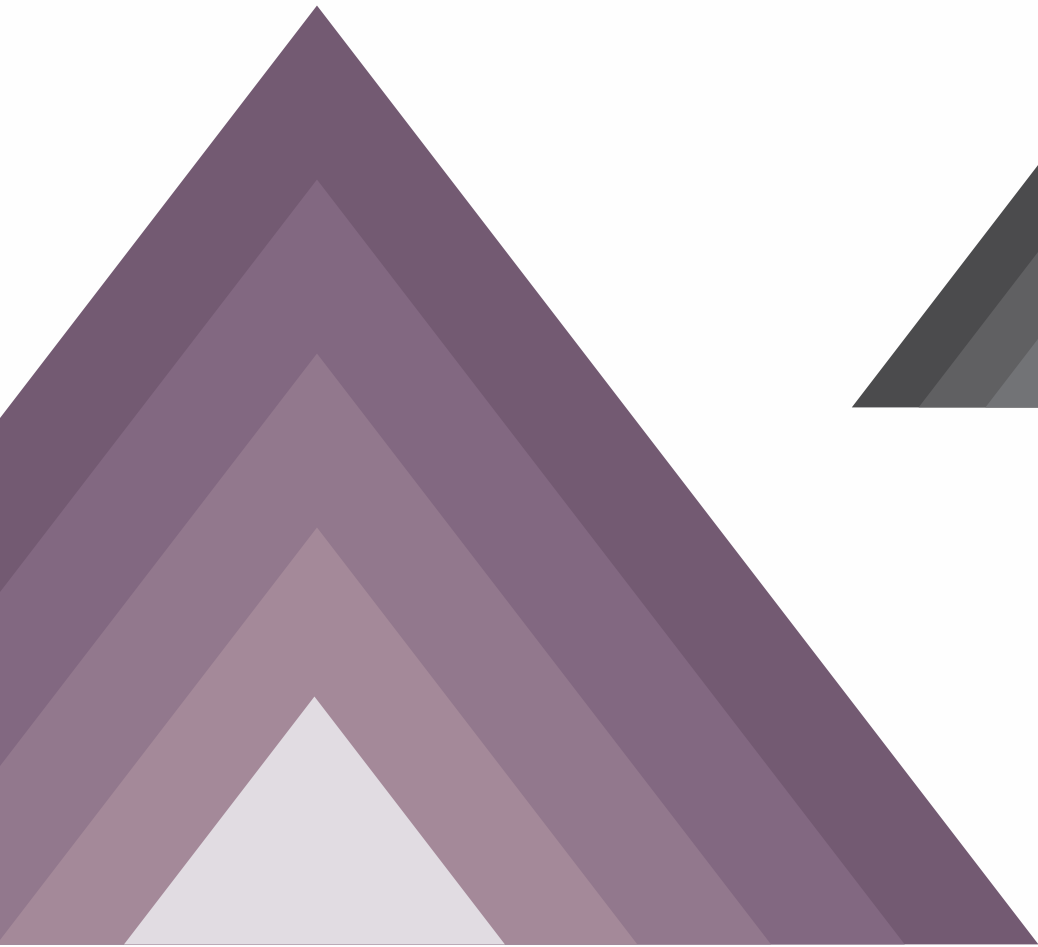
CORPORATE IDENTIFICATION NUMBER

U74140MH2008PLC177884

CAUTIONARY STATEMENT:

This document contains forward-looking statement and information. Such statements are based on our current expectations and certain assumptions and are, therefore, subject to certain risk and uncertainties. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary. IIFL Wealth Management Limited does not intend to assume any obligation or update or revise these forward-looking statements in light of developments, which differs from those anticipated.







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