

Corporate Governance Report

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

1. 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 Regulations 2015.

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

2. BOARD OF DIRECTORS

(a) Composition of the Board of Directors

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
Managing Director & Promoter	Mr. Karan Bhagat
Non-Executive Directors & Promoter(s)	Mr. Nirmal Jain
	Mr. Venkataraman Rajamani
	Mr. Yatin Shah
Non- Executive Directors	Mr. Sandeep Naik
	Mr. Shantanu Rastogi
	Mr. Gopalakrishnan Soundarajan
Independent Directors	Mr. Nilesh Vikamsey
	Ms. Geeta Mathur
	Dr. Subbaraman Narayan
	Mr. Pankaj Vaish

(b) Brief profiles of the Directors are as follows:

• MR. KARAN BHAGAT – Managing Director

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 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. 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.

- **MR. YATIN SHAH – Non-Executive Director**

Yatin Shah is the Promoter and Non-Executive 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.

- **MR. NIRMAL JAIN – Non-Executive Director**

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 founded IIFL Group in 1995 and for the last 25 years, he has led the expansion of the group, while remaining focused on financial services.

- **MR. VENKATARAMAN RAJAMANI – Non-Executive Director**

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 Finance Limited Board in 1999 and is currently a Co-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 Business world in the 'large corporate' category in 2018.

- **MR. NILESH VIKAMSEY – Independent Director**

Nilesh Vikamsey is an Independent Director and the Chairman of the Board of our Company. Mr. Vikamsey is a senior partner at Khimji Kunverji & Co LLP, an 82-year-old Chartered Accountants firm, which is a member firm of HLB International. He is presently Member of the Advisory

Committee on Mutual Funds & Corporate Governance Committee of Securities and Exchange Board of India (SEBI), Risk Management Committee of Central Depository Services (India) Limited (CDSL), and Expert Advisory Committee of Institute of Chartered Accountants of India (ICAI). He is the Past President of ICAI. He was an observer on the Board of International Federation of Accountants and Member of IFAC's Technology Advisory Group. He was a member of IRDA. He was the Chairman of SEBI's Qualified Audit Report Committee and member of Corporate Governance Committee chaired by Uday Kotak, Primary Market Advisory Committee and Committee on Disclosures and Accounting Standards (SCODA). He is a Speaker/Chairman, at various seminars, meetings, lectures held by various Committees, Regional Councils, Branches & Study Circles of ICAI, Bankers Training College of the RBI, Comptroller & Auditor General of India (C&AG) and various other organisations.

- **MS. GEETA MATHUR - Independent Director**

Geeta Mathur is an Independent Director on the Board of our Company. Geeta Mathur is an experienced finance professional having worked as a banker both on the asset side and risk side and with large corporate treasuries and investor relations. 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 organisations such as IBM and Emaar MGF across areas of Corporate Finance, Treasury, Risk Management and Investor Relations. She currently serves as an independent director in various large organisations across manufacturing and services such as Motherson Sumi Systems Limited, Info Edge (India) Limited, NIIT Limited, Tata Communication Transformation Services Limited. She co-chairs the India chapter of Women Corporate Directors Foundation, a global membership organisation and community of women corporate directors with a mission is to foster a powerful, trusted community of influential women corporate directors. She is a graduate in Commerce from Shriram College of Commerce, Delhi University and did her articleship with Price Waterhouse while pursuing her Chartered Accountancy.

- **DR. SUBBARAMAN NARAYAN – Independent Director**

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.

- **MR. SHANTANU RASTOGI** – Non-Executive, Nominee Director

Shantanu Rastogi is a Non-Executive Director on the Board of our Company. He is currently Managing Director at General Atlantic, where he is responsible for investments in the financial services, healthcare, and retail and consumer sectors in India and Asia-Pacific. He holds a Bachelor's degree 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 15 years of experience in the fields of private equity and finance. He has previously worked as a business consultant with McKinsey & Company.

- **MR. SANDEEP NAIK** - Non-Executive, Nominee Director

Sandeep Achyut Naik is a Non-Executive 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'.

- **MR. GOPALAKRISHNAN SOUNDARAJAN** – Non-Executive Director

Mr. Gopalakrishnan Soundarajan is the Managing Director at Hamblin Watsa Investment Counsel Ltd. Prior to this, he was the Chief Investment Officer of ICICI Lombard, the largest private sector property and casualty insurance company in India. He held the position of head of investments at ICICI Lombard from 2001 to 2018 and was a member of the investment committee.

Mr. Gopalakrishnan Soundarajan holds a Bachelor of Commerce degree from the University of Madras, is a member of the Institute of Chartered Accountants of India and is a Qualified Chartered Financial Analyst and Member of the CFA Institute in the United States.

- **MR. PANKAJ VAISH** – Independent Director

Mr. Pankaj Vaish is an Independent Director on the Board of our Company. He holds a Bachelor's degree and is a gold medalist in Mechanical Engineering from IIT-BHU and Master's degree in Management from Carlson School of Management, University of Minnesota, Minneapolis, USA. He has more than 34 years of experience in Technology Transformation, Consulting, Offshoring, Outsourcing, Building and Scaling Businesses.

He is actively engaged in the financial services industry and is associated with companies across segments of the industry. He is a consultant and a business advisor. In addition, as part of his participation in India's startup ecosystem, he is supporting various technology products and services companies in sharpening their market focus and scaling their businesses.

He started his career in 1985 with Accenture and was part of the founding team for Accenture India. Currently, he is a Professor of 'Practice of Management' at the Amrut Mody School of Management (AMSOM), Ahmedabad University.

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

During the year 2019-20, Nine (9) Board Meetings were held on the following dates; April 10, 2019, April 30, 2019, May 13, 2019, June 6, 2019, June 25, 2019, August 21, 2019, October 21, 2019, November 15, 2019 and January 22, 2020.

As mandated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, none of the Directors on the Board of the Company is 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, attendance at the Board Meetings and at last AGM, other Directorships, Committee Memberships and Chairmanships in Indian Companies as on March 31, 2020. It excludes Directorships of Private Limited Companies, Foreign Companies and Section 8 Companies.

Name of the Director (DIN)	Position / Category of Directorship	No of shares held by NEDs	Number of board meeting attended during the year	Attendance at last AGM	Director ships in Indian Public Companies (including IIFL Wealth Management Limited)	Membership of Committees ^ (including IIFL Wealth Management Limited)	
						Member	Chairman@
Mr. Nirmal Jain (DIN: 00010535)	Non-Executive Director	62,28,856	8	Yes	3	1	-
Mr. Venkataraman Rajamani (DIN: 00011919)	Non-Executive Director	13,49,204	9	Yes	6	4	1
Mr. Nilesh Vikamsey (DIN: 00031213)	Chairman and Independent Director	23,571	6	Yes	9	9	2
Ms. Geeta Mathur (DIN: 02139552)	Independent Director	NIL	8	Yes	8	9	5
Dr. Subbaraman Narayan (DIN: 00094081)	Independent Director	NIL	2	No	6	4	2
Mr. Pankaj Vaish* (DIN 00367424)	Independent Director	NIL	1	NA	1	-	-
Mr. Karan Bhagat (DIN: 03247753)	Managing Director	1,36,300	9	Yes	2	1	-
Mr. Yatin Shah (DIN: 03231090)	Non-Executive Director	33,10,526	9	Yes	6	0	-
Mr. Shantanu Rastogi (DIN: 06732021)	Nominee Director	NIL	7	Yes	3	2	-
Mr. Sandeep Naik (DIN: 02057989)	Nominee Director	NIL	7	No	3	-	-
Mr. Gopalakrishnan Soundarajan* (DIN 05242795)	Non-Executive Director	NIL	1	NA	4	-	-

Note:

1. ^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.
2. @ Chairmanship includes committee membership
3. *Appointed with effect from January 22, 2020

As mandated by SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, a person shall not be a director in more than eight listed entities with effect from April 1, 2019 and in not more than seven listed entities with effect from April 1, 2020

The table below gives the details of the names of the Directors, their status including the names of the listed entities where the person is a director and the Category of Directorship as on March 31, 2020.

Name of the Director and DIN	Directorship in Equity Listed entities including IIFL Wealth Management Limited	Category of Directorship
Mr. Nirmal Jain (DIN: 00010535)	IIFL Finance Limited	Whole-time Director
	IIFL Wealth Management Limited	Director
Mr. Venkataraman Rajamani (DIN: 00011919)	IIFL Finance Limited	Managing Director
	IIFL Wealth Management Limited	Non- Executive, Non Independent Director
	IIFL Securities Limited	Managing Director
Mr. Nilesh Vikamsey (DIN: 00031213)	IIFL Finance Limited	Independent Director
	Thomas Cook (India) Limited	Independent Director
	SBI Life Insurance Company Limited	Independent Director
	Navneet Education Limited	Independent Director
	PNB Housing Finance Limited	Independent Director
	SBI Cards and Payment Services Limited	Independent Director
	IIFL Wealth Management Limited	Independent Director
	JTEKT India Limited	Independent Director
Ms. Geeta Mathur (DIN: 02139552)	Motherson Sumi Systems Limited	Independent Director
	NIIT Limited	Independent Director
	IIFL Finance Limited	Independent Director
	Info Edge (India) Limited	Independent Director
	IIFL Wealth Management Limited	Independent Director

Name of the Director and DIN	Directorship in Equity Listed entities including IIFL Wealth Management Limited	Category of Directorship
Dr. Subbaraman Narayan (DIN : 00094081)	Dabur India Limited	Independent Director
	Seshasayee Paper and Boards Limited	Independent Director
	Artemis Global life Sciences Limited	Independent Director
	IIFL Wealth Management Limited	Independent Director
Mr. Karan Bhagat (DIN: 03247753)	IIFL Wealth Management Limited	Managing Director
Mr. Yatin Shah (DIN: 03231090)	IIFL Wealth Management Limited	Non- Executive Director
Mr. Shantanu Rastogi (DIN: 06732021)	IIFL Wealth Management Limited	Non- Executive Director
Mr. Sandeep Naik (DIN: 02057989)	IIFL Wealth Management Limited	Non-Executive Director
Mr. Gopalakrishnan Soundarajan (DIN: 05242795)	IIFL Wealth Management Limited	Non-Executive Director
Mr. Pankaj Vaish (DIN: 00367424)	IIFL Wealth Management Limited	Independent Director

The Board has identified the following skills/ expertise/ competence for the effective functioning of the Company which is currently available with the Board:		Names of directors who have such skills / expertise / competence
Skills and Attribute:	Strategic Advisor, Monetary Policy, Leadership, Corporate Governance, Risk and Compliance, Financial Expertise, Stakeholder Relationship	Please review the below table

In the table below, the key skills, expertise and competence of the Board of Directors in context of the Company's business for effective functioning and as available with the Board have been highlighted.

Name of Director	Mr. Nirmal Jain	Mr. Ven- katara- man Raja- mani	Mr. Niles h Vikam- sey	Mr. Sub- baraman Narayan	Mr. Pankaj Vaish	Mr. Sand- eep Naik	Ms. Geeta Mathur	Mr. Yatin Shah	Mr. Gopal- akrish- nan Sounda- rajan	Mr. Karan Bhagat	Mr. Shan- tanu Rastogi
Strategic Advisor	√	√	√	√	√	√	√	√	√	√	√
Monetary Policy	√	√	√	√	√	√	√	√	√	√	√
Leadership	√	√	√	√	√	√	√	√	√	√	√
Corporate Governance	√	√	√	√	√	√	√	√	√	√	√
Risk and Compliance	√	√	√	√	√	√	√	√	√	√	√
Financial Expertise	√	√	√	√	√	√	√	√	√	√	√
Stakeholder Relationship	√	√	√	√	√	√	√	√	√	√	√

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 Managing Director

The criteria for evaluation of Managing Director, *inter alia*, includes his ability to lead the organisation, 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, 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 meeting of the Independent Directors

In compliance with the provisions of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of Independent Directors of the Company was held on March 30, 2020, *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 Chairman 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. They suggested certain good practices and the same was placed before the Board of Directors with management comments thereon.

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 in consultation with the Chairman of the Board / Committees 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. 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 Placed before Board / Committees

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

- Report on Internal Financial Controls
- Quarterly Financials on standalone and consolidated basis;
- Review of Policies and periodic updates;
- Annual Budgets and plans;
- Performance of the Company and its subsidiaries;
- Risk Mitigation Measures;
- Remuneration of Executive Directors & Senior Management;
- Minutes of the Meetings of the Board and all other Committees of the Board.
- Important updates in subsidiaries
- Update on litigations, if any;
- Compliance status of any regulatory, statutory nature or listing requirements and shareholders' service.

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/Chairperson 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(s) fulfils the conditions specified in SEBI Listing Obligations and Disclosure Requirements), 2015 and are independent of the Management.

3. AUDIT COMMITTEE

- i. The present Audit Committee of your Company comprises of three Independent Directors Ms. Geeta Mathur, Mr. Nilesh Vikamsey and

Mr. Pankaj Vaish 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:

- (i) oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- (ii) recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- (iii) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (iv) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - (a) matters required to be included in the directors' responsibility statement to 76 be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - (b) changes, if any, in accounting policies and practices and reasons for the same;
 - (c) major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) significant adjustments made in the financial statements arising out of audit findings;
 - (e) compliance with listing and other legal requirements relating to financial statements;
 - (f) disclosure of any related party transactions; and modified opinion(s) in the draft audit report.
- (v) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (vi) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

- (vii) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (viii) approval or any subsequent modification of transactions of the listed entity with related parties;
- (ix) scrutiny of inter-corporate loans and investments;
- (x) valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (xi) evaluation of internal financial controls and risk management systems;
- (xii) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (xiii) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (xiv) discussion with internal auditors of any significant findings and follow up there on;
- (xv) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (xvi) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (xvii) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (xviii) to review the functioning of the whistle blower mechanism;
- (xix) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (xx) to carry out any other function as is mandated by the board from time to time and / or enforced by any statutory notification, amendment or modifications as may be applicable;
- (xxi) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹100 Crs or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision; and
- (xxii) mandatorily review the following:
 - (a) management's discussion and analysis of financial condition and results of operations;
 - (b) statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - (c) management letters / letters of internal control weaknesses issued by the statutory auditors;
 - (d) internal audit reports relating to internal control weaknesses;
 - (e) the appointment, removal and terms of remuneration of the chief internal auditor; and
 - (f) statement of deviations:
 - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchanges(s) in terms of Regulation 32(1) of the Listing Regulations; and
 - annual statement of funds utilised for purpose other than those stated in the offer document / prospectus in terms of Regulation 32(7) of the Listing Regulations.

During the period under review, the Audit Committee of the Company met seven (5) times on May 13, 2019, June 25, 2019, August 21, 2019, October 21, 2019 and January 22, 2020. The necessary quorum was present at the meetings. The gap between two Audit Committee Meetings was not more than 120 days.

The attendance of each member of the committee at the Meetings of Committee 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	05	05
Mr. Nikesh Vikamsey	Member	Independent	05	04
Mr. Shantanu Rastogi	Member	Non-Executive	05	05
*Mr. Pankaj Vaish	Member	Independent	NA	NA

* Appointed as a Member of the Committee w.e.f. May 22, 2020

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 September 30, 2019.

4. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee presently comprises of Ms. Geeta Mathur, an Independent Director as the Chairperson of the Committee, Mr. Nilesh 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 Committee.

The scope of activities of the Nomination and Remuneration Committee 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) recommendation to the Board, all remuneration, in whatever form, payable to senior management
- (7) specifying the manner for effective evaluation of performance of Board, its committees and individual Directors and review its implementation and compliance;
- (8) recommend / review remuneration of the managing director(s) and whole-time director(s) based on their performance and defined assessment criteria;
- (9) administer, monitor and formulate detailed terms and conditions of the employees' stock option scheme;
- (10) annual performance evaluation of the committee;
- (11) 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
- (12) 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.

During the year under review, the Nomination and Remuneration Committee of the Company met Five (5) times on May 13, 2019, June 25, 2019, August 21, 2019, November 15, 2019 and January 22, 2020. The necessary quorum was present at the meetings.

The attendance of each member of the committee at the Meeting of Committee 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	5	5
Mr. Nilesh Vikamsey	Member	Independent	5	3
Mr. Nirmal Jain	Member	Non-Executive	5	5
Mr. Sandeep Naik	Member	Non-Executive	5	3

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

The Chairperson of the Committee was present at the last Annual General Meeting of the Company held on September 30, 2019.

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 FY 2019-20 and details of number of shares and convertible instruments held by Directors as on March 31, 2020 is as under:

Name of the Director	Designation	Salary and perquisite (In ₹)	Commission (In ₹)	Sitting Fees (In ₹)	Contribution to PF and other funds	Stock options (In Quantity)	No. of equity shares held
Mr. Nirmal Jain	Non – Executive Director	-	-	-	-	-	62,28,856
Mr. Venkataraman Rajamani	Non- Executive Director	-	-	-	-	-	13,49,204
Ms. Geeta Mathur	Independent Director	-	10,00,000	5,25,000	-	-	-
Mr. Nilesh Vikamsey	Independent Director	-	10,00,000	4,35,000	-	-	23,571
Dr. Subbaraman Narayan	Independent Director	-	5,00,000	75,000	-	-	-
Mr. Pankaj Vaish*	Independent Director	-	1,91,260	45,000	-	-	-
Mr. Karan Bhagat	Managing Director	4,75,58,803	-	-	25,00,000	-	1,36,300
Mr. Yatin Shah**	Non- Executive Director	2,66,85,366	-	-	14,81,250	-	33,10,526
Mr. Shantanu Rastogi	Independent Director	-	-	-	-	-	-
Mr. Sandeep Naik	Non- Executive Director	-	-	-	-	-	-
Mr. Gopalakrishnan Soundarajan*	Non- Executive Director	-	-	-	-	-	-

*Appointed as Director w.e.f. January 22, 2020

*Remuneration upto December 31, 2019

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

During the year under review, the Independent Directors were paid ₹30,000/- (Rupees Thirty Thousand only) towards sitting fees for attending each of the Board Meeting and Audit Committee Meeting and were paid ₹15,000/- (Rupees Fifteen Thousand only) towards sitting fees for attending each of the other committee meetings and the Independent Directors' 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.

The Company has obtained a Directors and Officers Liabilities Insurance policy covering all Directors and Officers of the Company in respect of any legal action that might be initiated against any Director or Officer of the Company.

5. 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.

During the year under review, the Corporate Social Responsibility Committee of the Company met Three (3) times on May 13, 2019, August 21, 2019 and March 24, 2020. The necessary quorum was present at the meetings.

The attendance of each member of the committee at the Meeting of Committee is given below:

Name of the members	Designation	Non-Executive/ Executive/ Independent	No. of committee meetings held	Committee meeting attended
Mr. Karan Bhagat	Chairman	Managing Director	3	3
Mr. Nilesh Vikamsey	Member	Independent Director	3	3
Mr. Nirmal Jain	Member	Non-Executive	3	3
Mr. Sandeep Naik	Member	Non-Executive	3	3

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

6. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee of your Company was constituted on May 14, 2019 and comprises of Mr. Venkataraman Rajamani, Non-Executive Director and Chairman of the Committee, Ms. Geeta Mathur, Independent Director and Mr. Yatin Shah, Executive Director.

The Committee met once during the FY 2019-20, on March 23, 2020 and attended by all the Members.

There were nil complaints received by the Company, since listing of its equity shares at the stock exchanges.

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 4876 5600 E-mail: secretarial@iiflw.com

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

7. 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.

During the year under review, the Risk Management Committee of the Company met Two (2) times on September 10, 2019 and September 30, 2019. The necessary quorum was present at the meetings.

The attendance of each member of the committee at the Meeting of Committee is given below:

Name of the members	Designation	Non-Executive/ Executive/ Independent	No. of committee meetings held	Committee meeting attended
Mr. Shantanu Rastogi	Chairman	Non- Executive Director	2	2
Mr. Venkataraman Rajamani	Member	Non-Executive Director	2	1
Ms. Geeta Mathur	Member	Independent Director	2	2
Mr. Karan Bhagat	Member	Managing Director	2	2
Mr. Nilesh Vikamsey	Member	Independent Director	2	2

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

8. 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 internal/ secretarial auditors 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.

9. GENERAL BODY 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
September 30, 2019	Hall of harmony, Nehru Center, Dr. Annie Besant Road, Worli, Mumbai – 400 018.	12.00 Noon	Yes. 8 Special Resolutions were passed.
July 20, 2018	IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013	01.00 pm	Yes. 2 Special Resolutions were passed.
July 21, 2017	IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013	01.00 pm	No

Details of resolutions passed through postal ballot during Financial Year 2019–20 and details of the voting pattern

The Company sought the approval of shareholders through notice of postal ballot dated November 20, 2019, which were duly passed vide resolution dated December 27, 2019 and the results of which were announced on same day. Mr. Nilesh J Shah, Practising Company Secretaries, was appointed as the Scrutinizer to scrutinize the postal ballot and remote e-voting process in a fair and transparent manner.

Special Resolution(s)	No. of Votes Polled	No. of Votes cast in favor	No. of votes cast against	% of votes cast in favor on votes polled	% of votes cast against on votes polled
Alteration of the Object Clause of the Memorandum of Association of the Company	5,09,83,604	5,09,83,603	1	99.99	0.01
Transfer of distribution business of the Company to its wholly owned subsidiary, IIFL Wealth Finance Limited	5,09,83,604	5,09,83,603	1	99.99	0.01
Holding Office or Place of Profit by Mr. Varun Bhagat	4,79,83,604	4,71,10,785	8,72,819	98.18	1.82

Procedure for Postal Ballot

The postal ballot was conducted in accordance with the provisions contained in Section 110 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014. The Shareholders were provided the facility to vote either by physical ballot or through e-voting. The postal ballot notice was sent to shareholders in electronic form to the email addresses registered with the depository (in case of electronic shareholding)/the Company's Registrar and Share Transfer Agent (in case of physical shareholding). For shareholders whose email IDs are not registered, physical copies of the postal ballot notice are sent by permitted mode along with a postage prepaid self-addressed business reply envelope. The Company also published a notice in the newspapers in accordance with the requirements under the Companies Act, 2013.

10. 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 and 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 Stock Exchanges or by the Securities and Exchange Board of India or by any statutory authority on any matter related to the securities markets during the financial year 2019-20.

(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 behaviour, 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) Prevention of Insider Trading

In January 2019, SEBI notified the SEBI (Prohibition of Insider Trading) Regulations, 2015 that came into effect from April 1, 2019. Pursuant thereof, the Company as a listed Company and market intermediary has formulated and adopted a new code for prevention of Insider Trading incorporating the requirements in accordance with the regulations, clarifications and circulars and the same are updated as and when required.

All the Board of Directors, designated employees and connected persons have affirmed compliance with the Code.

(v) Compliance with Mandatory and Non-Mandatory Provision

Your Company has adhered to all the mandatory requirements of Corporate Governance norms as prescribed by 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.

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

During the financial year 2019-20, the Company has not raised any funds through preferential allotment or qualified institutional placement.

(vii) 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.

(viii) Policy on material subsidiary

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

(ix) Relationship with other Directors

None of the directors are related to any other director;

(x) Details of Unclaimed Dividend/Shares of the Company

There are no Unclaimed shares of the Company as on March 31, 2020, except some unclaimed shares which were allotted pursuant to composite scheme of demerger.

(xi) Certificate from Company Secretary in practice

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 and is enclosed with this report as annexure A

(xii) Disclosure under Sexual Harassment

The relevant disclosures in relation to the number of complaints under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is as follows:

Particulars	No. of Complaints
Number of complaints filed during the financial year	Nil
Number of complaints disposed of during the financial year	Nil
Number of complaints pending as on end of the financial year	Nil

(xiii) Statutory Auditor and Audit Fees

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part, are as follows:

(₹ in Million)

Type of Service	Financial Year 2019-20*
Audit Fees*	22.14
Tax Audit Fees	-
Others	2.05
Total	24.19

* Includes Audit and Audit-related services on the consolidated basis.

During the year the board has accepted all the recommendations made by (the Audit committee(s) and there were no such instances where the Board has not accepted recommendations made by any of the committee of the Board.

MEANS OF COMMUNICATION TO THE STAKEHOLDERS

The primary source of information to shareholders, customers, analysts and other stakeholders of your Company and to public at large is through the website of your Company www.iiflwealth.com. The Annual Report, quarterly results, shareholding pattern, material events, corporate actions, copies of press releases, schedule of analysts/investor meets, among others, are regularly sent to Stock Exchanges and uploaded on the Company's website. Quarterly/ annual financial results are regularly submitted to the Stock Exchanges in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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.

The quarterly and annual results of your Company are published in the Free Press Journal and Navshakti which are widely circulated. Your Company also regularly makes 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 are also informed to the public through the Stock Exchanges.

11. GENERAL SHAREHOLDERS' INFORMATION

1.	Annual General Meeting	To be held on September 11, 2020 through VC / OAVM, without the physical presence of the Members at a common venue.
2.	Financial calendar (2019-20)	<p>April 1, 2019 to March 31, 2020.</p> <p>Results for the quarter ended June 30, 2019 - were approved on August 21, 2019.</p> <p>Results for the quarter ended September 30, 2019 – within 45 days from the end of the quarter.</p> <p>Results for the quarter ended December 31, 2019 – within 45 days from the end of the quarter.</p> <p>Results for the quarter and year ended March 31, 2020 – were approved on June 11, 2020.</p>
3.	Book closure date	September 7, 2020 to September 11, 2020 (both days Inclusive)
4.	Dividend	During the period under review, your Company has twice declared interim dividends of ₹10/- per equity share having face value of ₹2 each, on October 21, 2019 and January 22, 2020.
5.	Listing of equity shares on stock exchanges at	<p>1. National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E) Mumbai-400 051</p> <p>2. BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai-400001</p> <p>The Listing Fees for the FY 2019-20 have been paid to the aforesaid Stock Exchanges.</p>
6.	Stock code	National Stock Exchange of India Limited – IIFLWAM BSE Limited – 542772
7.	Stock market data	Table below gives the monthly high and low quotations of shares traded at BSE Limited and the National Stock Exchange of India Limited for the financial year 2019-2020, since the date of listing, i.e. September 19, 2019. The chart below plots the monthly closing price of IIFL Wealth Management Limited versus the BSE - Sensex and NSE - S&P CNX Nifty for the year ended March 31, 2020.
8.	Demat ISIN numbers in NSDL and CDSL for equity shares	INE466L01020
9.	Registrar & Transfer Agent	<p>Link Intime India Private Limited C-101, 247, Lal Bahadur Shastri Marg, Gandhi Nagar, Vikhroli West, Mumbai -400083. Tel: 022-49186000 Email: rnt.helpdesk@linkintime.co.in</p>
10.	Share transfer system	<p>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.</p> <p>All share transfers and other share related issues are approved in the Stakeholders Relationship Committee Meeting, which is normally convened as and when required.</p>
11.	Dematerialization of shares	As on March 31, 2020, 99.96 % 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.
13.	Correspondence for dematerialization, transfer of shares, non –receipt of dividend on shares and any other query relating to the shares of the Company	<p>Link Intime Private Limited C-101, 247, Lal Bahadur Shastri Marg, Gandhi Nagar, Vikhroli West, Mumbai, Maharashtra 400083. Contact Person: Ms. Sharmila Amin Tel: 022-49186000</p>
14.	Any query on Annual Report contact at corporate office	<p>Mr. Ashutosh Naik, Company Secretary and Compliance Officer IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai – 400013 Email: secretarial@iiflw.com</p>
15.	list of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad	Rating for ₹200 crores Commercial Paper (CP) is ICRA A1+.
16.	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 (Not vested) of 36,77,453 stock options as on March 31, 2020 under its ESOP plans which may be exercised by the grantees as per the vesting Period. 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 March 31, 2020:

Category	Number of equity shares held	Percentage of holding
Clearing Members	5,231	0.00
Other Bodies Corporate	4,90,633	0.56
**Foreign Company	3,55,00,239	40.72
Financial Institutions	4,313	0.00
Hindu Undivided Family	41,287	0.05
Mutual Funds	8,41,349	0.97
Foreign Nationals	34,536	0.04
Non-Resident Indians	23,76,692	2.73
Non-Resident (Non Repatriable)	3,20,276	0.37
Persons Acting In Concert	89,65,675	10.28
Public	97,17,943	11.15
Promoters	1,10,24,886	12.65
Trusts	331	0.00
Employee Welfare Trust / ESOS	46,754	0.05
Insurance Companies	3,00,000	0.34
**Foreign Portfolio Investors (Corporate)	1,74,87,383	20.06
Alternate Investment Funds	23,344	0.03
NBFCs registered with RBI	170	0.00
TOTAL:	8,71,81,042	100.00

Note: ** In order to comply with the terms of the SEBI (Mutual Funds) (Amendment) Regulations, 2018 dated March 13, 2018, FIH Mauritius Investments Limited and HWIC Asia Fund (Class A Shares) have collectively restricted their voting rights in the Company to 9.99% to ensure that the net effective shareholding and voting rights of Fairfax Financial Holdings Limited in IIFL Asset Management Limited and IIFL Trustee Limited (wholly owned subsidiaries) is less than 10% of the voting rights and equity share capital of IIFL Asset Management Limited and IIFL Trustee Limited.

13. DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2020

The distribution of shareholders as on March 31, 2020 is as follows:

SR. NO.	Shares Range			Number Of Shareholders	% of total shareholders	total shares for the range	% of issued capital
1	1	to	500	21,751	96.13	8,01,860	0.92
2	501	to	1,000	264	1.17	1,87,305	0.22
3	1,001	to	2,000	183	0.81	2,64,512	0.30
4	2,001	to	3,000	72	0.32	1,74,239	0.20
5	3,001	to	4,000	48	0.21	1,65,734	0.19
6	4,001	to	5,000	26	0.11	1,20,130	0.14
7	5,001	to	10,000	70	0.31	5,08,488	0.58
8	10,001 and more			213	0.94	8,49,58,774	97.45
Total				22,627	100.00	8,71,81,042	100.00

14. MARKET PRICE DATA

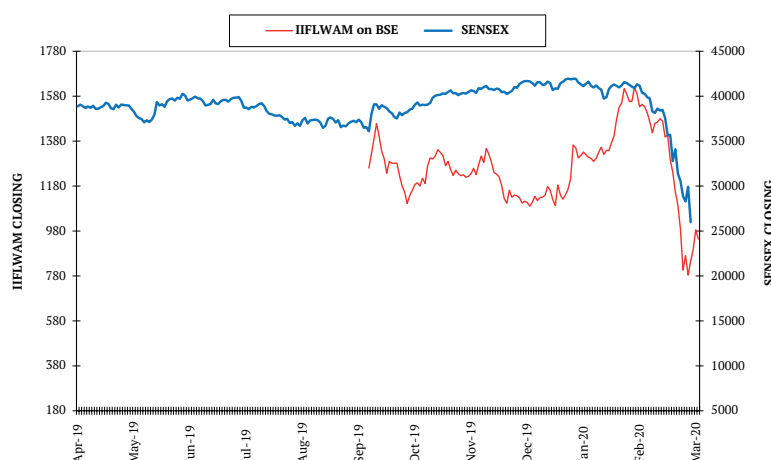
The details of monthly high/low market price of the Equity Shares of the Company at BSE Ltd. and at the National Stock Exchange of India Ltd. for the year under review is provided hereunder:

Month	BSE Ltd.			National Stock Exchange of India Ltd.		
	High	Low	Volume	High	Low	Volume
* September 2019	1,531.50	1,200.00	6,06,803	1,544.20	1,210.00	50,31,008
October 2019	1,358.00	1,077.00	20,108	1,340.00	1,085.00	5,16,790
November 2019	1,355.00	1,200.00	4,00,424	1,353.00	1,206.10	2,09,275
December 2019	1,325.00	1,042.30	3,89,446	1,320.00	924.00	1,88,099
January 2020	1,395.00	1,093.50	5,24,992	1,399.00	1,076.15	3,32,369
February 2020	1,658.55	1,289.15	11,33,413	1,663.95	1,266.10	7,99,502
March 2020	1,532.00	710.00	37,281	1,546.95	720.00	10,56,741

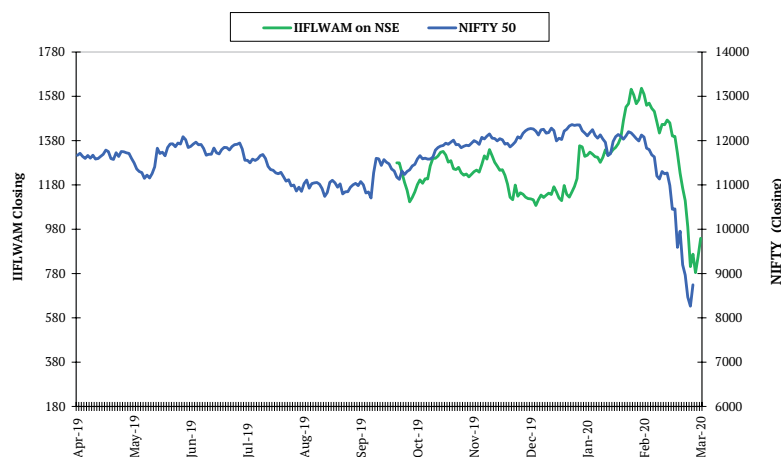
* shares of the Company got listed on Stock Exchange on 19.09.2019

Stock Performance Vs BSE SENSEX and NSE Nifty 50

The performance of your Company's shares relative to the BSE SENSEX is given in the chart below:



The performance of your Company's shares relative to the Nifty index is given in the chart below:



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

Your Company did not raise money through any public issue, right issue or preferential issue during F.Y. 2019-20.

16. SUBSIDIARY COMPANIES

During the year IIFL Wealth Advisors Limited, wholly owned subsidiary of the Company has been merged into the Company. Further, the IIFL Wealth Finance Limited, wholly owned subsidiary of the Company has acquired L&T Capital Markets Limited on April 24, 2020.

Your Company has a system of placing the minutes of the Board/Audit Committee and statements of all the significant transactions/developments of the unlisted subsidiary company at the Meeting of Board of Directors of Holding Company.

17. CEO/CFO CERTIFICATE

The Certificate required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 duly signed by the Managing Director and CFO was submitted to the Board and the same is annexed to this Report.

18. CODE OF CONDUCT

The confirmation from the Managing Director 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

19. COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

Your Company actively monitors the foreign exchange movements and takes forward/options covers as appropriate to reduce the risks associated with transactions in foreign currencies.

Your Company also undertakes short-term and long-term commodity hedging risk.

For and on behalf of the Board

Karan Bhagat
Managing Director
DIN: 03247753

Yatin Shah
Director
DIN: 03231090

Place: Mumbai
Date: June 11, 2020

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, 2020 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:
 - (i) Significant changes in internal control during the year;
 - (ii) that there are no significant changes in accounting policies during the year;
 - (iii) that there are no instances of significant fraud of which we have become aware.

Karan Bhagat
Managing Director
DIN: 03247753

Mihir Nanavati
Chief Financial Officer

Place: Mumbai
Date: June 11, 2020

Declaration on Compliance with the Code of Conduct

This is to confirm that the Company has adopted a Code of Conduct for its board members and the senior management and the same is available on the Company's website. I confirm that the Company has in respect of financial year ended March 31, 2020, received from the senior management personnel of the Company and the Members of the Board, a declaration of compliance with the Code of Conduct as applicable to them.

For IIFL Wealth Management Limited

Karan Bhagat
Managing Director
DIN: 03247753

Place: Mumbai
Date: June 11, 2020

Annexure - A

Certificate from Practising Company Secretary

We have examined the compliance of provisions of the aforesaid clause 10 (i) of the Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and to the best of our information and according to the explanations/ confirmation given to us by the Company and the declarations made by the Directors, we certify that none of the directors of IIFL Wealth Management Limited ("the Company") CIN U74140MH2008PLC177884 having its registered office at IIFL Centre, Kamala City Senapati Bapat Marg, Lower Parel, Mumbai - 400013 have been debarred or disqualified from being appointed or continuing as directors of the Company by SEBI/ Ministry of Corporate Affairs or any other statutory authority.

For J U Poojari & Associates
Practising Company Secretaries
FCS: 8102 CP: 8187
UDIN: F008102B000246208
Date: 15.05.2020

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 from 19th September, 2019 to 31st March 2020, 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”). The Equity shares of the Company was listed on the BSE Ltd and National Stock Exchange of India Limited on 19th September, 2019.

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 generally 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.

Jayaram U Poojari
(FCS: 8102) CP: 8108
For J U Poojari & Associates
Company Secretaries
ICSI Unique Code: 12009MH644000
UDIN: F008102B000575438

Place: Mumbai

Date: June 11, 2020