

# REIMAGINING WEALTH

ANNUAL REPORT 2022





It's not easy to re-look your business all the time. Specially one that's as successful as ours. But we understand that our business needs re-imagination, and not just re-looking, year after year to stay ahead of the curve. The approach demands that we look at the little and big things that make our business thrive. Because we believe that's what differentiates us from the rest. Which is why we deliver results through market cycles and over time. Read on to know how re-imagination works for us.



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Board's Report

## Chairman's Message



We have the agility and resilience to charge ahead and shape the narrative for the wealth management landscape in the coming decade.

### Dear Shareholders,

Today, we are at the cusp of not only great change but are also uniquely positioned to both identify as well as capitalise upon the opportunities engendered by that change. Whether it was setting up a new wealth management entity in the storm of the Global Financial Crisis (GFC) in 2008 or navigating the trials brought about by the Covid-19 pandemic, your Company is now stronger from the experience. We have a strong leadership, an experienced and committed team, and the agility and resilience to charge ahead and shape the narrative for the wealth management landscape in the coming decade.

We are seeing global wealth increase at an unprecedented pace. According to Boston Consulting Group (BCG), between 2020-2021, global financial wealth grew by USD 26 trillion to USD 530 trillion. This indicates a staggering growth of 10.6%.<sup>1</sup> In India, the picture gets even better with wealth growing in tandem with the

number of wealthy. This means that not only is wealth growing in absolute terms but also that more and more people are joining the ranks of the wealthy. In a recent article<sup>2</sup> on India Economic Outlook, Deloitte Global Economist Network stated it expects India to grow by 7.1%–7.6% in FY22–23 and 6%–6.7% in FY23–24. “This will ensure that India reigns as the world’s fastest-growing economy over the next few years, driving world growth even as several major economies brace themselves for a slowdown or possibly a recession,” the article stated.

At the same time, the contours of the wealthy are also changing, especially in India. Today, a far more diverse set of people are seeking wealth management services. They are shaped by a different set of experiences and have unique requirements that are new to wealth managers. The investment landscape is also changing. In the aftermath of the pandemic, astute risk

<sup>1</sup> <https://web-assets.bcg.com/77/3d/6f72e93e4c5ebc95ee093cc91793/bcg-global-wealth-standing-still-is-not-an-option-jun-2022-r.pdf>

<sup>2</sup> India Economic Outlook by Deloitte Global Economist Network  
<https://www2.deloitte.com/us/en/insights/economy/asia-pacific/india-economic-outlook.html>



management has come to the forefront as an increasing number of people alter portfolio allocations in an attempt to make it more resilient to market and event risk.

Further, any narrative around 'change' is incomplete without the mention of technology and digitisation. Innovation, precipitated by technological evolution, is accelerating growth while shrinking the time it takes to make tangible change. Digital experiences are changing the way businesses interact with customers and enabling innovation at an unprecedented scale.

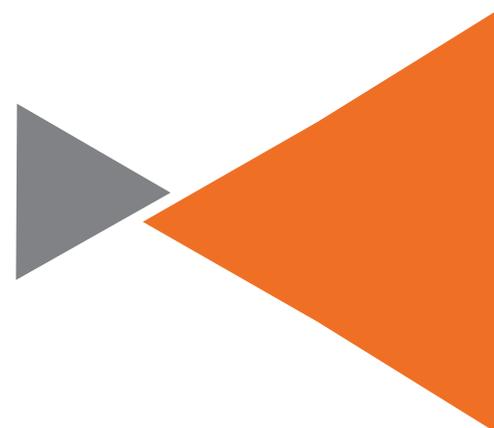
For all of us at IIFL Wealth and Asset Management, this presents a great opportunity to leverage our existing skills, honed over a period of time, as well as embrace newer skills to optimally address the needs of the growing wealth management market. I truly believe that as a firm, we are not only capable of adapting to change but also well-positioned to orchestrate change. This is exemplified by the bold decision we took in 2019 to slowly migrate to a fee-based revenue model, a practice which is globally adopted but is not prevalent in India.

I would like to sincerely thank our fellow Board members, our stakeholders and our investors, for their enduring support. Your Company's Board remains committed to ensuring that positive outcomes can be generated for all stakeholders while maintaining high levels of corporate governance. We will continue to capitalise upon emerging opportunities and stay committed to delivering value and sustainable growth to our clients, employees, and stakeholders.

Our annual report this year is dedicated to the value creation that is brought about by change.

**Nilesh Vikamsey**

**Chairman,  
IIFL Wealth Management Limited**



## From The CEO's Desk



We are well-positioned to lead a 360-degree change in wealth and asset management.

Dear Shareholders,

The wealth management industry is undergoing unprecedented change precipitated by a host of factors. Firstly, India's long-term economic growth prospects fuelled by rising income levels, positive demographics, thriving start-up ecosystem and enabling regulatory environment is creating wealth in an unparalleled manner. As per the latest World Wealth Report by Capgemini, the Indian high net worth individual (HNI) population grew by 10.5% with a total of 308 individuals now in the category of ultra-rich. Globally, this grew by 7.8% to 22.5 million individuals, indicating that the number of wealthy individuals is growing at a strong clip.

Secondly, the industry is witnessing the greatest wealth transfer ever seen as wealth passes on from baby boomers to the next generation. Inevitably, this has widespread ramifications for the industry as the new generation of clients are shaped by a wholly different set of experiences and thus, have a unique and new set of demands and expectations. Thirdly, the pervasiveness of technology is impacting the way businesses interact with their customers and enabling a higher degree of personalisation and value creation.

The last couple of years have been challenging to say the least. As human beings, we are built to change, adapt, and evolve in response to a shapeshifting landscape. At IIFL Wealth & Asset Management, we are no strangers to crisis or disruption. Born amid the 2008 Global Financial Crisis, we know what it is like to be in the eye of the storm and identify opportunities that emerge during periods of flux and disruption. Some of the larger shifts that we are observing include:

- ▶ **An era of hyper personalisation:** Today, customers eschew standard solutions in every facet of their lives. Personalised products and service delivery have almost become table stakes for most businesses and can particularly be a significant driver of top line growth for wealth management firms.
- ▶ **Changing contours of the wealthy:** Wealth as well as the number of wealthy in India are growing at a strong pace as enabling government regulations, growing consumption demand, innovative products and solutions, and a fertile start-up ecosystem have come together to create opportunities for swathes of people across the country. Generational shifts and multiple avenues of wealth creation have ensured that customers today view risk, return, and financial planning from a different lens versus the previous generation.
- ▶ **Accelerated digital adoption:** Technological leaps are going to play a key role in the wealth management industry and enable enhanced value creation as firms increasingly leverage digital solutions for product innovation and service delivery. For wealth management firms, digital solutions will deliver both efficiency as well as an enduring advantage in the backdrop of a changing environment.
- ▶ **Impact investing:** Individuals are becoming increasingly conscious of the impact of their actions on their ecosystem and are using their investment choices as tools to orchestrate positive change.

- ▶ **Emergence of the ESG imperative:** In the last couple of years, ESG has emerged as a mainstream business consideration. An increasing number of stakeholders are looking at business performance not only from the financial lens but also environmental, social and governance related indicators.

Recognising the new imperatives of the changing environment, we have now embarked on a journey to reimagine wealth and asset management. This means that we are reimagining the way investments are curated, communicated, and offered to our clients.

For wealth managers catering to both the new generation and the older generation, it means straddling two different sets of expectations. We have positioned ourselves as a firm that is tethered to traditional philosophies and yet have the foresight and agility to embrace technology and innovation. As a part of this process, we are now focused on facilitating simple and straightforward customer experiences, leveraging cutting-edge technology tools, and offering one-on-one advice and tutorials pertaining to investors' areas of interest.

#### **FINANCIALS: GROWING AT A STEADY CLIP**

We continue to witness a sharp growth both in our Assets Under Management (AUM) as well as revenue. Overall, total revenue for FY2022 stood at ₹1535 Crs as against a total Revenue of ₹1053 Crs in FY21, recording a strong growth of 45.8% while PAT was ₹582 Crs, as against ₹369 Crs in FY21, growing at a higher rate of 57.7%. During the year, we declared and paid a total of dividend of ₹55 per share of which ₹35 constitutes a special dividend and ₹20, a regular dividend. This is also in accordance with our stated aim of efficiently managing our capital and net worth.

#### **ALTERNATIVES DRIVING ASSET MANAGEMENT**

When we launched our AMC business, we took an informed decision to focus on the niche but growing alternative space in India. We currently hold the distinction of being the largest alternative asset manager in India and aim to consolidate this position further by offering a nuanced and holistic range of product offerings across asset classes. In FY22, we launched and raised commitments for a suite of products including the IIFL Special Opportunities Fund – Series 8 (SOF8), the Monopolistic Market Intermediaries Fund (MMIF), the Multi Strategy Fund – Series 2 (a fund of funds) investing in SOF8 and MMIF, the Income Opportunities Fund – 3, a credit fund investing in a combination of fixed return instruments and instruments that can

potentially benefit from an equity upside, and late stage pre-IPO funds. We also enabled offshore investments in the Turnaround Opportunities Fund to cater to global investors keen on investing in Indian equities.

Additionally, we are also very excited about the opportunities brewing in India's start-up ecosystem as a host of factors come together to enable innovation at scale. Many of these companies are offering compelling investment opportunities which we are looking to explore through our fund offerings and carefully structured products.

#### **A BOLD CHANGE IN REVENUE MODEL – A DECISION THAT HAS COME TO FRUITION**

In line with global best practices, in 2019, we took the decision to gradually change our revenue recognition model from a transaction-driven model to a sustainable, Annuity distribution commissions model. We wanted to ensure that the advisory being offered to clients was completely unbiased and not contingent upon any direct commercial benefits. While initially, this shift impacted our earnings, it has now gained acceptance amongst a large number of our clients. Overall, our Annual Recurring Revenue (ARR) assets have witnessed a growth of 41.6% with a corresponding 56.4% growth in ARR. In FY22, Recurring Revenues stood at ₹912 Crs. up 56% over FY21. ARR assets increased more than 42% yoy to ₹1,44,432 Crs. The share of ARR assets in total AUM now stands at ~55%. Net flows for FY22 were at ₹31,422 Crs, primarily towards ARR Assets – thereby depicting a conscious shift and focus towards building an Annual Recurring Asset base.

#### **DIGITAL TRANSFORMATION UNDERWAY**

We clearly recognise that digital solutions are likely to be an integral part of our future and have accordingly leveraged technology to enhance service delivery and customer delight. As we reimagine the digital experience, we are constantly upgrading our digital and technology platforms to better serve the needs of our clients with the aim to make transactions seamless and enhancing productivity across the organization. Overall, these levers put us in a position where we believe we are best placed to grow and create value for all our stakeholders and provide the best outcome for our clients, employees, and investors alike.

## FOCUS ON HUMAN CAPITAL

We continue to believe that wealth management is essentially a business of people and thus, place a premium on human capital. Having weathered the Covid storm, we continue to focus on creating an enabling environment where our people feel safe and empowered. Further, we have also established processes and platforms to enable a hybrid work environment that allows our people to work as per their convenience without impacting efficiency. To further strengthen our value proposition and service delivery, leverage existing as well as emerging opportunities, and spearhead accelerated growth, we have also onboarded senior management across select verticals including wealth sales, technology, human resources and asset management.

## SUSTAINABILITY ON THE AGENDA

As one of the largest wealth management firms and advisors to ultra high net worth individuals (UHNIs) and HNIs, we are cognisant of the positive role that we can play in driving the country's sustainability agenda and net zero goals. According to a Bloomberg report<sup>1</sup>, global ESG assets may surpass USD 41 trillion in 2022 and USD 50 trillion by 2025, comprising one-third of the projected total assets under management globally. This reflects a continued growth in ESG assets after they surpassed USD 35 trillion in 2020. Channelising capital toward the sustainability agenda while proactively helping clients meet their portfolio goals will become one of the key differentiators for wealth management firms going forward.

In the backdrop of this evolving landscape, the three core tenets of our strategy, i.e. growth, resilience, and agility have held us in good stead.

► **Growth:** The nuanced requirements of the wealth creators are changing. Further, a large part of this new wealth creation is happening in Tier 2 and Tier 3 cities where access to high quality advice is usually not available. Given the strength of our platform, our people, our expanding geographical spread, and our understanding of the requirements of our core client segment, we are well positioned to cater to the specific needs of investors and capture a larger share of this new wealth creation.

- **Resilience:** Over the last few years, businesses across the globe have had to deal with unprecedented situations that have forced them to take tough decisions and reimagine the future of work. I am happy to say that we have worked hard towards creating a resilient business model that has so far been able to absorb many of the shocks that have come our way. Our resilience is further exemplified by the fact that both our client and employee base continue to see overall high retention.
- **Agility:** As a firm, we have always been proactive about recognising the changing shifts in our business environment and reacting to it in an appropriate manner. One of the factors that has enabled us to remain agile is our focus on product innovation and structuring products for our clients across various market cycles both up and down. A full-service platform including wealth and alternate investments ensures that our clients are constantly engaged with us. A variety of engagement types also enable us to serve the differentiated needs of each client effectively.

We are living in a world where success is no longer measured by financials alone. The Covid-19 pandemic further brought to focus, the importance of ESG performance for a resilient bottom line. Stakeholders have risen up to the cause and are expecting organizations like us to take tangible action in order to better manage ESG impacts.

This year, as we embark on our ESG journey, this report brings to you some of our key ESG focus areas. We have started monitoring our GHG emissions and energy consumption along with focusing on material, social and governance aspects of the business.

We truly acknowledge the benefits of diversity in workplace and are working towards improving diversity across the organization. We currently have more than 28% female employees as part of our workforce.

Besides becoming a nurturing and inclusive workplace, we also strive to ensure upliftment of our communities as well as the environment. Through our CSR initiatives, we have touched the lives of more than 48,500 people and planted 46,000+ trees to promote carbon sequestration through afforestation.

<sup>1</sup> ESG May Surpass \$41 Trillion Assets in 2022, But Not Without Challenges, Finds Bloomberg Intelligence | Press | Bloomberg LP  
<https://www.bloomberg.com/company/press/esg-may-surpass-41-trillion-assets-in-2022-but-not-without-challenges-finds-bloomberg-intelligence/>

We are already in an era that is driving us to reimagine investments to create unique investment products for our clients and proactively leverage digital solutions to enhance customer journeys through curated solutions, seamless transactions, and efficient access to products, information, and services. We are confident that our core tenets will enable us to achieve our overarching objectives, create value for all our stakeholders, and provide the best outcome for our clients, employees, and investors alike.

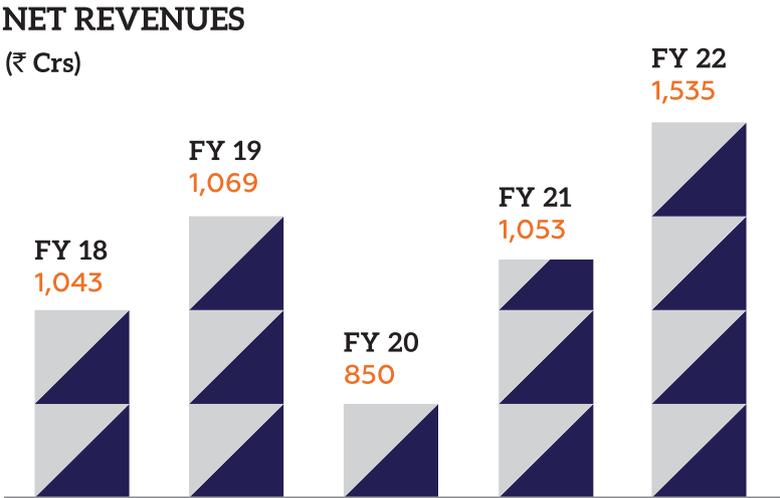
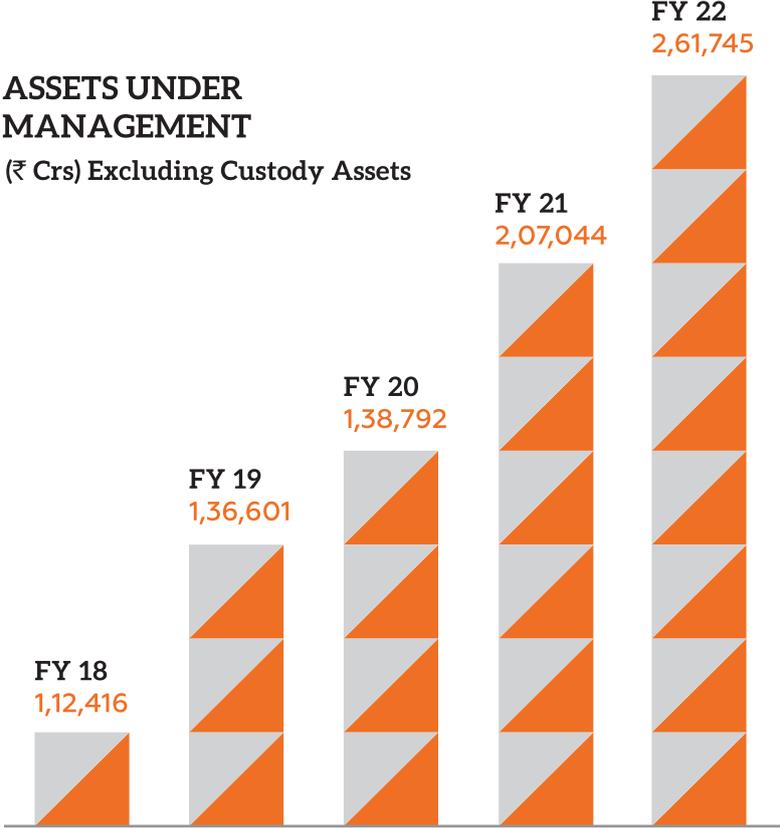
I thank my team, our board, our clients and all our stakeholders for their faith and trust in us. We are very excited about what the future holds for the wealth management industry and your Company. In the midst of change, brews opportunity. With a core philosophy of being agile and adaptive while staying tethered to our traditional values, we believe that we are well-positioned to lead a 360-degree change in wealth and asset management.

**Karan Bhagat**

**Founder, MD & CEO,  
IIFL Wealth & Asset Management**

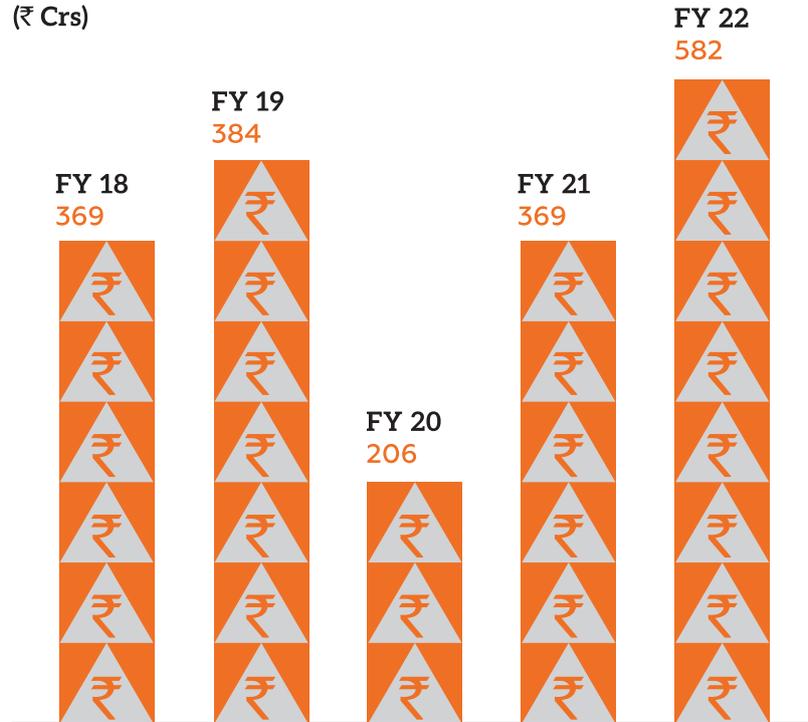


# Key Financial Highlights

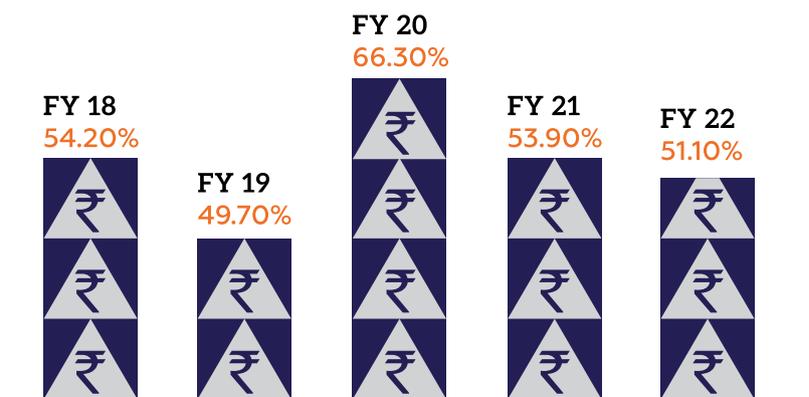


## PROFITABILITY

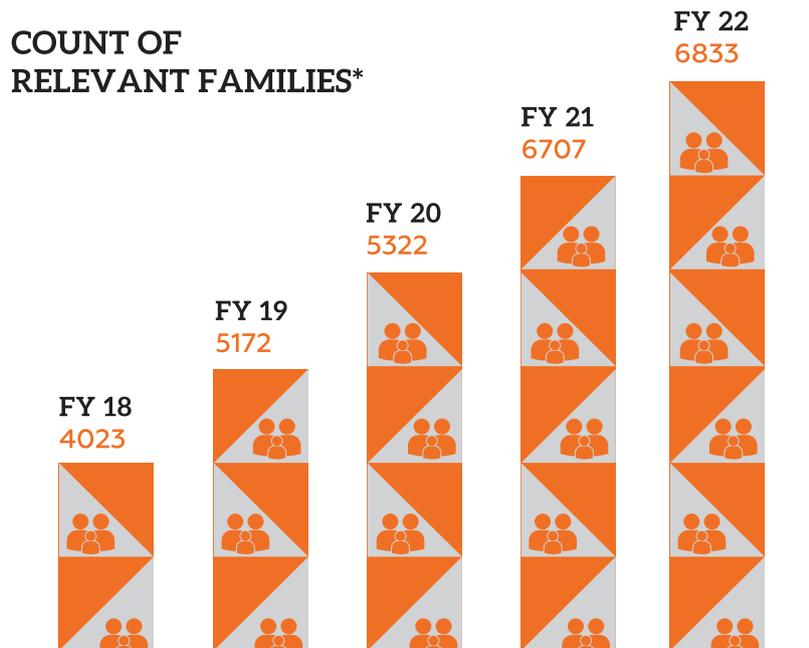
(₹ Crs)



## COST TO INCOME RATIO\*

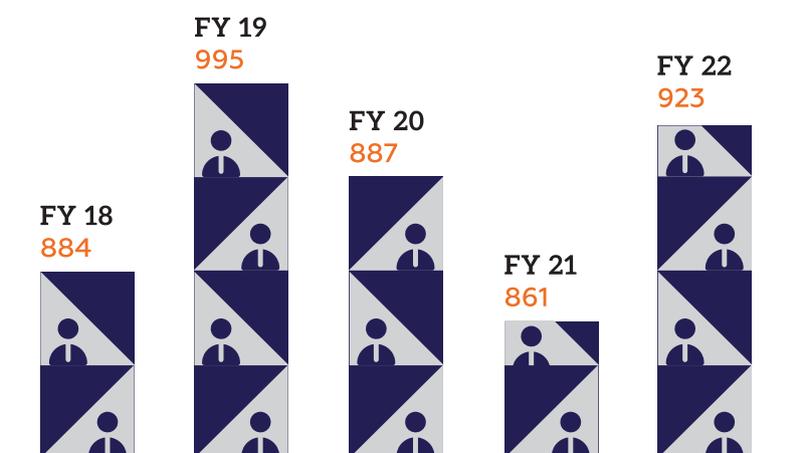


\*Cost to income ratios are calculated basis Net Revenues



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

### EMPLOYEES



## IIFL Wealth Management Limited

### DOMESTIC SUBSIDIARIES WHOLLY-OWNED SUBSIDIARIES



### INTERNATIONAL SUBSIDIARIES WHOLLY-OWNED SUBSIDIARIES



\*IIFL Wealth Capital Markets Ltd. (erstwhile L&T Capital Markets Ltd.) is the subsidiary of IIFL Wealth Prime Ltd. and step-down subsidiary of the Company.



## VISION

To be India's leading wealth and asset management company, aligning interests of clients, shareholders and employees.



# Transcending Geographies



## Our International Footprint

Canada  
Mauritius  
Dubai  
Singapore  
US

## Our Domestic Footprint

### Mumbai - Corporate Office

Ahmedabad	Kanpur
Amritsar	Kochi
Bengaluru	Kolkata
Bhopal	Lucknow
Chandigarh	Ludhiana
Chennai	New Delhi
Coimbatore	Pune
Goa	Raipur
Hyderabad	Surat
Indore	Vadodara
Jaipur	Varanasi

# Our Businesses

**We manage wealth for you, your family and your business.**

## **IIFL Wealth & Asset Management is a client-focused company**

**offering wealth and asset management, lending solutions and estate planning services. Our relationships and business have a long-term focus towards the lasting benefit of our clients, investors, and team members.** We have always strongly believed in providing our clients with innovative solutions and services. At the same time, we remain tethered to our core values of maintaining integrity and independence, a trait that has helped us weather multiple market cycles and foster enduring relationships with our clients. Today, we stand at the cusp of great change as the contours of the wealth management industry shift shape in response to the changing demands of customers and technology interventions. In the backdrop of this shapeshifting landscape, growth, resilience, and agility will further help us reimagine wealth management.



### **Wealth Management**

Since inception, we have served the highly specialized and sophisticated needs of high net worth individuals (HNIs) and ultra-high net worth individuals (UHNIs), family offices and institutional clients through a comprehensive range of tailored wealth management solutions. As one of the largest players in the wealth management space, we are able to provide clients with preferential access for sourcing and customizing investments with fund houses, institutional brokers and boutique managers. The company recognized that incremental innovation was vital to develop a holistic products platform that serves the evolving needs of the uber-rich. Crafting strategies that convert market challenges into opportunities is the key to creating and preserving wealth. We help India's wealthiest to preserve, protect and grow their legacy.

### **Asset Management**

A leader in alternates, our sizeable and growing asset management business is the second pillar of the firm. IIFL Asset Management's differentiated product suite includes alternative investment funds (AIFs), portfolio management services (PMS) and mutual funds (MFs) spanning across asset classes of public and private equity, credit, fixed income and real estate. IIFL Asset Management has been playing a pivotal role in the growth of the AIF industry in India. IIFL Asset Management's endeavour is to strengthen its institutional relationships by offering investors opportunities to invest across asset classes as well as expand its product suite.

### **Estate Planning**

We facilitate generational planning and asset transfer for clients by assisting on strategic trust formation and investment management of business and personal assets to ensure longevity of the solutions. We are the largest trusteeship service in the country, with more than 650 HNI and UHNI families as clients.

### **Lending Solutions**

We offer a range of lending solutions to our clients across the spectrum of structured leverage. Our loan book of ₹4,318 Crs as on 31st March 2022 makes us the leading NBFC in India by asset size in the wealth management industry. We are rated AA by ICRA, the hallmark of trust among large institutional investors. To date, we have provided over 1,000 customers access to capital to facilitate investments in the markets, meet short term working capital requirements, early stage debt and even to undertake large acquisitions.

# Wealth Management: OUR JOURNEY

In wealth management, we engage with clients in multiple capacities under one platform. These include distributor, advisory, broker, PMS manufacturer, AIF manager, mutual fund manager, alternative investments manager and portfolio manager. As a distributor, we have one of the most comprehensive product research teams enabling our open architecture recommendations across multiple product providers and asset classes. As an Advisory offering, we provide our clients different facets - pure advisory business, non-discretionary PMS business as well as discretionary PMS business. As a broker, we offer cost-effective and efficient prime brokerage services to our clients across all asset classes. As a PMS manufacturer, we offer both discretionary and non-discretionary options across risk profiles as well as customised bespoke mandates. As an AIF manager, we are a market leader with cutting-edge solutions across private equity, pre-IPO as well as structured credit ideas. As a mutual fund manufacturer, we provide select equity and debt strategies all of which continue to be in the top decile in terms of performance on a consistent basis. Our NBFC offers access to preferential lending terms. The company's trusteeship service is one of the largest in the country and the chosen advisor to more than 650 high net worth and ultra high net worth families for estate planning.



## CUSTOMER SEGMENTS WE CATER TO

- ▶ **Entrepreneurs**
- ▶ **Senior executives**
- ▶ **Professionals**
- ▶ **Medium to large industrialists**
- ▶ **Corporate treasuries**
- ▶ **Funds, endowments and family offices**
- ▶ **Large traders**

# Five Ps of Wealth Management

**These 5 pillars are instrumental to our success as they work together to perfectly align the client's need and what the market has to offer.**

## PEOPLE



Wealth management is a people-centric business with high engagement levels. A quality team of experienced professionals across relationship management, service management, product and other support teams, ensure that the highest level of service is provided to our clients. The team undergoes continuous learning through one-to-one mentorships and our dedicated Learning Management System (LMS), group engagements, and access to courses from leading global universities. The number of hours of training is 12,000+ hrs with 19 unique training programs through Virtual instructor-led training (VILT) & online sessions. These included trainings like Negotiation, Strategic & Trusted Relationship Manager, Interpersonal Skills, Time Management, Managerial Effectiveness and few master classes both for sales and non-sales functions. Employee equity ownership and a strong internal culture has led to perhaps the lowest attrition in the industry for team leaders.

## PROPOSITION



Our ability to offer full scale wealth management services gives us the edge. We have an open architecture with a multi-manager platform. We provide avenues for diversification across asset classes. This provides the ability to generate steady-state returns above inflation with the least volatility and risk.

## PLATFORM



Our comprehensive suite of products and services is perhaps unmatched in the industry. We have one of the largest products and investment teams which provide innovation and high-quality support. Our cutting-edge technology ensures the best-in-class Client Portfolio Reporting, In-Depth Analysis and Data Aggregation.

An integrated lending solutions offering along with a strong estate planning practice complete the platform. Niche corporate finance services help clients with capital structuring for their businesses.

## PROCESS



We have stringent standardized control mechanisms, which include personalised review and an assessment by the fund management team. Our portfolio management approach ensures client portfolios are managed in line with defined Investment Policy Statements, which are constantly monitored. Strong business intelligence, state-of-the-art technology and robust internal processes ensure seamless and efficient execution.

## PRICING

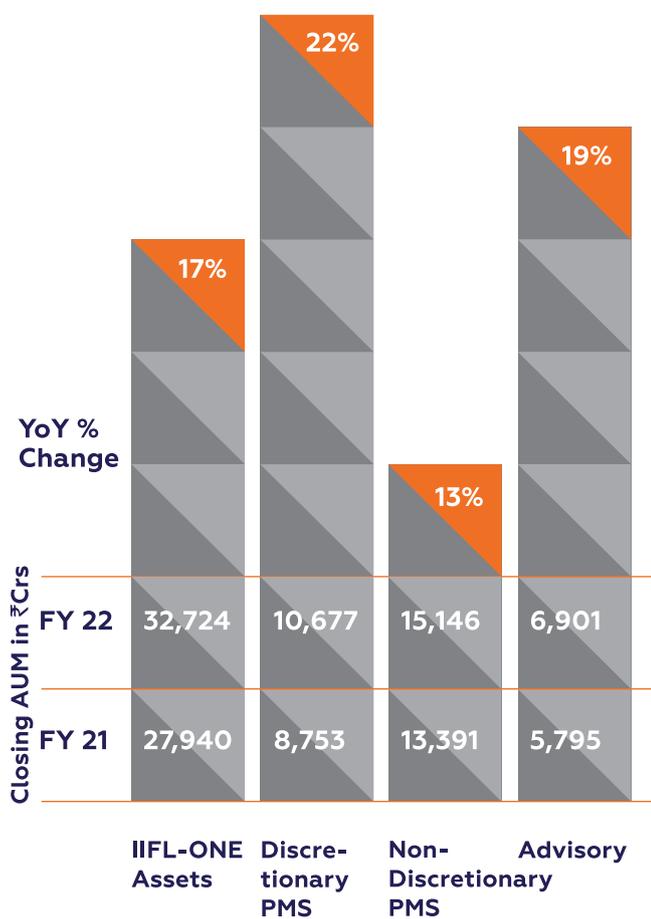


Our scale gives us an edge in pricing of products. Transparency and alignment of interest are synonymous with our firm. With the launch of IIFL-ONE, we pioneered the fee-based portfolio management model in India. Our combined platform, which includes brokerage and allied services allow for All-In-Fee models, which ensures that our efforts are completely in alignment with our clients' objectives.

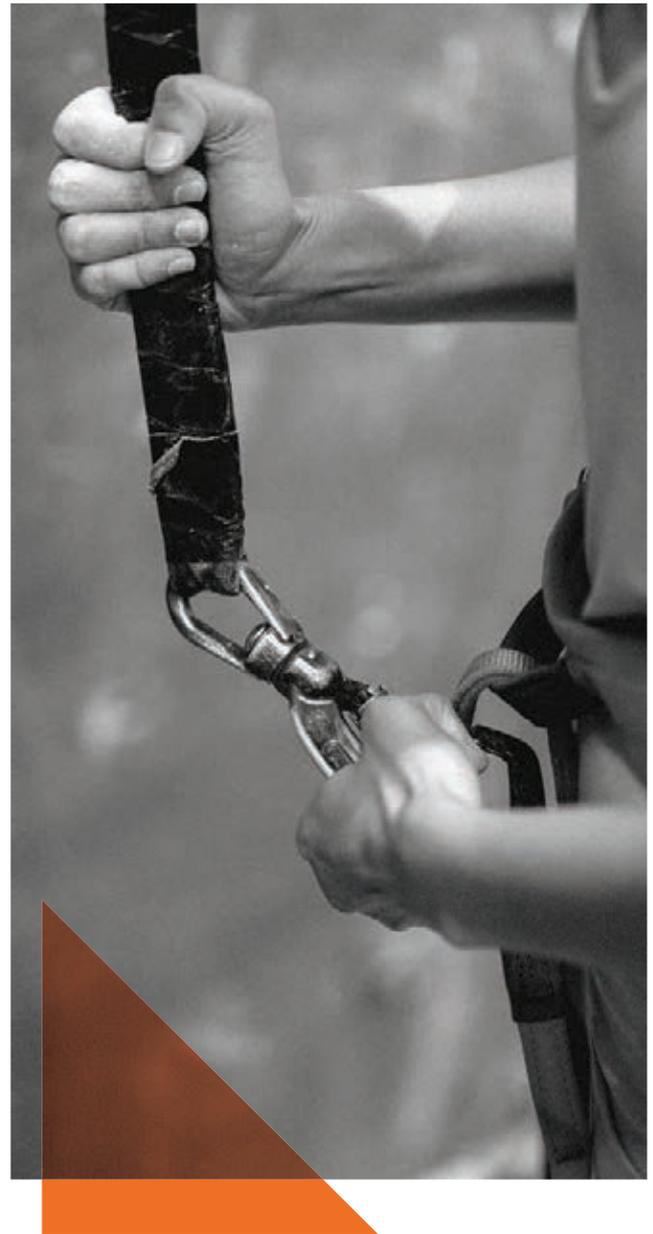
# IIFL-ONE: Reimagining Wealth Management

IIFL-ONE, designed to provide solutions for the Core Portfolio of our clients has continued to see traction and growth in its assets under management. Clients have appreciated the clearly-defined approach to fund management that has been laid out by the IIFL-ONE team and the value that it brings, especially during times of enhanced volatility across asset classes. IIFL-ONE takes a solution approach when building client portfolios rather than a product approach.

This can be witnessed below in the growth of the Assets Under Management



Source:  
IIFL WAM data book



## Reimagining Wealth Management the IIFL-ONE way

The process of managing portfolios must evolve to incorporate the changing investment landscape. Traditional thinking about every asset class is being challenged due to factors such as geopolitics, central bank intervention and pandemic and technology disruptions. Let's look at how IIFL-ONE as a solution helps us achieve client retention along with providing a best-in-class experience.

## What clients need

High quality, easy to understand, open-ended instruments to form a major part of their portfolio

A more **process-driven approach** to investing which helps cut through the clutter

Appropriate **risk management mechanisms**

A **transparent fee structure** ensuring complete alignment with their financial objectives



## IIFL-ONE as a solution

### Simple by design



- ▶ Efficient portfolio design
- ▶ Incorporates key core portfolio attributes: size, quality, liquidity, tax efficiency
- ▶ Each component works as a whole

### Focus on investment outcome



- ▶ Asset allocation based on client requirement
- ▶ Framework-based approach to security selection
- ▶ Defined portfolio construction approach

### Risk management focus and long term orientation



- ▶ Allocation strategy focused on long-term wealth creation and risk management orientation
- ▶ Portfolio construction incorporates structural risk management approach
- ▶ Multi-factor security selection to long-term value creation

### Aligned with client interest



- ▶ Complete transparency and alignment of interest by ensuring a fee-based compensation
- ▶ The portfolio management team has no other incentives

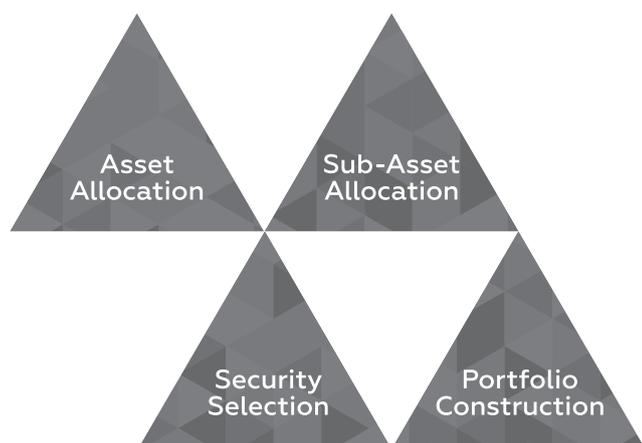
Therefore, the IIFL-ONE team, while sticking to time-tested processes, has endeavored to reimagine its approach to wealth management to ensure its client portfolios can achieve their objectives in an ever-changing world order. This is accomplished by creating bespoke portfolios with the following attributes:

- ▶ Investing in instruments that are simple and easy to understand, cost-effective and tax-efficient,
- ▶ Building portfolios, which are designed to lower volatility over the medium term,
- ▶ Creating portfolios that are liquid and can be redeemed with minimal or no cost,
- ▶ Designing portfolios for the long term, which are balanced periodically,
- ▶ Ensuring adequate diversification across following factors:
  - ▶ Multi Manager
  - ▶ Multi Asset
  - ▶ Multi Factor – with a bias to quality and size.

## IIFL-ONE Value proposition reimaged



The IIFL-ONE team aims to deliver value in the following areas:



The investment approach has been reimaged to deliver value in each of these areas through a "Quantamental Approach" which is an approach using a blend of both Fundamental and Quantitative analysis.

## IIFL-ONE: PORTFOLIO MANAGEMENT OFFERINGS

Offerings have been classified into the following:



### SIGNATURE OFFERINGS

Portfolio manager has sole discretion in selecting investment ideas with adherence to permissible instruments and chosen investment approach for the strategy. They include the following solutions:

- ▶ **Core AIF:** A bouquet of high quality, liquid, direct equity stocks and direct bonds picked through a rigorous research process,
- ▶ **Managed Solutions:** Selection process brings together an array of mutual funds and ETFs using multiple parameters.



### BESPOKE OFFERINGS

Portfolio manager creates customized portfolios in adherence to permissible instruments and selected investment approach. They include the following solutions:

- ▶ **Treasury Solutions:** Fixed income portfolios focusing on the twin objectives of risk control and return optimization. This offering is run for the benefit of large corporate treasuries. It can be offered via both the discretionary and non-discretionary platform.
- ▶ **Mandate:** Customized instrument selection that brings together high-quality instruments from a diversified universe. Clients define the portfolio guidelines and entrust the entire investment management process to our team of experts.
- ▶ **Consult:** Portfolio created by expert fund management team from a diversified universe of high-quality instruments. Under this, we use our expertise to create a customised investment framework using the portfolio guidelines defined by the clients.
- ▶ **Select Alpha PMS:** Concentrated direct equity portfolio for the short-to-medium term formed by following a bottom-up approach. This is a non-discretionary solution.

# Landmarks

**2008**

IIFL Wealth was born. Largest structured note issuance of its time



**2010**

Crossed the ₹1,500 Crs AUM mark in record time



**2012**

Reached ₹25,000 Crs AUM



**2014**

Took lead in the Alternative Investment space. IIFL Wealth & Asset Management is now the No.1 Manager of Alternatives in India



**2011**

Acquired 'Finest Wealth Managers' in Pune adding ₹1,700 Crs to AUM



**2009**

Global footprint established as IIFL Inc set up international offices including Dubai, Singapore, Mauritius and US



**2013**

Acquired an Asset Management Company and a Private Equity Firm; launch of only success fee-based Alternative Investment Fund



## 2016

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



## 2018

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



## 2020

IIFL Wealth acquired L&T Capital Markets, a wholly owned subsidiary of L&T Finance Holdings



## 2022

Bain Capital agrees to acquire 24.98% equity stake in IIFL Wealth Management. IIFL Wealth's consolidated AUM including custody assets at ₹3,27,237 Crs as on 31<sup>st</sup> March 2022; 6800+ families; 900+ employees in 14 years!



## 2015

General Atlantic picked up 21.61% stake in IIFL Wealth & Asset Management. This investment endorsed the quality of team and business built over the years.



## 2017

IIFL Asset Management's Special Opportunities fund, the first-of-its-kind pre-IPO fund in India raised over ₹7500 Crs



## 2019

IIFL Wealth made a stake sale to five renowned marquee investors

IIFL Wealth and Asset Management gets listed on NSE and BSE



## 2021

IIFL AMC's AUM comprising alternative assets, PMS and mutual funds crossed the ₹50,000 Crs milestone. Launched ₹5000 Crs late-stage tech strategies, which make late stage and pre-IPO investments.



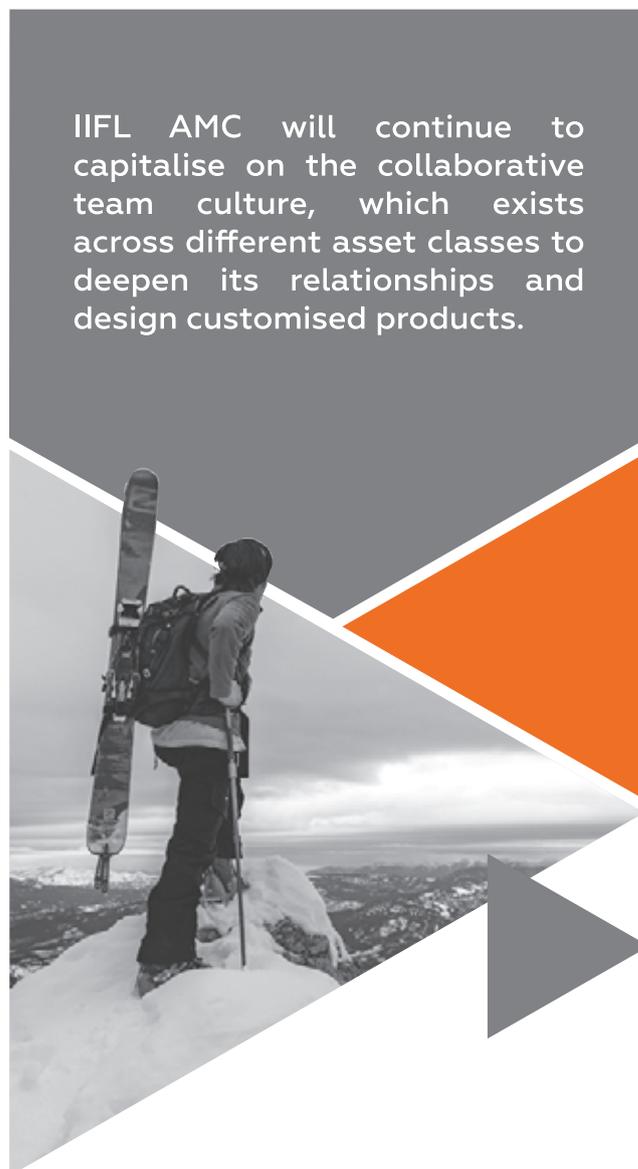
## Asset Management: Reimagining Investments

During FY22, IIFL Asset Management business (IIFL AMC) displayed the flexibility to operate across market cycles and continued to enhance its product suite across four asset classes - listed equity, private equity, credit, and real estate. IIFL AMC has established a strong footing in the asset management space in India. Having adapted to the pandemic-induced changed working dynamics, IIFL AMC's total AUM increased by ~50% in the last year to reach ₹55,574 Crs in FY22.

On the alternate assets side, the Indian market is still nascent both in terms of strategies launched and AUM committed to such strategies. With its diversified strategies on the alternate side coupled with its platform and leadership position in this space, IIFL AMC sees significant opportunity for growth through the various macroeconomic cycles. During the year under review, IIFL AMC achieved a record net-sales of ₹12,000 Crs, spread across asset classes and geographies. Listed equity and private equity were top two asset classes with an AUM of ₹24,334 Crs and ₹22,057 Crs respectively. It had a successful year from an institutional mandates' perspective, increasing the total count to four from the earlier two. Its focus on niche product strategies helped the company to maintain a revenue yield of around 70bps on its assets.

Ever since Covid-19 disrupted the world, the biggest challenge economies and businesses have been struggling with is the imbalance in demand and supply. Supply chains were initially disrupted with Covid-19 and then further impacted by the Russia-Ukraine conflict and shutdowns in China. The disequilibrium has manifested itself in inflation, which has become the biggest challenge for central banks. The accommodative interest rate policies of central banks decisively reversed in the last fiscal. The focus has now shifted to bringing demand lower to match the constraints in supply. This has significant repercussions for asset classes across the globe. From a stock market standpoint, the last fiscal was a year of contrasts. Optimism and pessimism kept alternating as Indian equities touched an all-time high and then started sliding in the last quarter owing to concerns around geopolitical risks, rising interest rates, slowdown in growth and the end of the global easy money phase.

IIFL AMC will continue to capitalise on the collaborative team culture, which exists across different asset classes to deepen its relationships and design customised products.



IIFL AMC posted a robust performance during the year due to its solid foundation, prudent risk management, strong governance and sustainable business practices. It focused on supporting its people, customers and communities across the country. The goal remained to create distinctive products to enable investors across the world to participate in India's unique growth story.

## Developments Across Key Platforms:

### Alternative Investment Funds (AIFs)

In Q1, it raised commitments in IIFL Special Opportunities Fund – Series 8 (SOF 8), which is focused on opportunities in the consumer-tech space.

In Q2, it launched the Monopolistic Market Intermediaries Fund (MMIF), which had the same underlying objective as SOF 8, to cater to rising investor interest in that space. It also launched Turnaround Opportunities Fund – category 3 AIF (listed equity) to focus on investing in companies which are on the cusp of a turnaround.

In Q3, it launched the Multi Strategy Fund – Series 2 (a fund of funds) investing in SOF 8 and MMIF. It also launched Income Opportunities Fund – 3, a credit fund investing in a combination of fixed return instruments and instruments having the potential of benefitting from equity upside. In addition, SOF 9 and SOF 10 – late stage pre-IPO funds were launched to capture the opportunity of investing in companies that are likely to do a public listing in the next three to four years.

In Q4, strong traction was seen in its late stage pre-IPO fund (SOF 10) and listed equity offering in the AIF space (Turnaround Opportunities Fund). It also enabled offshore investments in Turnaround Opportunities Fund to cater to global investors keen on investing in Indian equities.

### Portfolio Management Services (PMS)

On the listed equity front, regular sales from distributor platforms continued during the year. Further, multiple updates on product performance and features were sent to the investors. The editable forms ensured business continuity in the times of the second wave. It continued to onboard new distribution partners and achieve scale across existing products (Multicap PMS and Phoenix PMS).

### Mutual Funds (MFs)

The total net sales across mutual fund schemes stood at ₹1,600 Crs. The AMC continued to focus on scaling IIFL Focused Equity Fund during the year. For most part of the year, the fund was among the best performing funds in its category and added net sales of ₹900 Crs in the IIFL Focused Equity Fund. It launched its first quant-based offering – IIFL Quant Fund and raised over ₹100 Crs in the New Fund Offer (NFO). It focused on increasing SIPs in the equity schemes and reduced the minimum investment amount which is likely to ensure wider participation from retail investors.

### Offshore/Institutions

In terms of client coverage, the AMC constantly engaged with a wide range of offshore institutions and family offices over the past year. During the year, it added two more offshore mandates with a total AUM of ₹4300 Crs. IIFL AMC now has four offshore mandates in a short span of three years.

### Outlook

IIFL AMC's focus will be on increasing its market share in the alternates space while reimagining the way investments are curated, communicated, and offered to investors. With varied offerings and a continuously evolving product suite based on new regulations and guidelines, the AMC believes it is well-placed to capitalise on the opportunities in the offshore as well as domestic market.

### Business priorities include:

- ▶ Focus on expanding range of products and solutions across asset classes to cater to various financial needs of customers,
- ▶ Capitalise on the collaborative team culture, which exists across different asset classes to deepen relationships and design customized products,
- ▶ Focus on maintaining margins while investing in the future in a calibrated manner.



## Distinguished Legacy



**MR. NIRMAL JAIN**  
Founder, Chairman,  
IIFL Group

He holds a PGDM (Post Graduate Diploma in Management) from the Indian Institute of Management (IIM), Ahmedabad and is a rank holder Chartered Accountant and a Cost Accountant. He started his career in 1989 with Hindustan Lever Limited. He founded IIFL Group in 1995, which started as an independent equity research company in India. Over the last 25 years, he has led the expansion of the group, while remaining focused on financial services. The group through four listed entities, has leading presence in India's wealth & asset management, consumer lending, securities trading and discount broking spaces. With an impeccable track record of governance and growth, the group has attracted marquee investors and won accolades internationally.



**MR. R. VENKATARAMAN**  
Co-Promoter, IIFL Group

Mr. R. Venkataraman is the Co-Promoter of IIFL Group and Managing Director of IIFL Finance. He holds a Post Graduate Diploma in Management from IIM, Bangalore and Bachelor in Electronics and Electrical Communications Engineering from Indian Institute of Technology (IIT) Kharagpur. He joined IIFL Group in July 1999. He has been contributing immensely to the establishment of various businesses and spearheading key initiatives of the group over the past 22 years.

He previously held senior managerial positions in ICICI Limited, including ICICI Securities Limited, their investment banking joint venture with J P Morgan of US and Barclays – BZW. He had a stint as Assistant Vice President with GE Capital Services India Limited in their private equity division. He has a varied experience of close to three decades in the financial services sector.

## Board of Directors



**MR. NILESH VIKAMSEY**  
Independent Director,  
Chairman



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



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



**MR. KARAN BHAGAT**  
Managing Director



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



**MS. GEETA MATHUR**  
Independent Director



**DR. SUBBARAMAN  
NARAYAN**  
Independent Director



**MR. PANKAJ VAISH**  
Independent Director



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



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



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

## Key People: Owners Work and Workers Own



### **KARAN BHAGAT**

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

Karan has more than two decades of experience in the financial services industry. He 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 and abroad.

### **YATIN SHAH**

**Co-founder, IIFL Wealth & Asset Management  
Joint-CEO, Wealth Management Business**

Yatin has more than two decades of experience in the financial services industry, across equity research and private wealth management. He focuses on the wealth advisory practice besides client services, marketing and client experiences. He is responsible for introducing the IIFL Wealth & Asset Management proposition to new clients, as well as expanding the relationship with existing clients.



### **ANIRUDHA TAPARIA**

**Joint-CEO, Wealth Management Business**

Anirudha has more than 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.





**ANUP MAHESHWARI**  
Chief Investment Officer,  
IIFL Asset Management

Anup has more than 25 years of experience in financial services and 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.

**ANSHUMAN MAHESHWARY**  
Chief Operating Officer

Anshuman has more than two decades of deep expertise in strategy and business planning, and is reinforcing the company's capabilities to drive performance. His ability to implement large-scale organization transformation and performance improvement is delivering tangible impact for clients and employees. Prior to IIFL Wealth, he was with A.T. Kearney since June 2001, and was last designated as Partner and Lead, Energy & Process Industries.



**VINAY AHUJA**  
Executive Director, Wealth

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 Western and Southern regions, while executing sales strategies nationwide.



## **SHAJI KUMAR DEVAKAR**

**Executive Director, Wealth**

Shaji Kumar has more than 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.

## **ANUPAMA SHARMA**

**Executive Director, Wealth**

Anupama has more than two decades of experience in wealth management with a wide range of expertise in the wealth advising division. She plays a key role in the firm's growth strategy of further expanding wealth operations especially in the West.



## **HIMANSHU JAIN**

**Executive Director, Wealth**

Himanshu heads the Lending 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 two decades of work experience across capital markets, wealth management and lending business.





**GIRISH VENKATARAMAN**  
Head, Estate Planning



**HIMADRI CHATTERJEE**  
Head, Advisory



**NIKUNJ KEDIA**  
Head, Products



**NIRAJ MURARKA**  
Head, Credit Risk &  
Treasury



**ASHISH AHUJA**  
Senior Managing Partner,  
Wealth



**HEMANT LAKHOTIYA**  
Senior Managing Partner,  
Wealth



**SIDHARTHA SHAW**  
Senior Managing Partner,  
Wealth



**VIJEETA SHARMA**  
Senior Managing Partner,  
Wealth



**AAKASH DESAI**  
Head, Private Credit



**AMAR MERANI**  
Head, Real Estate



**A PRAMOD KUMAR**  
Head, Customized  
Managed Portfolios



**NAVIN AMARNANI**  
Head, Hedge Fund



**RADHAKRISHNAN MOHAN**  
Compliance &  
Regulatory Affairs



**NAVIN UPADHYAYA**  
Chief Human  
Resources Officer



**SANJAY WADHWA**  
Chief Financial  
Officer



**SANTOSHI KITTUR**  
Chief Technology  
Officer



**ANU JAIN**  
Head, Equity Advisory



**ANUNAYA KUMAR**  
Head, AMC  
Domestic Sales



**JAPHIA WALKER**  
Client Services



**JIGNESH MODI**  
Compliance,  
Asset Management



**PARINAZ VAKIL**  
Digital



**PAVAN MANGHNANI**  
Strategy & Investor  
Relations



**PRAVIN NADGOUDA**  
Risk, Asset Management



**RAGHUVIR MUKHERJI**  
Risk & Compliance,  
Wealth



**ROHIT BHASE**  
Company Secretary &  
Compliance Officer



**RONAK SHETH**  
Marketing &  
Client Experiences



**SANDEEP JOSHI**  
Legal



**SHUJAAR SIDDIQUI**  
Third Party Products



**VIPUL GALA**  
Operations

The above are in alphabetical order.

# Corporate Social Responsibility: A Catalytic, Innovative Finance Model

To consolidate our efforts towards community development, we established the **IIFLW CSR Foundation** ("Foundation") to design and execute CSR programmes on behalf of the IIFL WAM group entities. The Foundation, implements sustainable and holistic solutions that address critical developmental challenges, deliver exponential social impact, and inspire wider change. In the past year, our flagship initiatives impacted the lives of 48,597 beneficiaries, and we endeavour to multiply that in the upcoming years.

At IIFL Wealth & Asset Management, (IIFL WAM) we strongly believe in inclusive growth and equitable development. We focus on empowering socio-economic progress of underserved communities. We believe in doing what's right. For our stakeholders. For the planet. And for society at large. We are committed to reduce inequality by enabling access to opportunities for marginalised communities - communities that have not been given an opportunity and for those whom such opportunities are unattainable due to monetary or other constraints.

As leaders in the financial sector, we believe in leveraging our core competencies and expertise beyond providing mere funds as part of our responsibility to society. We re-imagined traditional grant-giving and evolved a more catalytic approach with CSR funds deployed to generate a higher social return by unlocking further capital, recycling funds, and a strong focus on outcomes. We vetted and co-curated interventions that use **innovative or blended finance approaches** to maximize impact and enable a multiplier effect to every contribution.



## Collaboration and collective impact - Promoting financial inclusion and access to finance

Even before the COVID-19 crisis, India experienced slower economic growth and rising unemployment – problems that were dramatically accelerated by the pandemic and the ensuing lockdown. The pandemic severely affected the health and livelihoods of millions of Indians. Inequality significantly increased because incomes and savings were almost completely depleted at the bottom of the distribution; bringing more families into poverty. Vulnerable groups and communities were exposed to the economic fallout of the pandemic – lacking credit, savings, or access to measures for support. The multifaceted gaps and challenges of the public healthcare system were also brought to light during this time with Indians struggling to find access to quality and affordable healthcare. From an education standpoint too, millions of children especially from underserved communities were severely impacted. Failure to act will compound the long-term effects of increased poverty traps.

Our focus is to build resilience in marginalised and underserved communities. While we support interventions in livelihoods, healthcare, education, environment and financial inclusion, given our financial domain knowledge and core competencies, we prioritise **financial inclusion as a lever to rebuild livelihoods** of individuals and micro or nano entrepreneurs who struggle to get access to finance.

Another guiding philosophy is to deliver **holistic solutions** - build skills and capacities, overlaid with financial literacy & inclusion. We strive to deliver a paradigm shift in the way micro entrepreneurs and informal workforce participate and progress by creating the necessary bridges between informal & unorganized sector and formal sources of credit. We hope to nudge vulnerable and marginalized communities towards formal lending/banking channels by:

- ▶ Enabling access to affordable capital for the underserved perceived as high risk,
- ▶ Ensuring formality in income for daily wage earners,
- ▶ Ensuring credit history and positive perception on their creditworthiness and in process unlocking long-term financial access,

- ▶ Improving their financial acumen. Encourage a culture of savings,
- ▶ Reducing debt traps of informal lending.

Financial inclusion plays a pivotal role in reducing poverty and is a recognized enabler in achieving at least seven of the UN's Sustainable Development Goals (SDGs). Developing sustainable and holistic livelihood solutions require the collaborative efforts of both public and private sectors as also civic society, so as to ensure that vulnerable communities are set on a path to prosperity.

### Re-imagining traditional grant-giving

The need for innovation in funding is more critical now than ever before to maximise the impact on the ground. We need to think outside the box to stretch our philanthropic contributions further. Today, in the social sector, one often writes a cheque and hopes that outcomes are achieved.

As experts in wealth and asset management, we rose to the challenge and re-imagined traditional grant-giving to adopt a more strategic, impactful, and **outcome-focused model** that generates higher social return. We prioritize grants in **innovative or blended finance** approaches to drive efficiency and effectiveness in funding and deliver exponential impact. Our approach ensures better control over outcomes and increases leverage of grants— by unlocking further capital, recycling funds, and ensuring a strong focus on outcomes. This delivers a multiplier effect in impact and builds sustainable and scalable interventions to uplift livelihoods of underserved.

As complexities in the development sector continue to grow, it is critical to identify unique and innovative solutions that address these multifaceted challenges. We believe there is immense potential in the role that CSR can play in the development ecosystem. While conventionally, CSR has been a grant-based model, we believe that CSR can be elevated to play a more influential role.

The social impact generated through CSR can be made more efficient and catalytic through **outcome-based funding and blended finance**. Outcome-based funding refers to structuring of scalable and effective solutions with a higher focus on results and outcomes. Blended finance leverages philanthropic funds to unlock commercial capital for the project, which enables solutions to be more mainstream and sustainable

in the longer run. While there are different approaches and multiple avenues under these approaches, the goal is to deliver better outcomes and amplify impact for underserved communities through increased leverage of funds deployed for CSR programmes.

Through our CSR programmes, we will promote CSR-compliant solutions that seek to achieve one or more of the following:

- ▶ Pay-for-outcome programmes (results-based financing) which have a strategic focus directed towards maximization of outcomes and impact instead of a focus on inputs ensuring higher accountability on the implementing organisation,
- ▶ Multiply impact by unlocking private or commercial capital that supplement CSR funds in areas that are typically underserved or underfunded resulting in a higher inflow of capital to aid social development projects,
- ▶ Amplify leverage of CSR funds through recycling or revolving of funds thus enabling higher social return through an increase in the number of beneficiaries impacted.

**We will innovate to optimize giving and invite like-minded philanthropists to collaborate with us and deliver collective impact.**



## Snapshots of our impact in action

We vetted and co-curated catalytic, CSR compliant interventions (outcome based funding and blended finance) to maximize impact and enable a multiplier effect to every contribution. For more information on our initiatives, refer to Business Responsibility and Sustainability Report.



Outcome Based, Pay-for-Success, Co-Pay paradigm in partnership with PARFI (Pan-IIT Alumni Reach for India Foundation) to provide best-in-class training and pan-India placement to 1,027 underprivileged youth from Jharkhand.

### Key highlights

- ▶ ~99% of youth from marginalised and vulnerable sections of Society: 29% female candidates
- ▶ Up to 4X increase in earnings of the youth - CTC range offered from ₹11,350 to ₹18,400 per month
- ▶ ~5000 people including family members impacted
- ▶ Improved leverage through co-funding (40% funding by Government and 20% through student loans) which enabled 2.5X students to get trained and placed



A smart financing solution (zero-interest revolving grant) in partnership with Collective Good Foundation and Industree Foundation to provide cash flow and access to working capital for 1,250 vulnerable women artisans from Tirunelveli, Nagapattinam and Madurai districts of Tamil Nadu who lacked creditworthiness and financial footprint to afford loans from mainstream providers. Capacity building training, access to raw materials and market linkages were also provided.

### Key highlights

- ▶ Skill training and livelihood support
- ▶ Average amount of raw material worth and working capital advance - ₹8000 (revolving grant)
- ▶ 18,538 units of products (baskets and wall hangings) and 1,147,214 meters of twisted banana bark rope manufactured from raw banana bark





3

Financial literacy program coupled with positive communication nudges and incentives for on-time repayment of loans and good credit behaviour to ~1500 nano and micro entrepreneurs across Uttar Pradesh, Haryana and Rajasthan in partnership with Collective Good Foundation and Arth.

### Key highlights

- ▶ Trainings on financial literacy to 1,522 participants (746 microentrepreneurs and 776 banking correspondents) leading to improved borrowing behaviour among the women entrepreneurs
- ▶ Financial inclusion and access to commercial capital to the unbanked - average incentive range ~ ₹4000
- ▶ 80.8% of beneficiaries repaid on time and received an incentive



4

Programme in partnership with Raah Foundation to create wealth at the bottom of the pyramid by providing livelihood enhancement skill training, financial inclusion, and requisite capacity building to tribal communities in Palghar district, Maharashtra.

### Key highlights

- ▶ Up-skilling and capacity building of 368 rural micro-entrepreneurs from tribal communities in the areas of financial services, compact farming, tailoring, farm nursery and vermicompost
- ▶ Income enhancement and financial inclusion for underserved communities

5

**Fintech start-ups**

- Entitled
- Upaz
- Micro-equity fund
- Fundfina

*Investment Committee included experts from IIFLWAM and CIIE.CO*

 <small>Pavan Manghnani Strategy &amp; Investor Relations</small>	 <small>Saumya Lashkari Director - IIFLW CSR Foundation</small>	 <small>Sanjay Wadhwa CFO - IIFLWAM</small>
 <small>Priyanka Chopra COO and Managing Partner Seed Investing, Bharat Fund, CIIE.CO</small>	 <small>Saras Agarwal Principal, Bharat Fund</small>	 <small>Sandeep Koujalgi SVP - Programs, CIIE.CO</small>

Fintech Incubator in partnership with India's leading inclusive fintech incubation platform at IIM-A called CIIE.CO: Provides transformational support to four inclusive lending startups serving Low- & Middle-Income segments.

### Key highlights

- ▶ Capital infusion to enable startups to validate and scale innovative inclusive lending models - ~16,000 loans cumulating ~₹10.6 Crs disbursed to Low- & Middle-Income segment beneficiaries through the four start-ups
- ▶ Identify challenges and aid start-ups, address their challenges through mentoring and training sessions, ecosystem connects, fund raising





6

Vaccination programme over 9 months in partnership with United Way Bengaluru to vaccinate 26,316 micro-entrepreneurs in Bengaluru from marginalized backgrounds like daily wage workers and hawkers.



7

A 10-year carbon sequestration project with Grow-Trees for plantation and maintenance of 46,500 saplings across 20 hectares in the periphery of Dalma Wildlife Sanctuary, Jharkhand. Apart from sequestering ~3845 tCO<sub>2</sub>, through the course of the project, mitigation of land degradation and improvement in soil quality will also be achieved. The project also enhances livelihoods of tribal communities who depend on forest resources to supplement their income.



8



### Education projects

The education portfolio aims to improve learning outcomes (STEM and early grade literacy) in underprivileged school children across in three states - Maharashtra, Haryana, and Karnataka.

### Key highlights

- ▶ **STEM Shakti programme in partnership with Learning Links Foundation:** Promote innovation mindset and 21st-century skills by upgrading and increasing access to quality learning. Setup of Tinkering Hubs/Labs for hands-on learning, upgrade teaching-learning and curriculum development. ~8,000 grade 6-12 students, 250 teachers, 40 government or low-income schools
- ▶ **STEM programme in partnership with Swami Vivekananda Youth Movement:** Provide tech-enabled solutions and experiential classroom session to increase learning outcomes. 1500+ grade 3-10 students, 10 govt schools, 2 centres
- ▶ **Early Grade Literacy programme in partnership with Language & Learning Foundation:** Improve early language learning through enhanced community and parental engagement. ~10,000 grade 1,2,3 children, 124 government primary schools

## Environmental, Social, Governance (ESG)

At IIFL Wealth Management Limited, we firmly believe that a strong Environmental, Social, Governance (ESG) proposition can create value for all our stakeholders and deliver our sustainability goals. Our **Business Responsibility and Sustainability Report** ("BRSR") encapsulates our commitment to ensuring our business operations are economically, socially, and environmentally sustainable and aligned with the demands of our stakeholders.

The disclosures in the BRSR have been guided by the principles as per the National Guidelines on Responsible Business Conduct (NGRBC) that were released by the Ministry of Corporate Affairs (MCA), Government of India in 2018.

**Refer our detailed Business Responsibility and Sustainability Report, which forms a part of this Annual Report.**



# Client Events & Experiences

## Our Intellectual Property Events

### ACE



ACE – Act. Change. Emerge; is a series of web talks featuring legends of Indian businesses and their stories of sustenance, strategy, survival, and success. IIFL Wealth in partnership with Hurun India, interacted with some of the most enterprising leaders in India. The ACE series brings stories of grit, resilience and forging ahead in these unprecedented times from decision-makers such as Dr. GSK Velu, Founder & MD, Trivitron Healthcare, Nitish Mittersain, CEO & MD, Nazara Technologies and Divyank Turakhia of Media.net.

### India Investment Ecosystem Report



The India Investment Ecosystem Report, published by IIFL Wealth in partnership with VCCEdge encapsulates an overview of private equity investments, funds and exits. It also highlights the mergers and acquisitions deals conducted while mapping out the start-up ecosystem and their contribution to PE investments. The India Investment Ecosystem Report has identified various patterns of impact on the economy caused by the pandemic-defined year. The big-ticket deals influenced a marginal uptick in private equity (PE) investments. The report offers a deep dive into the existing funding landscape and identifies trends that can translate into areas of opportunity and growth.

### DIVE



DIVE is IIFL Wealth's flagship event for young future leaders and next-gen entrepreneurs to come together, exchange ideas and gain insights from India's best innovators, entrepreneurs, CXOs and business leaders. DIVE 2022, our third edition was replete with exciting entrepreneurial stories, networking opportunities, life-enhancing conversations, shared experiences, fun and entertainment. Industry leaders and disruptors shared their success stories, life experiences and insights on the challenges and opportunities that lie ahead for young trailblazers eager to take the lead. The topics covered varied from entrepreneurial journeys, new-age tech-led disruption, financial well-being, digital innovations and many more.

## Masterclasses & Webinars



**IIFL WEALTH**

IIFL Wealth cordially invites you for a deep dive into the world of private and public equity markets.

We are bringing together the top fund managers of the country in the listed and unlisted investment space.

Please join us for a power-packed discussion with



**Sunil Singhania**  
Founder, Abakkus Asset Manager LLP

**21 December | 7 PM**  
Followed by Cocktails and Dinner at Sapphire Ballroom, Taj Krishna, Banjara Hills, Hyderabad.

We look forward to seeing you there!



**IIFL WEALTH** | **WORLD GOLD COUNCIL** | **ASSET CLASS MASTERCLASS LIVE WEBINAR**

**RELEVANCE OF GOLD AS A STRATEGIC ASSET IN CURRENT TIMES**

TUESDAY, 22ND JUNE 2021 | 5PM

IIFL Wealth & World Gold Council invite you to an insightful exchange of perspectives on gold as a strategic investment asset in 2021. Also joining this conversation will be a Fund Manager from India's largest Gold ETF Fund, to offer you an Indian perspective.



Mr. John Reade  
Chief Market Strategist, World Gold Council



Mr. Vikram Dhawan  
Head, Commodities & Fund Manager, Nippon India Mutual Fund

In conversation with  
Mr. Viral Shah  
Executive Vice President, Head Commodities and Forex

**JOIN ON ZOOM**



**IIFL WEALTH**

**30 MINUTES**

Your Passport to Global Equity Investing

**Live in 5 minutes**



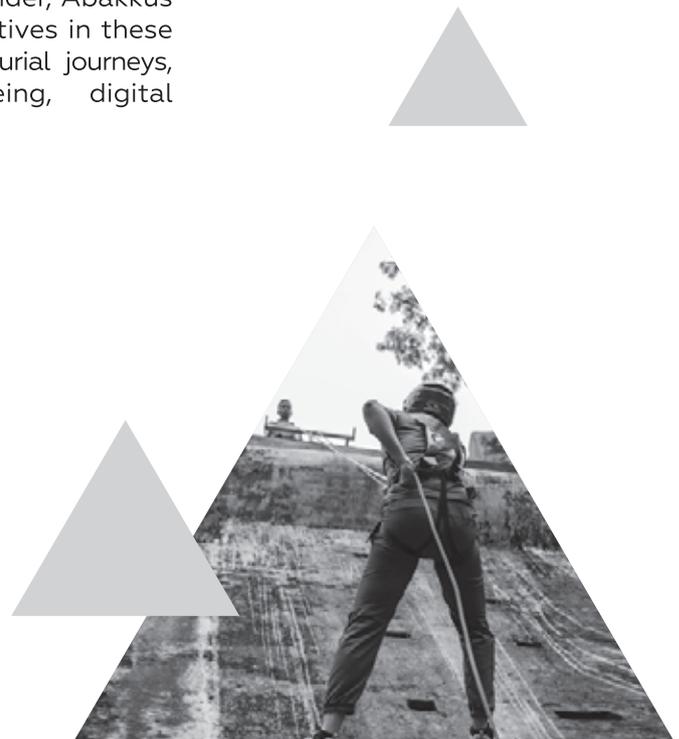
PRAMOD KUMAR & ASSOCIATES

4:00 PM | DEC 2021

**JOIN NOW**

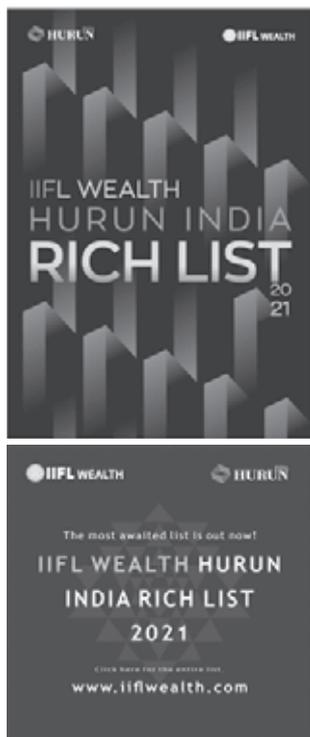
www.iiflwealth.com

IIFL Wealth presented a series of Masterclasses on various themes aimed at offering insights into several asset classes as well as global investment avenues. Several authoritative voices from the world of finance and business such as Mr. John Reade, Chief Market Strategist, World Gold Council, Sunil Singhania, Founder, Abakkus Asset Manager LLP and others shared their perspectives in these series. The topics covered varied from entrepreneurial journeys, new-age tech-led disruption, financial well-being, digital innovations and many more.



## Alliances & Partnerships

### Hurun Rich List



IIFL Wealth in collaboration with Hurun Report India released the IIFL Wealth Hurun India Rich List 2021 in September. This is the 10th annual ranking of the richest individuals in India. The purpose of this list is to try and tell the story of modern India through the stories of India’s most successful entrepreneurs. 1,007 individuals, across 119 cities, have ₹1,000 Crs on the IIFL Wealth Hurun India Rich List 2021. Key facts from the list that stand out are the rise of women wealth creators, the reduction in average age, and the inclusion of Tier 2 cities such as Pune, Rajkot and Surat in the top 20. For us at IIFL Wealth, these factors are already translating into newer solutions and strategies around the wealth management business.

### ACT – Covid-19 relief

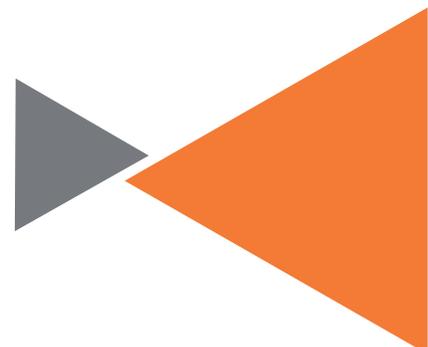


IIFL Wealth & Asset Management in partnership with ACT Grants committed ₹2.5 Crs from its own funds for boosting the vaccination drive and necessary measures to fight Covid-19. IIFL WAM has also reached out to its clients, associates, friends and families to raise further funds for this noble cause. IIFL WAM and ACT Grants have initiated a fund-raising platform pledged for a long-term vaccine solution following a three-pronged strategy for vaccination, that will address – availability: by procuring vaccines through foreign sourcing, second on increasing awareness: partnering with media companies and brands to drive a nationwide vaccination advocacy campaign and finally on administration: by entering partnerships with established hospitals and creating model districts to build herd immunity.

### OTC



Off The Cuff, or OTC, is a series of candid talk shows organized in collaboration with The Print and was launched in January 2016. The event is hosted as an on-ground and digital event anchored by eminent journalist Shekhar Gupta in conversation with a distinguished guest. 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.



# Alliances & Partnerships

## Entrepreneurs' Organization



EO is a global, peer-to-peer network of more than 16,500 influential business owners with nearly 220 chapters across 60+ countries. Founded in 1987, EO is the catalyst that enables leading entrepreneurs to learn and grow, leading to greater success in business and beyond. We are pleased to be associated with several local chapters including Indore and Bhopal in the last financial year. These chapters provide EO members with a local resource to learn and grow, including access to executive-education events, networking opportunities and mentorship programs.

## Young Presidents' Organization



YPO is a global leadership community of more than 29,000 chief executives in 130 countries who are driven by the belief that the world needs better leaders. YPO members become better leaders and better people through peer learning and exceptional experiences in an inclusive community of open sharing and trust. IIFL Wealth is proud to partner with YPO at their local chapter events where peer leaders are committed to lifelong learning and an exchange of ideas.



## Curated Experiences

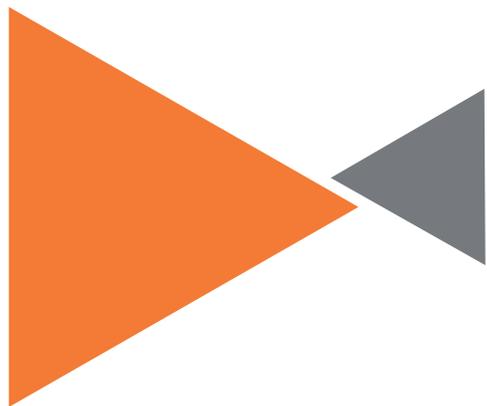


A celebration of our clients' entrepreneurial spirit at Bastian, Mumbai.

We organized a tour of the Dubai Expo with VIP Access for our clientele along with an exclusive invite to the ICC T20 Men's World Cup India vs Pakistan match.



We hosted an interactive session in Dubai with cricketing legend Kapil Dev who was in conversation with ace anchor Samir Kochhar.



# In the Media

## Expectations of new investors in the stock market are unreal ET Wealth, Oct 2021

**Anirudha Taparia**, Joint CEO, IIFL Wealth shares that investors should set expectations in line with long-term returns from equity markets.

### “Expectations of newcomers in the stock market are unreal”

Even as the stock market is scaling new highs, earnings of companies are also growing every quarter. That is a good sign for investors, Anirudha Taparia tells **Sanket Dhanorkar**.



Anirudha Taparia  
Joint CEO,  
IIFL Wealth

Over the last few months, we have seen a lot of new investors coming into the market. This is a good sign for the market, but it also means that expectations are being set very high. As a professional investor, I believe that the market will continue to grow, but it will be a long-term process. Investors should not expect overnight riches. They should focus on long-term wealth creation. The market is currently in a bull phase, but it will eventually correct. Investors should not panic during such corrections. They should stay invested and focus on their long-term goals. The market is a great place to invest, but it requires patience and discipline. Investors should not let their emotions drive their decisions. They should stick to their investment strategy and not get swayed by market noise. The market is a reflection of the economy, and it will continue to grow as the economy grows. Investors should focus on the underlying value of the companies they are investing in. They should not get carried away by short-term price movements. The market is a long game, and investors should play it accordingly. They should not let their expectations get in the way of their investment decisions. They should focus on the long-term benefits of equity investments. The market is a great place to invest, but it requires a long-term perspective. Investors should not let their expectations get in the way of their investment decisions. They should focus on the long-term benefits of equity investments.

What is your reading of the market today? The market is currently in a bull phase, but it will eventually correct. Investors should not panic during such corrections. They should stay invested and focus on their long-term goals. The market is a great place to invest, but it requires patience and discipline. Investors should not let their emotions drive their decisions. They should stick to their investment strategy and not get swayed by market noise. The market is a reflection of the economy, and it will continue to grow as the economy grows. Investors should focus on the underlying value of the companies they are investing in. They should not get carried away by short-term price movements. The market is a long game, and investors should play it accordingly. They should not let their expectations get in the way of their investment decisions. They should focus on the long-term benefits of equity investments.

## How to protect gains from equity market amid the ongoing bull run Livemint, July 2021

By **Anu Jain**, Head, Equity Advisory

### How to protect gains from equity market amid the ongoing bull run

Experts advise on whether it is good to stay invested or to book some profits even as the market rally continues

By Anu Jain



There are no equity investors who are not looking for a return on their investment. It is a natural instinct. However, it is important to set realistic expectations. The market is currently in a bull phase, but it will eventually correct. Investors should not panic during such corrections. They should stay invested and focus on their long-term goals. The market is a great place to invest, but it requires patience and discipline. Investors should not let their emotions drive their decisions. They should stick to their investment strategy and not get swayed by market noise. The market is a reflection of the economy, and it will continue to grow as the economy grows. Investors should focus on the underlying value of the companies they are investing in. They should not get carried away by short-term price movements. The market is a long game, and investors should play it accordingly. They should not let their expectations get in the way of their investment decisions. They should focus on the long-term benefits of equity investments.

Should you sell? It depends on your investment goals and risk tolerance. If you are a long-term investor, you should stay invested. If you are a short-term investor, you may want to book some profits. However, it is important to remember that the market is a long game. Investors should not let their emotions drive their decisions. They should stick to their investment strategy and not get swayed by market noise. The market is a reflection of the economy, and it will continue to grow as the economy grows. Investors should focus on the underlying value of the companies they are investing in. They should not get carried away by short-term price movements. The market is a long game, and investors should play it accordingly. They should not let their expectations get in the way of their investment decisions. They should focus on the long-term benefits of equity investments.

How to protect gains? Investors should consider diversifying their portfolios. They should not put all their eggs in one basket. They should invest in a mix of stocks and bonds. They should also consider investing in international markets. Diversification can help reduce risk and protect gains. Investors should not let their emotions drive their decisions. They should stick to their investment strategy and not get swayed by market noise. The market is a reflection of the economy, and it will continue to grow as the economy grows. Investors should focus on the underlying value of the companies they are investing in. They should not get carried away by short-term price movements. The market is a long game, and investors should play it accordingly. They should not let their expectations get in the way of their investment decisions. They should focus on the long-term benefits of equity investments.

## Karan Bhagat dwells on quarterly results and the sustainable growth witnessed in ARR CNBCTV18, Aug 2021

## IIFL Wealth CEO Karan Bhagat On The NBFC Business CNBCTV18, May 2021

**Karan Bhagat**, Founder, MD and CEO, IIFL Wealth & Asset Management, shares more on the earnings and NBFC business in CNBCTV18's Bazaar Open Exchange segment.

IIFL WEALTH Q1	OPTG PROFIT	UP 15% QoQ
IIFL WEALTH MANAGEMENT	REV. MARGIN BEAT EST	
Q1FY22 (QoQ)	HPCL	264.60
- Total AUM at ₹2.35 lk cr vs ₹2.07 lk cr, ▲14%		- 7.65
		- 2.81%
IIFL Wealth ASSET 1543.55 2.90%	On CNBC-TV18	Nifty 50 Aug 16245.00
	ARR Revenue Showed Biggest Growth At 8-9% (QoQ)	IBX Prem 4.70
587.00 ▲ 0.75	Castr 244.23 138.90 ▼ 1.05	CenB
Textrall 521.91 36.00 ▼ 1.00	Thycare 102	

PRE-OPENING	2 M 38 S 1	Canara Bank
IIFL WEALTH		TATA MOTORS
TOTAL OPTG INCOME (₹ CR)	414	Earnings Fingerprint
10%	374	Operational Strong As Expected
Q4FY21 (QoQ)		#4QWithCNBCTV18
PI Industries	Stocks To Watch	
2741.50 Unch	PI Ind: Revenue Up 40%, Profit Rises 62% YoY	
		TV18



## 6 trends in HNI investing in current environment

Moneycontrol, May 2021

By Vinay Ahuja, ED, IIFL Wealth

**6 trends in HNI investing in current environment, as observed by Vinay Ahuja of IIFL Wealth**

VINAY AHUJA  
MAY 15, 2021 02:09 AM IST

We are currently navigating a low rate and high-risk environment. HNIs are now re-aligning their investment strategies to mitigate risk and increase their cash reserves in order to capitalise on emerging opportunities.

## Entered the unicorn club? Here are the 6 things you need to do next

YourStory, Aug 2021

By Yatin Shah, Co-founder, IIFL Wealth & Asset Management, Joint-CEO, Wealth Management Business

**YOURSTORY**

"Your first liquidity event is when you must proactively start thinking about your present and future needs."

**Yatin Shah**  
Co-Founder & Joint CEO, IIFL Wealth

## Managing Wealth, Looking Ahead

Fortune India Wealth Roundtable, Jan 2022

Yatin Shah

**“** In Fortune India's Wealth Roundtable, Yatin Shah of IIFL Wealth, shares his outlook for investments in 2022.

Yatin Shah  
Co-Founder & Joint-CEO, IIFL Wealth

**IIFL WEALTH & ASSET MANAGEMENT**

## Rise in inflation may hit liquidity flow to equities

Business Standard, July 2021

Interaction with Anirudha Taparia

**'Rise in inflation may hit liquidity flow to equities'**

The market rally has been fuelled by liquidity, which has found its way into financial assets, says **ANIRUDHA TAPARIA**, joint chief executive officer, IIFL Wealth. With a low interest rate and low inflation scenario, he says Anirudha Taparia is an investor, the party in equities is likely to continue. Edited excerpts

**What do you make of the market movement this year?**  
The market rally has been fuelled by liquidity, which has found its way into financial assets. The US Federal Reserve has, in the last 15 months, pumped in \$3 trillion of liquidity, expanding its balance sheet from \$4 trillion to \$7 trillion. With a low interest rate and low inflation scenario, the party in equities is likely to continue. However, inflation is a key risk to watch out for, since it could threaten the low interest rate regime and, consequently, have a degree of impact on the liquidity that flows into equities.

**What are your views on mid- and small-cap stocks at this juncture?**  
When the market tide changes for the positive, large caps take the lead. This is generally followed by mid- and small-cap investors should not get swept away by market momentum. Instead, look to find deep value by identifying relevant long-term themes available at compelling valuations. Themes that can play out well include capex-related turnaround stories and tech businesses.

**Has the risk-on sentiment returned among wealthy investors?**  
The investment decisions of our clients are primarily driven by their asset allocation strategy, which takes into consideration their wealth preservation and growth requirements, along with their risk profile. Consequently, it automatically adjusts for risk. Interest in structural products, especially in the current low interest rate scenario, continues to be strong. Further, there is also interest in pre-IPO investing. However, such allocations are usually limited to 5-6 per cent of the portfolio. Also, in a low-yield environment, inevitably investors are looking for better risk-adjusted returns. These investment decisions are made from a portfolio perspective. Investors who have the stomach for risk are showing interest in credit risk funds and private equity. Such allocations usually do not exceed 5 per cent of the portfolio.

**Are wealthy investors increasingly looking to create global portfolios?**  
Wealthy individuals in India have shown a propensity to invest in global assets. The culture of global investments stems from the diversification benefits they offer.

**Between 2020 and 2021, absolute returns were about 300 per cent, while CRPSOC generated 100 per cent. The rupee started the decade at 46.55 a dollar and closed at 75.38. In the 92-year period, the dollar appreciated about 53 per cent against the rupee. With the dollar gains on your CRPSOC investments, the absolute returns would be closer to 400 per cent. This translates into an outperformance of over 200 per cent.**

**How has digitisation changed the wealth management business?**  
We cannot achieve face-to-face interactions in favour of digitisation. Digitisation, however, is playing an integral role in making portfolio analysis and insights available to clients seamlessly.

**The growth in distribution-based products has faced some consolidation due to IIFL. One, how are you addressing the issue?**  
Our primary focus remains to grow our AUM assets. Whether that happens via assets that earn trust commissions as a distributor or as a part of IIFL. One offering makes just marginal difference to our larger aim. IIFL has been a pioneering initiative to give clients an option to implement a pure fee driven wealth management model. This has been very successful in other parts of the world. We don't really think of this as consolidation but rather a move towards the future.

**ANIRUDHA TAPARIA**  
Joint Chief executive officer, IIFL Wealth

**AKR** on business standard.com

## 10 ways to restructure your portfolio for trying times

Economic Times, May 2021

By Shaji Kumar Devakar, ED, IIFL Wealth.

**By Shaji Kumar Devakar**

Undeniably, we are currently navigating tough times. However, we all know that tough times don't last, but tough people certainly do. Similarly, when it comes to investments, tough portfolios definitely stand the test of market and economic volatility. The pandemic has put the spotlight on the importance of health and financial safety. While you exercise and eat right to ensure good health, here is a list of 10 imperatives that can keep your portfolio healthy and ready for the future.

**1) Have a diversified portfolio**  
The only thing certain about investing is that asset price movements remain uncertain in the short-term. There are periods that some assets go up while others go down and periods when the opposite happens. By creating a diversified portfolio, you can ensure that the sharp movements of any one asset class do not have an inordinately large impact on your portfolio. So, as you restructure your portfolio in the aftermath of the COVID-19 pandemic, ensure that you spread your investments across multiple assets classes that have little or no correlation with each other and can meet

**RELATED**

Keep 10-15% of assets in physical gold, avoid Bitcoin: Mark Mobius

Dollar Street looks too risky? Here's how to generate alpha

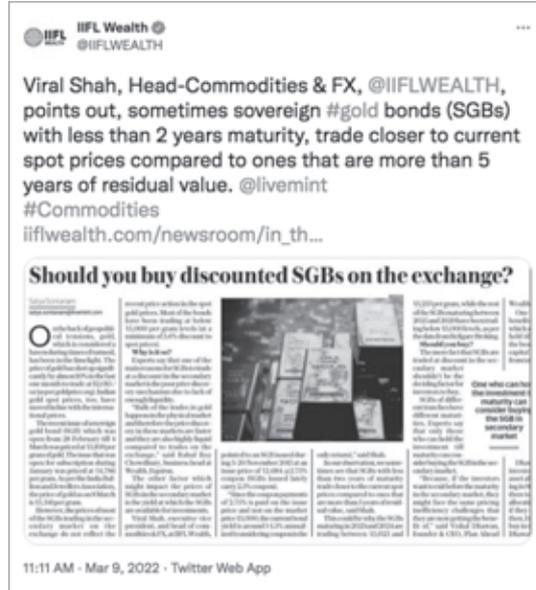
Tanks to Cypriot, the pandemic's hot favourite stock

Smealcop raises eyebrows with 1,440% surge in a year. What's cooking?

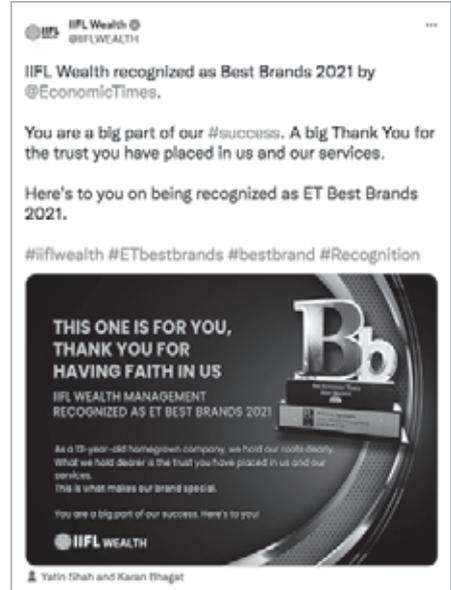




IIFL Wealth's Twitter post on Womens' Day



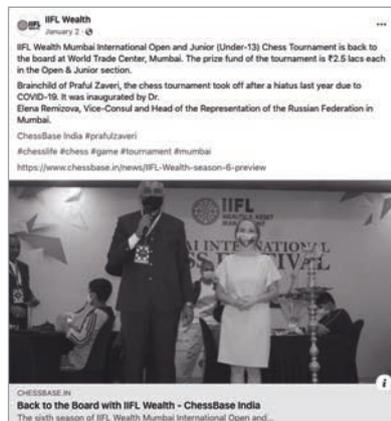
Viral Shah, Head-Commodities, IIFL Wealth on Sovereign Gold Bonds



IIFL Wealth recognised as Best Brands 2021 by The Economic Times



Vinay Ahuja, ED, IIFL Wealth on investment trends in the wealth management industry



IIFL Wealth Mumbai International Open and Junior (Under-13) Chess Tournament at World Trade Center, Mumbai





**120 Awards**  
**14 Years**  
**1 Name**

# Awards & Accolades





# Board's Report

# Board's Report

To the members of

## IIFL WEALTH MANAGEMENT LIMITED

Your Directors have pleasure in presenting the **Fifteenth Annual Report** of IIFL Wealth Management Limited ("the Company") together with the Audited Financial Statements for the year ended March 31, 2022.

### 1 FINANCIAL RESULTS

The highlights of the financial results for the year under review, are as under:

#### Consolidated Financial Results

Particulars	(₹ in Mn)	
	2021-22	2020-21
Gross Total Income	20,778.32	16,590.20
Less: Expenditure	13,265.32	11,740.96
Profit / (Loss) Before Taxation	7,513.00	4,849.24
Less: Taxation - Current	1,112.16	1,239.61
- Deferred	623.46	(82.29)
<b>Net Profit / (Loss) After Tax</b>	<b>5,777.38</b>	<b>3,691.92</b>
Other Comprehensive Income	39.91	1.18
<b>Total comprehensive income for the year (Comprising profit and other comprehensive income for the year)</b>	<b>5,817.29</b>	<b>3,693.10</b>

#### Standalone Financial Results

Particulars	(₹ in Mn)	
	2021-22	2020-21
Gross Total Income	5,947.67	7,667.61
Less: Expenditure	1,404.57	1,011.43
Profit / (Loss) Before Taxation	4,543.10	6,656.18
Less: Taxation - Current	135.76	211.46
- Deferred	318.93	41.02
<b>Net Profit / (Loss) After Tax</b>	<b>4,088.41</b>	<b>6,403.70</b>
Other Comprehensive Income	(6.56)	0.48
<b>Total comprehensive income for the year (Comprising profit and other comprehensive income for the year)</b>	<b>4,081.85</b>	<b>6,404.18</b>

### 2 REVIEW OF BUSINESS AND OPERATIONS

Total Assets under management including custody assets are ₹ 3,27,237 Crs as on March 31, 2022.

The wealth management business has client assets of ₹ 2,06,170 Crs, excluding custody assets. Custody assets were an additional ₹ 65,493 Crs. while the Asset Management business has ₹ 55,574 Crs of assets under management as on March 31, 2022 of which ₹ 30,997 Crs are AIF Assets, ₹ 18,505 Crs are PMS (Portfolio Management Services) and SMA (Specially Managed Accounts) Assets and ₹ 4,519 Crs are Mutual Fund assets.

Continuing focus on increasing Recurring Revenues has resulted in an increase in ARR generating assets

by 41.6% to ₹ 1,44,432 Crs and an increase in Recurring revenues by 56.4% YoY to ₹ 912 Crs.

IIFL-One has been well received by clients with Assets Under Management increasing by 17.1% YoY to ₹ 32,724 Crs and Revenues increasing 63.1% YoY to ₹ 90 Crs.

Total Net flows during the year were ₹ 31,422 Crs. Net Flows in Wealth Management were ₹ 19,464 Crs and ₹ 11,957 Crs in Asset Management.

Total Consolidated Revenue for the year was up 45.8% YoY at ₹ 1,535 Crs, as compared to ₹ 1,053 Crs for FY 21, while Revenue from Operations, was up 52.7% YoY at ₹ 1,398 Crs.

Overall Retention on Total Revenue stood at 63 bps and Retention on Revenue from Operations was 57 bps. Retention on Wealth Management Assets was 53 bps and Retention on Asset Management Assets was 73 bps.

Overall Costs for the year were up 38.1% to ₹ 784 Crs. Employee Costs were up 44.1% YoY at ₹ 602 Crs, of which, Fixed Employee costs were at ₹ 304 Crs and Variable Employee costs were at ₹ 267 Crs.

Admin and Other expenses increased 21.3% YoY to ₹ 183 Crs. Operating PBT (OPBT) was up 76.7% YoY to ₹ 614 Crs. Profit before tax (PBT) for the year was up 55% YoY to ₹ 751 Crs.

Profit After Tax (PAT) for FY22 was up 57.5% at ₹ 582 Crs from ₹ 369 Crs in FY21. Average Net worth in FY22 stood at ₹ 2,882 Crs as against ₹ 2,953 Crs in FY21. This was largely on account of a Dividend pay-out of ₹ 55 during the year.

Return on Equity (RoE) for the year was at 20.2% and RoE Ex-Goodwill & Intangibles was 24.7%

The Company is a Category I Merchant Banker registered with Securities and Exchange Board of India ("SEBI") pursuant to SEBI (Merchant Bankers) Regulations, 1992 and also holds certificate of registration as a Research Analyst pursuant to SEBI (Research Analysts) Regulations, 2014.

### 3 MACROECONOMIC OVERVIEW

#### Year in review

The year 2021 started with the promise of hope as the world welcomed the COVID 19 vaccine and a mass vaccination drive started across most of the major countries in the world. From that perspective, India has made significant progress and holds the distinction of having vaccinated a majority of its population. Buoyed by positive sentiment, a rush of pent up demand, and signs of tepid recovery, the stock markets in India, and the world, continued to make a steady ascent.

Correspondingly, the flows through Systematic Investment Plans (SIPs) and new demat accounts increased at an unprecedented rate as more investors entered the stock market to take advantage of the buoyancy. However, towards the end of the calendar year 2021, risks started emerging in the form of heightened inflation and increasing interest rates. Further, markets plunged, and crude oil increased sharply in response to Russia's invasion of Ukraine.

#### Global Inflation

Steadily rising inflation became a bane for the global economy and compelled central banks across the globe to raise interest rates to stem its rise. While initially most central banks prioritised growth over controlling inflation, heightened levels of price increase became a major cause for concern. From a low of around 1.4% in 2020, inflation rate in the United States (US) rose to 7% in 2021 and then increased further to 8% in 2022,

registering a 40 year high of 8.5%.<sup>1</sup> Correspondingly, inflation rates across the globe increased at a similar clip. Inflation rate in Germany in April 2022 rose to a 41-year high of 7.40%<sup>2</sup> while in the United Kingdom, March 2022 inflation scaled to a 30-year high of 7%<sup>3</sup>. To combat inflation, the US Federal Reserve kick started the increasing rate regime and most global central banks, including India's Reserve Bank of India (RBI) followed suit. However, a key point to note is that even though inflation in India is rising and the RBI has already started increasing interest rates, it is so far not as big a concern as it is globally. A closer look at the inflation print, will show that the increase in inflation is primarily due to increasing food and fuel prices. While the former can be meaningfully dealt with in the wake of a good monsoon season, the latter might continue to be a concern in the short term. A quick look at India's inflation trajectory will show that despite a recent spike, inflation rates in India continue to be significantly lower than the highs witnessed in the past. In a fast-growing economy like India, where incomes and consumption are increasing at unprecedented rates, some amount of inflation is inevitable. From that perspective, Indian businesses currently seem well-positioned to absorb moderate rate hikes and continue their growth trajectory.

#### FUTURE BUSINESS OUTLOOK

The economic landscape, over the last few months, has been affected by a variety of geopolitical factors and macro environment alterations, leading to an unexpected rise in both inflation and interest rates. This has led to concerns regarding the short-term outlook and high volatility across asset categories. We believe that many of these challenges are transitory in nature and remain positive on the medium and long-term opportunities offered by the Indian economy. Further, our focus on the three key tenets of strategy, growth, resilience and agility has enabled us to weather the storm efficiently and prepare for the possibilities that lie ahead.

Considering the growth tenet, we can confidently state that we have been fortunate enough to be a part of one of the greatest wealth creation cycles that India has witnessed and, going ahead, we expect these opportunities to continue, at least in the foreseeable future. The market size is expanding exponentially, given the fact that the wealth commandeered by the ultra HNI and HNI categories continues to increase at an unprecedented speed. Additionally, we are not only seeing growth in absolute wealth but also witnessing wealth creation in tier 2 and tier 3 cities. Given our vintage, robust platform, deep understanding of client requirements, and the expertise of our team, we are well-positioned to leverage emerging opportunities in lower tier cities and capture a large market share in these pockets. Further, our focus on building digital capabilities has also enhanced our position in terms of expanding our customised wealth management solutions to untapped segments.

1 Inflation 40 year high: CPI March 2022 hits 8.5% annually (usatoday.com)

2 Inflation rate at +7.4% in April 2022 - German Federal Statistical Office (destatis.de)

3 LONDON BRIEFING: UK inflation rate hits 30-year... | Morningstar



The next strategic tenet we follow is resilience and this is visible in the continuous efforts we have put in, over the last few years, to foster business-wide resilience in the face of unprecedented shocks and volatility. We are focused on ensuring resilience against both market driven and event-based volatilities and ensure that business continues to grow at a steady clip. A key factor supporting this resilience is the bold move we made in 2019 to move our revenue recognition model from a transaction driven or upfront commission-based model to a more resilient management fee or annuity distribution commissions based model. While the adoption of this approach was slow, it has accelerated in the recent past with today a major part of AUM and revenues stemming from the recurring fee model. This has enabled us to transition to the forefront of the evolving industry dynamics while also boosting client acceptance and appreciation. We have witnessed a surge in both AUM and revenue growth in FY22, along with a strong rise in profitability. Our ARR assets have grown 41.6% along with a corresponding growth of 56.4% in ARR. Currently, we are almost at the fag-end of this transition and we aim to move ahead with a steady state model in the future.

The pandemic has reiterated the imperative nature of agility when it comes to sustaining businesses and organizations and, therefore, agility is the third key tenet of our strategy. As a business, we have been historical frontrunners when it comes to product innovation and customising client-based product structures aligned with both market ups and downs. Our well-equipped, full-service platform, featuring both wealth and alternate success management systems, enables us to constantly engage our clients in a fruitful and sustainable manner, building confidence and enhancing recall. We are also exceptionally agile when it comes to offering differentiated solutions for the disparate needs of our clients, ensuring brand loyalty and customer retention despite volatile environments. Further, we are engaged in consistent digital and technological platform upgrades to ensure seamless transactions for customers and facilitate robust productivity throughout the organisation.

Our ceaseless efforts at staying true to these core tenets have positioned us at the juncture of rapid growth and value creation for all the different stakeholders and we are poised to unlock enormous potential for our clients, employees, and investors. We have also maintained a keen eye on boosting cost and productivity enhancements across the organization and these efforts have now begun to show positive results. We have undertaken initiatives such as cost reduction, technology deployment and strategic outsourcing to bolster the strategy of the organization in the most optimal manner while ensuring benefits of scale. Accordingly, our cost to income ratios have indicated a steady decline and we are positive that these initiatives will offer us operating leverage in the near future, along with significantly improving the firm's productivity. Going ahead, we will maintain our focus on sustainably bolstering core organizational aspects such as Digital, Compliance and

Risk. We are also keen on expanding and consolidating our market position while also driving enhancements in our platform and differentiated solutions.

We can confidently assert that our unique approach to strategic wealth management has enabled us in retaining our clients and bolstering our AUM and we will continue investing across our people, products, technology, and compliance sectors to foster the best client-service platform aimed at preserving and growing wealth in a sustainable manner. We will also maintain the correct balance between wealth creation and wealth preservation by leveraging our expertise and inviting client involvement in the process. We will also continue to create a synergy between traditional values and new-age technology to resiliently meet our clients' needs for today and tomorrows. As an experienced organisation propelled by time-tested strategies and novel technology, we will remain committed to building a premium team driven by innovation, knowledge, and expertise.

## EQUITY MARKETS

Growing optimism around the global economic recovery, persistent drop in new cases and the progress of vaccination drives supported the global equity markets in 2021. Vaccination roll-outs across the globe and continued economic recovery kept investor and consumer sentiment buoyant. The Hang Seng Index (Hong Kong) and Nikkei 225 Index (Japan) were down by 21.7% and 3.9%, last year. This correction can mainly be attributed to the Russia-Ukraine war and the resulting price pressures on crude oil and various other commodities exported from these countries. European equities suffered from a relatively slow roll-out of COVID-19 vaccines, political uncertainty in Italy, and slower economic recovery amid lockdown restrictions. Brexit uncertainty along with a second wave of virus infections have battered the UK, with the FTSE 100 Index being the slowest performing regional equity market.

Meanwhile, Indian equity markets outperformed the broader Emerging Market (EM) indices, with the Nifty 50 increasing by 19.1% and Nifty 500 by 22.2% in the 12 months ending March 2022. Persistent traction in foreign flows and brighter domestic economic outlook as reflected through steady improvement in several high frequency indicators and better than expected Q4 FY 2020-21 corporate earnings also kept investor sentiment buoyant. This was further supported by stimulus measures announced by the Government and liquidity measures adopted by the RBI.

A surge in trading by retail investors and Foreign Institutional Investors (FIIs) fueled a rally in equity markets post the sharp correction of March 2020. FIIs were net sellers in FY21-22 to the tune of USD 16 billion as against net buyers to the tune of USD 36.18 billion in FY20-21, an all-time high.<sup>4</sup> Unlike the FIIs, the Domestic Institutional Investors (DIIs) were net buyers to the tune of USD 26.8 billion.

4 <https://www.fpi.nsdli.co.in/Reports/Yearwise.aspx?RptType=5>

Today, India stands at the cusp of transformative growth and at the start of an economic super cycle as its external dependencies reduce further and the country becomes increasingly self-reliant. According to IMF data as of April 2022, India's GDP growth rate is projected to be 8.2% in FY23. While the growth rate has been revised marginally downwards, India continues to be one of the better performing economies across the globe. Overarching factors that are likely to give a fillip to economic growth in India include growing strength in export demand, increased focus on indigenous production, domestic demand gaining traction, and a revival in housing. These elements will act as catalysts for the India growth story and engender multiple investment opportunities.

#### Debt Market Outlook

The net FPI outflow in FY22 amounted to ₹ 8731 crores against outflow of ₹ 50444 crores in FY21. 10-year G-sec yields, which spiked in early April 2020 on the back of massive FPI selling and the fear of a significant rise in fiscal deficit, reversed its course soon and started trending lower. The yield moved above 7%, driven by the Russia-Ukraine conflict leading to higher commodities prices and concerns around higher than budgeted Fiscal deficit. The 10-year yield ended 67 bps higher than last year on the back of high inflation, expected rate hike and global uncertainties. Continuing the trend from FY21, the FPI flows into the Indian debt markets remained weak.

Going forward, the outlook on yields will be based on ever evolving dynamics of inflation and interest rate hike. The Russia-Ukraine conflict has been protracted which affected prices of numerous commodities including crude oil leading to high inflation globally, among other factors like supply chain disruption. Due to persistently high inflation globally, the central bankers around the world are raising interest rates and reducing the excess liquidity in the system. In India, we have already witnessed 90bps of interest rate hike by RBI. The market expects a few more rounds of rate hike till the interest rates are at pre-pandemic level. The higher borrowing for FY23 is also weighing on the markets and has been the reason for yields inching up. Recently, the RBI has acknowledged the need to tame inflation which is a deviation from the growth centricity exhibited in the previous policy. Rising interest rates will lead to higher cost of borrowing for the government. However, the RBI may intervene time and again to keep a lid on the 10-year yield. Inflation may head lower from the high backed by good monsoon, which may bode well for the overall economy.

#### 4 DIVIDEND

During the year under review, the Company:

- declared first interim dividend of ₹ 35/- per equity share of face value ₹ 2/-, on August 3, 2021, and
- declared second interim dividend of ₹ 20/- per equity share of face value ₹ 2/-, on October 27, 2021.

The total dividend for the financial year ended March 31, 2022, amounts to ₹ 55/- per equity share of face value ₹ 2/- each, with total outlay under both the aforesaid dividends of ₹ 485,78,28,410/-.

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations, 2015**"), the Company has adopted the Dividend Distribution Policy which is annexed herewith as **Annexure I** and is available on the website of the Company at [www.iiflwealth.com](http://www.iiflwealth.com). The dividends declared were in accordance with the principles and criteria as set out in the Dividend Distribution Policy.

Further, pursuant to the applicable provisions of the Companies Act, 2013 (the "**Act**"), read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("**IEPF Rules**"), all unpaid or unclaimed dividends are required to be transferred by the Company to Investor Education Protection Fund ("**IEPF**") established by the Government of India, after completion of seven years. Further, according to the IEPF Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more, shall also be transferred to the demat account of IEPF.

As on March 31, 2022, the Company had 3,669 unclaimed shares which were allotted to IEPF pursuant to composite scheme of arrangement inter-alia amongst IIFL Holdings Limited and the Company. The Company transferred ₹ 1,80,586/-, being aggregate interim dividends (net of taxes) on the aforesaid 3,669 shares to IEPF. Other than as referred above, during the year under review, the Company was not required to transfer any unclaimed dividend amounts / corresponding shares on which the dividends were unclaimed to IEPF.

#### 5 SHARE CAPITAL

The total paid-up share capital of the Company as on March 31, 2022, was ₹ 17,74,15,606/- divided into 8,87,07,803 equity shares of face value ₹ 2/- each, increased from ₹ 17,57,65,540/- divided into 8,78,82,770 equity shares of face value ₹ 2/- each, as on March 31, 2021. The increase in share capital was due to issue of equity shares pursuant to exercise of employee stock options during the year.

#### 6 NON-CONVERTIBLE DEBENTURES

During the year under review, the Company issued and allotted 2,498 rated secured redeemable principal protected market linked non-convertible debentures ("**Debentures**") of face value ₹ 10,00,000/- each, aggregating to nominal value of ₹ 249,80,00,000/- on a private placement basis in various tranches. Beacon



Trusteeship Limited is the Debenture Trustee for the Debentures. The Debentures are listed on BSE Ltd. The proceeds of the Debentures were used for general corporate purpose and the details of the end use of such proceeds were provided to the Audit Committee on a periodic basis. There were no Debentures which were not claimed by investors upon allotment and no Debentures were due for redemption during the year under review.

As required under SEBI Circular SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020, the Company has created Recovery Expense Fund in respect of outstanding Debentures.

The Company is qualified as a 'large corporate' as per applicable SEBI guideline(s) and circular(s) and accordingly has ensured that more than 25% of its incremental borrowing during the year under review was by way of issuance of debt securities.

As at March 31, 2022, the Company had issued commercial paper ("**CPs**") with an outstanding amount of ₹ 496,50,00,000/-.

## 7 TRANSFER TO RESERVES

During the year under review, the Company proposes to transfer ₹ 17,837/- to general reserve.

## 8 DEPOSITS

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

## 9 MERGER AND ACQUISITIONS

During the year under review:

1. with a view to consolidate the distribution business, it was proposed to merge IIFL Wealth Capital Markets Limited ("**IWCML**" and formerly known as L&T Capital Markets Limited) with IIFL Wealth Prime Limited ("**IWPL**" and formerly known as IIFL Wealth Finance Limited), and then demerge the distribution business from IWPL to IIFL Wealth Distribution Services Limited ("**IWDSL**"), through a composite scheme of arrangement under Sections 230 to 232 of the Act, ("**Composite Scheme**"). IWCML, IWPL and IWDSL are wholly owned subsidiaries of the Company. The Boards of IWCML, IWPL and IWDSL have approved the Composite Scheme. The appointed date for the Composite Scheme is April 1, 2021 and the Composite Scheme is subject to necessary statutory and regulatory approvals.
2. Accounting and Corporate Regulatory Authority, Singapore, on October 27, 2021, confirmed the

amalgamation of the following wholly owned international subsidiaries of the Company, (i) IIFL (Asia) Pte. Ltd., Singapore (ii) IIFL Capital Pte. Ltd., Singapore and (iii) IIFL Securities Pte. Ltd., Singapore, to become IIFL Capital Pte. Ltd., Singapore. The amalgamation was aimed to achieve economy of scale and focused approach through a single entity and integration of various activities including finance, operations and compliance.

Prior to amalgamation:

- a) IIFL Capital Pte. Ltd. was into the business of fund management,
- b) IIFL Securities Pte. Ltd. was (i) performing regulated activity of dealing in capital markets products, and (ii) an Exempt Financial Adviser for the regulated activity of advising on investment products and
- c) IIFL (Asia) Pte. Ltd. was an investment holding company holding shares of IIFL Capital Pte. Ltd. and IIFL Securities Pte. Ltd.

Post-amalgamation, IIFL Capital Pte. Ltd. is performing both the license activities of IIFL Securities Pte. Ltd. and IIFL Capital Pte. Ltd.

3. With a view to achieve, rationalization of corporate structure, reduction of shareholding tiers and multiplicity of legal and regulatory compliances and resulting savings of administration and other costs associated with managing separate entities, it was proposed to amalgamate IIFL Wealth Altiore Limited, a wholly owned subsidiary of the Company, with and into the Company, through a scheme of amalgamation under Sections 230 to 232 of the Act, ("**Scheme**"). The Boards of the Company and IIFL Wealth Altiore Limited have approved the Scheme. The appointed date for the Scheme is April 1, 2022 and the Scheme is subject to necessary statutory and regulatory approvals.

## 10 DETAILS OF SUBSIDIARIES

As per the provisions of the Act, read with applicable rules framed thereunder and SEBI Listing Regulations, 2015 and applicable Indian Accounting Standards ("**Ind AS**"), the Board of Directors at its meeting held on May 4, 2022, approved the audited standalone financial statements of the Company for the financial year ended March 31, 2022 and the audited consolidated financial statements of the Company and its subsidiaries (except IIFLW CSR Foundation), for the financial year ended March 31, 2022. In accordance with Section 129 of the Act, the said audited financial statements form part of the Annual Report. The separate statement containing

the salient features of the financial statements of the subsidiaries of the Company in the prescribed format AOC-1, is annexed to the said audited consolidated financial statements. The statement also provides highlights of the performance and financial position of each of the subsidiaries and their contribution to the overall performance of the Company.

In accordance with the provisions of Section 136 of the Act, the Annual Report, the audited financial statements including the aforesaid audited consolidated financial statements and other related documents, are placed on the website of the Company at [www.iiflwealth.com](http://www.iiflwealth.com). The audited financial statements of the subsidiaries of the Company for the financial year ended March 31, 2022, are also available on the website of the Company at [www.iiflwealth.com](http://www.iiflwealth.com). The members may download the aforesaid documents from the Company's website or may write to the Company for obtaining a copy of the same. Further, the aforesaid documents shall also be available for inspection by the shareholders at the registered office of the Company, during business hours on working days and through electronic mode. The members may request the same by sending an email to [secretarial@iiflw.com](mailto:secretarial@iiflw.com).

As at date of this Report, the Company has following direct and step-down subsidiary(ies) in which entire share capital is directly or indirectly held by the Company:

#### Domestic Subsidiaries:

1. IIFL Wealth Prime Limited (formerly known as IIFL Wealth Finance Limited)
2. IIFL Wealth Capital Markets Limited (formerly known as L&T Capital Markets Limited, subsidiary of IIFL Wealth Prime Limited and step-down subsidiary of the Company)
3. IIFL Wealth Distribution Services Limited
4. IIFL Asset Management Limited
5. IIFL Trustee Limited
6. IIFL Wealth Portfolio Managers Limited
7. IIFL Investment Advisor and Trustee Services Limited
8. IIFL Wealth Securities IFSC Limited
9. IIFL Wealth Altire Limited
10. IIFLW CSR Foundation

#### International Subsidiaries:

1. IIFL Asset Management (Mauritius) Ltd.
2. IIFL Private Wealth Management (Dubai) Ltd.
3. IIFL Inc. (USA)
4. IIFL Capital (Canada) Limited
5. IIFL Capital Pte. Ltd.

The Policy for Determining Material Subsidiary is available on the website of the Company at [www.iiflwealth.com](http://www.iiflwealth.com). During the year under review, IIFL Wealth Prime Limited (formerly known as IIFL Wealth Finance Limited) and IIFL Asset Management Limited, were the material subsidiaries of the Company. Further, in accordance with Regulation 24(1) of the SEBI Listing Regulations, 2015, the Company has appointed Dr. Subbaraman Narayan, an Independent Director of the Company, as an Independent Director on the board of directors of IIFL Wealth Prime Limited (formerly known as IIFL Wealth Finance Limited).

During the year under review, the Company has invested USD 3 mn into IIFL Capital Pte. Ltd., Singapore.

The Company does not have any associate / joint venture / holding company.

## 11 CORPORATE GOVERNANCE

In terms of the provisions of Regulation 34 of the SEBI Listing Regulations, 2015, the Corporate Governance Report forms part of the Annual Report. The Corporate Governance Report also contains certain disclosures required under the Act.

The Company has obtained a certificate from Mehta & Mehta, practicing company secretaries, regarding compliance with the conditions of Corporate Governance as prescribed under SEBI Listing Regulations, 2015 and the said certificate is annexed herewith as **Annexure II**.

## 12 ANNUAL RETURN

Pursuant to Section 92(3) and Section 134(3)(a) of the Act, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company as on March 31, 2022, is available on the website of the Company at [www.iiflwealth.com](http://www.iiflwealth.com).

## 13 DIRECTORS AND KEY MANAGERIAL PERSONNEL

### a. Directors

The Board of Directors ("**Board**") of the Company has an optimum combination of executive and non-executive Directors (including an Independent Woman Director). The Board composition is in conformity with the extant applicable provisions of Act and SEBI Listing Regulations, 2015. The Board of the Company represents an optimal mix of professionalism, knowledge and experience. Further, the Independent Directors on the Board of the Company are highly respected for their professional integrity as well as rich experience and expertise. The Board provides leadership, strategic guidance and discharges its fiduciary duties of safeguarding the interest of the Company and its stakeholders.



During the year under review, there was no change in the composition of the Board and the same is as follows:

Category	Name of the Director
Independent Directors	Mr. Nilesh Vikamsey – Chairperson
	Ms. Geeta Mathur
	Dr. Subbaraman Narayan
	Mr. Pankaj Vaish
Managing Director & Promoter	Mr. Karan Bhagat
Non-Executive Directors & Promoters	Mr. Nirmal Jain
	Mr. Venkataraman Rajamani
	Mr. Yatin Shah
Non-Executive Directors (Nominee Directors*)	Mr. Sandeep Naik
	Mr. Shantanu Rastogi
Non-Executive Director	Mr. Gopalakrishnan Soundarajan

\* nominated by General Atlantic Singapore Fund Pte. Ltd., equity shareholder in the Company.

Basis the annual declaration provided by the Independent Directors, the Board is of the opinion that all the Independent Directors fulfill the conditions specified in SEBI Listing Regulations, 2015 and the Act and are independent of the management.

All the Directors of the Company have confirmed that they satisfy the fit and proper criteria as prescribed under the applicable regulations and that they are not disqualified from being appointed as Directors in terms of Section 164(2) of the Companies Act, 2013.

Details of the Familiarization Programme are provided in the Corporate Governance Report, which forms part of the Annual Report and are also available on the website of the Company at [www.iiflwealth.com](http://www.iiflwealth.com).

#### b. Directors retiring by rotation

In accordance with the provisions of the Act, Mr. Sandeep Naik and Mr. Shantanu Rastogi, shall retire by rotation at the Fifteenth Annual General Meeting ("**AGM**") of the Company and being eligible, seek re-appointment.

The necessary resolutions for their re-appointment and their brief profiles are included in the notice convening the AGM.

#### c. Meetings of the Board of Directors

During the year under review, 11 (eleven) meetings of the Board of Directors of the Company were held. In compliance with the provisions of the Act and Regulation 25 of SEBI Listing Regulations, 2015, a separate Meeting of Independent Directors of the Company was also held on March 28, 2022. The details of the same are provided in the Corporate Governance Report, which forms part of the Annual Report.

#### d. Committees of the Board

In accordance with the Act and SEBI Listing Regulations, 2015, the Board has constituted following Committees:

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

The details inter alia including the composition, terms of reference and meetings held during the year under review of the aforesaid Committees are provided in the Corporate Governance Report, which forms part of the Annual Report.

#### e. Annual evaluation of the Board

Pursuant to the provisions of the Act and SEBI Listing Regulations, 2015, the Board approved the annual performance evaluation results as collated by the Nomination and Remuneration Committee ("**NRC**"), for the Chairperson, Managing Director, Non-Executive Directors including Independent Directors, Committees of the Board and the Board as a whole, based on the criteria laid down by NRC. The criteria for the said performance evaluation are provided in the Corporate Governance Report, which forms part of the Annual Report. The Board noted the key improvement areas emerging from the said exercise and action plans to address these, are in progress.

#### f. Key Managerial Personnel

As on the date of the Report, the following officials are the "Key Managerial Personnel" of the Company, pursuant to the provisions of Section 203 of the Act :

- Mr. Karan Bhagat, Managing Director,
- Mr. Sanjay Wadhwa, Chief Financial Officer (with effect from September 2, 2021), and
- Mr. Rohit Bhave, Company Secretary and Compliance Officer (with effect from August 4, 2021).

During the year under review, Mr. Mihir Nanavati resigned as the Chief Financial Officer of the Company w.e.f. September 1, 2021 and Mr. Sanjay Wadhwa was appointed as Chief Financial Officer with effect from September 2, 2021. Further, Mr. Amit Bhandari resigned as Company Secretary and Compliance Officer of the Company w.e.f. August 3, 2021 and Mr. Rohit Bhave was appointed as Company Secretary and Compliance Officer w.e.f. August 4, 2021. Mr. Amit Bhandari continues as the Company Secretary and Compliance Officer of IIFL Wealth Prime Limited (formerly known as IIFL Wealth Finance Limited), wholly owned material subsidiary of the Company.

## 14 CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company strongly believes in enabling inclusive development. The core focus of our CSR is aimed at reducing inequality by enabling access to opportunities to underserved or marginalised communities. Through CSR, the Company wishes to implement sustainable programmes that move the needle on social impact by addressing some of the most critical developmental challenges. To consolidate its efforts towards catalytic CSR and to design and deliver CSR activities on behalf of the Company and its subsidiaries, the Company has established the IIFLW CSR Foundation ("**Foundation**"), a wholly owned subsidiary of the Company.

Our vision for Foundation, through which the Company and its subsidiaries primarily undertake their CSR activities, is to bring about a positive change in the lives of underprivileged individuals and communities by enabling a strategic and collaborative partnership to maximize the social impact. We believe that meaningful impact can be achieved through effective collaboration.

During the year under review, Company's CSR activities were undertaken in accordance with the annual action plan approved by the Board, focused on critical and relevant thematic areas such as livelihood and financial inclusion, education and healthcare including COVID relief. The Company and its subsidiaries will continue to focus on the same, which will enable us to build resilience in various communities. As experts in financial sector, we would like to leverage our core competencies and expertise beyond providing mere funds as part of our responsibility to society. The Annual Report on CSR activities of the Company is annexed herewith as **Annexure III**.

As we move forward in our social impact journey, we wish to evolve towards a more strategic and impactful model for our CSR where we envision our role in mobilizing both philanthropic capital and other types of capital to create more collaborative, meaningful, sustainable solutions that uplift lives of underserved and under-represented individuals and communities. This will also enable a multiplier effect for our funds and make our programmes sustainable in long run.

The Company's CSR policy provides guidelines and lays down the process to undertake CSR activities of the Company. The Board at its meeting held on May 4, 2022, amended the CSR Policy and the same is annexed herewith as **Annexure IV** and is also available on the website of the Company at [www.iiflwealth.com](http://www.iiflwealth.com).

## 15 PARTICULARS OF EMPLOYEES

The disclosures pertaining to the remuneration and other details as required under Section 197(12) of the Act, ("**Act**") read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are provided in **Annexure V**.

Further, a statement showing names and other particulars of employees as specified pursuant to Rules 5(2) and 5(3) of the aforesaid Rules, forms part of this Report. However, in terms of Section 136 of the Act and the aforesaid Rules, the Annual Report and financial statements are being sent to the members and others entitled thereto, excluding the said statement. Members interested in obtaining a copy thereof, may write to the Company Secretary at [secretarial@iiflw.com](mailto:secretarial@iiflw.com).

## 16 EMPLOYEE STOCK OPTION SCHEMES

The employee stock options granted to the employees of the Company and its subsidiaries currently operate under the following schemes which are prepared inter-alia as per the provisions of SEBI (Share Based Employee Benefits) Regulations, 2014 ("**SBEB R egulations**") and as substituted by the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("**SBEB & SE Regulations**") and SBEB Regulations and SBEB & SE Regulations are collectively referred to as "**ESOP Regulations**"):

- IIFL Wealth Employee Stock Option Scheme – 2012 ("**IIFLW ESOP 2012 Scheme**")
- IIFL Wealth Employee Stock Option Scheme – 2015 ("**IIFLW ESOP 2015 Scheme**")
- IIFL Wealth Employee Stock Option Scheme – 2019 ("**IIFLW ESOP 2019 Scheme**")
- IIFL Wealth Employee Stock Option Scheme - Demerger Scheme ("**IIFLW Demerger Scheme**")
- IIFL Wealth Employee Stock Option Scheme – 2021 ("**IIFLW ESOP 2021 Scheme**")

During the year under review, there has been no variation in the terms of the options granted under any of the aforesaid Schemes and all the aforesaid Schemes are in compliance with applicable ESOP Regulations. The Company has obtained a certificate from the Secretarial Auditors viz. M/s. Mehta & Mehta, Practicing Company Secretaries, to the effect that the Schemes have been implemented in accordance with the applicable ESOP Regulations, and the same shall be available for inspection without any fee by the members of the Company, on all working days at the registered office of the Company upto the date of the Annual



General Meeting ("AGM") and would also be placed at the ensuing AGM for inspection by members through electronic means.

During the year under review, the Nomination and Remuneration Committee, granted 32,90,891 options in aggregate under IIFLW ESOP 2019 Scheme and IIFLW ESOP 2021 Scheme. The disclosure as required under the applicable ESOP Regulations for the aforesaid Schemes, in respect of the financial year ended March 31, 2022, is placed on the website of the Company at www.iiflwealth.com.

### **17 RISK MANAGEMENT POLICY AND ADEQUACY OF INTERNAL CONTROLS**

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives, which includes a risk management team at the Company level as well as dedicated teams servicing various businesses. Major risks identified by the businesses and functions are addressed through mitigation actions on a continuous basis. These are discussed at the meetings of the Audit Committee, Risk Management Committee and Board of Directors of the Company. The internal processes are designed to ensure adequate checks and balances and regulatory compliances at every stage. Authority matrices are defined flowing down from the Board of Directors, to provide authority to approve various transactions.

The Company has in place adequate internal controls with reference to financial statements and operations and the same are operating effectively. These are encapsulated in the Risks & Controls Matrix (RCM). 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 transactions, account balances and disclosures and have confirmed that they do not have any significant or material observation in relation to deficiencies in design and / or effectiveness of controls.

### **18 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**

During the year under review, there were no significant and material orders passed by the Regulators or Courts or Tribunals against the Company which would impact the going concern status and the Company's future operations.

### **19 STATUTORY AUDITORS**

At the 13<sup>th</sup> Annual General Meeting of the Company held on September 11, 2020, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W100018), were appointed as Statutory Auditors of the Company and shall continue to hold office till the conclusion of the 18<sup>th</sup> Annual General Meeting of the Company to be held in the year 2025.

### **20 AUDITORS' REPORT**

The reports of the statutory auditors on standalone and consolidated financial statements of the Company form part of the Annual Report.

There are no qualifications, reservations or observations by the statutory auditors in their reports for the financial year ended March 31, 2022.

The notes to the financial statements referred in the auditors reports are self-explanatory and therefore do not call for any comments under Section 134 of the Act.

During the year under review, the statutory auditors have not reported any incident of fraud committed in the Company by its officers or employees to the Audit Committee under Section 143 (12) of the Act.

### **21 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 VI** and it does not contain any qualifications.

As per Regulation 24A of the SEBI Listing Regulations, 2015, a listed company is required to annex a secretarial audit report of its material unlisted subsidiary(ies) to its directors report. The secretarial audit reports of material subsidiaries of the Company i.e. IIFL Asset Management Limited and IIFL Wealth Prime Limited (formerly known as IIFL Wealth Finance Limited) for the financial year ended March 31, 2022, are also annexed herewith as **Annexure VII** and they do not contain any qualifications.

### **22 FEMA COMPLIANCE**

With reference to Master Direction on Foreign Investment in India and circulars issued thereunder relating to Foreign Direct Investment Policy, the Company has complied with the provisions of the Foreign Direct Investment Policy issued by Reserve Bank of India ("RBI") from time. The Company has obtained certificate from statutory auditors in this regard pursuant to applicable guidelines issued by RBI.

### 23 PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The details of loans, guarantees or investments made are provided in the standalone financial statements of the Company, which forms part of the Annual Report.

### 24 PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Company has put in place a Policy on Related Party Transactions ("**RPT Policy**"), which is approved by the Board of Directors of the Company. During the year, pursuant to the amendment of SEBI Listing Regulations, 2015, with respect to related party transaction norms, the said Policy was amended to align it with the applicable amendments. The RPT Policy provides for identification of related party transactions, necessary approvals by the Audit Committee / Board / Shareholders, reporting and disclosure requirements in compliance with the provisions of the Act and SEBI Listing Regulations, 2015.

All contracts or arrangement or transactions that were entered into by the Company with the related parties during the year under review, were in ordinary course of the business of the Company and the same were on arm's length basis. Also, during the year under review, there were no material contracts or arrangement or transactions entered into by the Company with the related parties. Accordingly, the disclosure as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for financial year 2021-22 and hence does not form part of this Report.

The transactions with related parties are disclosed by way of notes to accounts in the standalone financial results of the Company for the financial year ended March 31, 2022, which forms part of this Report.

### 25 MANAGEMENT DISCUSSION AND ANALYSIS

In terms of the provisions of Regulation 34 of the SEBI Listing Regulations, 2015, the Management Discussion and Analysis forms part of the Annual Report.

### 26 ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

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

#### a. 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 takes all possible measures to conserve energy. Several environment friendly measures adopted by the Company include:

- Installation of capacitors to save power,
- Installation of Thin Film Transistor (TFT) monitors that saves power,
- Light Emitting Diode (LED) lights,
- Automatic power shutdown of idle monitors,
- Restricted access to printers at central hub besides removal of earlier printers,
- Minimizing air-conditioning usage,
- Avoiding disposable cups and plates by encouraging employees to carry their own cups and cutlery,
- Shutting off all the lights and air-conditioners when not in use, and
- Education and awareness programs for employees.

The management frequently puts circulars on corporate intranet and digital boards in common area for the employees, educating them on ways and means to conserve electricity and other natural resources and encourages adherence of the same. For further details, please refer paragraph 'Environmental Stewardship' in Business Responsibility & Sustainability Report which forms part of the Annual Report.

#### b. Technology absorption and innovation:

The management understands the key role that technology plays in enabling the business and in driving growth. It operates and lays utmost emphasis on deploying scalable platforms and products to ensure a great and sustained customer and employee experience and to facilitate a digital platform that enables the launch of new services at speed and scale. The management keeps itself abreast of technological advancements in the industry and ensures continued and sustained efforts towards adoption of technology of the same to meet the business needs and objectives.

With a goal towards data democratization, rapid response to regulatory shifts, API first and service oriented architecture, the management has invested considerable resources in deploying the latest technologies, from infrastructure capabilities such as MPLS, video communications, VoIP, automated dialers, to cloud applications that transform customer experience through a truly digital front office and service capability, to applications and products that enable transaction processing, settlement, fund accounting, reporting, analytics and governance. The Company has also made significant strides in using cloud technology for customer-facing servers providing rapid and inexpensive ramp-up and ramp-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 safeguarded against cyber security attacks, data leakage and security breaches. It has ensured that the Company is at all times compliant with both regulatory and technological controls. Organization has adopted a multi-layered security approach by implementing security controls for addressing people, process and technology risks.

**c. Research and development (R&D):**

The Company and its subsidiaries are mainly 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.

**d. Foreign exchange earning and outgo:**

The foreign exchange earning during financial year ended March 31, 2022, was ₹ 28,02,332/- and the foreign exchange expenditure during financial year ended March 31, 2022, was ₹ 4,42,53,735/-.

**27 DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013**

The Company is committed to provide a work environment that ensures every woman employee is treated with dignity and respect and afforded equitable treatment. The Company is also committed to promote work environment that is conducive to the professional growth of its women employees and encourages equality of opportunity. The 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 the Company has complied with the provisions relating to the constitution of the Internal Complaints Committee as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and has put in place the Policy for Prevention / Prohibition / Redressal of Sexual Harassment of Women at the Workplace and that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**28 DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 134(5) of the Act, 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, if any;

- 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 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 Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts 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.

**29 INTERNAL FINANCIAL CONTROLS**

The Company has put in place adequate policies and procedures to ensure that the system of internal financial controls is commensurate with the size and nature of the Company's business. This system of internal financial controls provides a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company, prevention and detection of frauds, accuracy and completeness of accounting records and ensuring compliance with corporate policies.

**30 COMPLIANCE WITH THE SECRETARIAL STANDARDS**

The Board of Directors affirms that the Company has complied with the applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

**31 BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT**

As recommended by Securities and Exchange Board of India, the Company has voluntarily adopted the Business Responsibility and Sustainability Reporting format (in place of Business Responsibility Report) which forms part of the Annual Report. In accordance with the SEBI Listing Regulations, 2015, the said report is placed on the website of the Company at [www.iiflwealth.com](http://www.iiflwealth.com).

### 32 RISK MANAGEMENT REPORT

In terms of the provisions of Section 134 of the Act, a risk management report is set out in the Management Discussion and Analysis Report.

### 33 POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

Your Directors have laid down criteria for appointment of Directors and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of Section 178 of the Act, as a part of the Nomination and Remuneration Policy ("NRC Policy") of the Company. The NRC Policy is annexed herewith as Annexure VIII and is available on the website of the Company at [www.iiflwealth.com](http://www.iiflwealth.com).

### 34 DETAILS OF ESTABLISHMENT OF WHISTLE BLOWER POLICY AND VIGIL MECHANISM

The Company has adopted a Policy on Vigil Mechanism and Whistle Blower Mechanism and has established the necessary vigil mechanism for employees to raise genuine concerns about unethical behavior, actual or suspected fraud or violation of the applicable policies. The Policy on Vigil Mechanism and Whistle Blower Mechanism also provides for adequate safeguard against victimization of the whistle blower who avails of such mechanism and provides for the access to the Chairperson of the Audit Committee. The Policy on Vigil Mechanism and Whistle Blower Mechanism is available on the website of the Company at [www.iiflwealth.com](http://www.iiflwealth.com).

While none of the whistle blowers are denied access to the Audit Committee, no whistle blower complaint was received by the Company during the year under review.

### 35 MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THIS REPORT

No material changes and commitments affecting the financial position of the Company have occurred between the end of year under review and the date of this Report.

### 36 OTHER DISCLOSURES

During the year under review:

- There was no change in the nature of business of the Company;
- There was no revision in the financial statements of the Company;

- Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act were not applicable for the business activities carried out by the Company;
- There was no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016;
- There was no one-time settlement entered into with any Bank or financial institutions in respect of any loan taken by the Company.

### 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 for employees for their commendable efforts, teamwork and professionalism, especially during the difficult times of the pandemic.

### For and on behalf of the Board of Directors

Sd/-  
**Karan Bhagat**  
Managing Director  
DIN: 03247753

Sd/-  
**Yatin Shah**  
Non-Executive Director  
DIN: 03231090

Date: May 4, 2022

Place: Mumbai



# Annexures to the Board's Report

## Annexure I

### Dividend Distribution Policy

Clause 43A of SEBI Listing Obligations & Disclosure Requirements, 2015 mandates that top 500 Companies (in terms of market capitalization) need to have a Dividend Distribution Policy in place.

The Board of Directors of the Company at its meeting held in October 2016 had adopted the policy of IIFL Group, IIFL Holdings Limited being then the holding company.

This is the updated policy for IIFL Wealth Management Limited (Company) and its subsidiaries (IIFL Wealth & Asset Management Group), the Company being a listed company and in top 500 list of companies.

This policy is to put into place the norms for the determination and declaration of dividend on equity capital by IIFL Wealth & Asset Management Group. While considering distribution and payment of dividend, the Company will ensure compliance with all the applicable provisions of the law including provisions of the Companies Act, SEBI, RBI, and Income Tax Rules and Regulations.

#### Policy on Total Dividend

**While the declaration and rate of dividend will be subject to approval of Board and Shareholders, as the case may be, the general policy which will be followed for declaration of dividend will be as follows;**

1. For IIFL Wealth Management Limited, the total dividend payout for any financial year will generally be between 50 % and 75% (including applicable taxes on distribution of Dividend) of the consolidated profit after tax of the Company after Minority Interest.
2. At the Subsidiary level, the total dividend payout can be up to 100% of the respective consolidated /standalone profit after tax of the respective subsidiary.

The Board shall critically analyze various factors and parameters as detailed below, to decide on declaration of dividend in percentage range mentioned above or in variance to above.

#### Factors/ parameters that would be considered while declaring Dividend

- I. The financial parameters that shall be considered while declaring dividend

While considering the total dividend at Holding Company and at each of the Subsidiaries the following will be taken into account:

- a) The business plan and actual performance, the capital requirements, free cash flow, debt equity ratio (considering new capital, ESOPs, retained earnings, minimum net worth requirements as per respective regulatory requirements etc.)
- b) Adequacy of profits including the accumulated balance in Profit & Loss account and
- c) Taxes on dividend.

The Board may consider a higher distribution with adequate justification or on special occasions.

- II. The circumstances under which the shareholders:
  - i) May expect dividend:
    - a. Surplus in Profit & loss (P&L) Statement
    - b. Profits in any Financial Year are more than 10% of the equity capital of the Company.
  - ii) May not expect dividend:
    - a. If there are losses as per P&L Statement (including accumulated balance in P&L account)
    - b. Profit in the any Financial Year is less than 10% of the equity capital.
    - c. If the total income from business/PAT from its ordinary activities in any Financial Year declines by more than 75% from the previous year.
    - d. If the business is seriously affected and visibility is uncertain.
- III. Internal and external factors that shall be considered for declaration of dividend:
  - i. Internal Factors:
    - a. Projected investment in business/new business
    - b. Projected investments in Subsidiaries/ Associates in the year and next year.
    - c. Networth/Capital adequacy as required under respective Regulatory requirements.

- ii. External Factors:-
  - a) State of Economy/Industry/business
  - b) Statutory Taxes/levies – Changes in income tax rates, DDT etc.
- IV. The retained earnings shall be utilized for:
  - i) Proposed Capital expenditure
  - ii) Investments/acquisitions
  - iii) General corporate purposes including contingencies
  - iv) Capital restructuring
- V. Parameters that shall be adopted with regard to various classes of shares:

The Company has only one class of equity shareholders at present.

#### **Periodicity of distribution**

On a yearly basis, the Holding and Subsidiary Companies may distribute dividend by way of Interim Dividend/s in one or more tranches and may also declare final dividend by considering the full year's accounts, after taking approval of shareholders;

#### **Disclosures**

- a. This policy will be made available on the Company's website.
- b. The policy will also be disclosed in the Company's annual report.

#### **Amendments to the Policy**

The Board shall review and amend this Policy as and when required. Any subsequent amendment/modification in the regulation and/or other applicable laws in this regard shall automatically apply to this policy.



## Annexure II

### Certificate on Corporate Governance

To,  
The Members,  
**IIFL Wealth Management Limited**

We have examined the compliance of conditions of Corporate Governance by **IIFL Wealth Management Limited** (hereinafter referred as "Company") for the Financial year ended March 31, 2022 as prescribed under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paras C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations").

We state that compliance of conditions of Corporate Governance is the responsibility of the management, and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring compliance with conditions of Corporate Governance. 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 our examination of the relevant records and the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as prescribed under Listing Regulations.

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

This certificate is issued solely for the purposes of complying with Listing Regulations and may not be suitable for any other purpose.

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

**Dipti Mehta**  
Partner  
FCS No: 3667  
CP No.: 23905

Place: Mumbai  
Date: July 20, 2022  
UDIN: F003667D000653151

## Annexure III

### Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2021-22

[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. Outline of CSR Policy

- Our vision is to bring about a positive change in the lives of underprivileged individuals and communities by enabling a strategic and collaborative partnership
- We strongly believe in enabling inclusion to bridge the gap of available opportunities and equality for both - communities that have not been given an opportunity and for those whom such opportunities are unattainable due to monetary or other reasons.
- Through our CSR efforts, we look at collaborative efforts with existing philanthropy to move the needle on impact

#### 2. Composition of CSR Committee:

S. N.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Karan Bhagat	Managing Director- Chairperson	2	2
2	Mr. Nirmal Jain	Non-Executive Director- Member	2	1
3	Mr. Nilesh Vikamsey	Independent Director- Member	2	1
4	Mr. Sandeep Naik	Non-Executive Director- Member	2	2

- Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: [www.iiflwealth.com](http://www.iiflwealth.com)
- Provide the details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: **Not Applicable.**
- Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **Not Applicable.**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1	-	-	-
	<b>TOTAL</b>	-	-

- Average net profit of the company as per section 135(5) - ₹ **111,59,53,393/-**
- Two percent of average net profit of the company as per section 135(5): ₹ **2,23,19,068/-**
  - Surplus arising out of the CSR projects or programs or activities of the previous financial years.: **Nil**
  - Amount required to be set off for the financial year, if any: **Nil**
  - Total CSR obligation for the financial year (7a+7b- 7c):. ₹ **2,23,19,068/-**
- CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
2,23,19,068	NA	NA		NA	

(b) Details of CSR amount spent against **ongoing projects** for the financial year: **Not Applicable**

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Project duration.	(7) Amount allocated for the project (in ₹)	(8) Amount spent in the current financial Year (in ₹)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	(10) Mode of Implementation - Direct (Yes/No)	(11) Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project.		(6) Amount spent for the project (in ₹)	(7) Mode of implementation - Direct (Yes/No)	(8) Mode of implementation - Through implementing agency.	
				State	District			Name	CSR registration No
1.	Livelihoods enhancement project for individuals and small business (via Collective Good Foundation)	(ii)	No	UP, Haryana, Bihar, Rajasthan	Raebareli, Lucknow, Sultanpur, Faizabad, Gurgaon, East Champaran, Muzaffarpur, Alwar	1,80,37,975	No	IIFLW CSR Foundation	CSR00001897
2.	Fostering innovation through training and catalytic support to financial inclusion startups catering to low and middle income segments (via CIIE Initiatives)	(ix) a	No	Gujarat	Ahmedabad	31,65,140	No	IIFLW CSR Foundation	CSR00001897
<b>TOTAL</b>						<b>2,12,03,115</b>			

(d) Amount spent in Administrative Overheads : ₹ **11,15,953/-**

(e) Amount spent on Impact Assessment, if applicable : **Not applicable**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹ **2,23,19,068/-**

(g) Excess amount for set off, if any : Not applicable

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	<b>Not applicable</b>
(ii)	Total amount spent for the Financial Year	<b>Not applicable</b>
(iii)	Excess amount spent for the financial year [(ii)-(i)]	<b>Not applicable</b>
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	<b>Not applicable</b>
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	<b>Not applicable</b>

9 (a) Details of Unspent CSR amount for the preceding three financial years: **Not applicable**

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	

(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)*	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed /Ongoing*
1.	0001	Learning outcomes for underprivileged students - Training and placement for underprivileged youth (via PARFI Foundation)	FY 20-21#	2 years	88,88,929	88,88,929	88,88,929	Completed
2.	0002	Skill Development for underprivileged individuals - Training and placement for underprivileged youth (via PARFI Foundation)	FY 20-21#	2 years	8,26,554	8,26,554	8,26,554	Completed
3	FY31.03.2021_1	iMobile and Lab on bike programme (via Agastya International Foundation)	FY 20-21	1 year	20,00,000	20,00,000	20,00,000	Completed
4	FY31.03.2021_2	Enabling Tribal entrepreneurs (Via Raah Foundation)	FY 20-21	1 year	1,00,00,000	1,00,00,000	1,00,00,000	Completed
5	FY31.03.2021_3	Development of Maa Baadi centres (via IIFL Foundation)	FY 20-21	1 year	50,00,000	50,00,000	50,00,000	Completed
6	FY31.03.2021_4	Learning outcomes for underprivileged students - Training and placement for underprivileged youth (via PARFI Foundation)	FY 20-21	1 year	11,11,071	11,11,071	11,11,071	Completed
	<b>TOTAL</b>				<b>2,78,26,554</b>	<b>2,78,26,554</b>	<b>2,78,26,554</b>	

\* During financial year 2020-21, the Company had transferred ₹ 2,78,26,554/- as contribution towards these projects to be undertaken by IIFLW CSR Foundation, the Implementation Agency. During the financial year 2021-22, IIFLW CSR Foundation has spent the aforesaid amounts on the concerned projects. Since the entire amount allocated for the respective project has been spent by IIFLW CSR Foundation during financial year 2021-22, the status of the project is considered as 'Completed'.

#Out of CSR contribution amounts for the financial year 2019-20.

**10.** In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): **Not Applicable**

- Date of creation or acquisition of the capital asset(s).
- Amount of CSR spent for creation or acquisition of capital asset.
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

**11.** Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **Not Applicable.**

**For and on behalf of the Board of Directors  
IIFL Wealth Management Limited**

Sd/-

**Karan Bhagat**  
Chairperson, CSR Committee &  
Managing Director  
DIN: 0010535

Date: May 4, 2022  
Place: Mumbai

Sd/-

**Nilesh Vikamsey**  
Chairperson of the Board &  
Independent Director  
DIN: 00031213

## Annexure IV

# Corporate Social Responsibility Policy for IIFL Wealth Management Limited and its subsidiaries

### 1 OBJECTIVE AND APPLICABILITY

The objective of the Policy (as defined below) is to ensure that the corporate social responsibility (“CSR”) obligations, programmes, projects and activities (“CSR Activities”) of IIFL Wealth Management Limited and its subsidiaries are duly planned, approved, implemented and monitored pursuant to the Applicable Laws(as defined below).

The Policy shall apply to CSR Activities of IIFL Wealth Management Limited (“IWML”) and/or its relevant subsidiary(ies) which are required to undertake CSR Activities, from time to time (IWML and its subsidiaries are collectively referred to as “IIFLWAM” or “IIFLWAM Companies” and individually referred to as “IIFLWAM Company”).

### 2 GUIDING ACT / REGULATIONS / RULES

The Companies Act, 2013 and rules made thereunder read with the circulars, notifications, frequently asked questions and other guidance issued thereunder (with amendments or enactments thereof) from time to time (hereinafter referred to as “Companies Act, 2013”).

The applicable provisions of the Companies Act, 2013, as amended from time to time, are hereinafter collectively referred to as the “CSR Provisions” and the applicable provisions of the CSR Provisions, accounting standards and all other laws, rules, regulations, circulars, notifications etc. are hereinafter collectively referred to as the “Applicable Laws”.

### 3 DEFINITIONS:

- a. “Board” means the board of directors of the respective IIFLWAM Company.
- b. “CSR Committee” means a committee of the Board of Directors of respective IIFLWAM Company constituted under the CSR provisions as a corporate social responsibility committee.
- c. “CSR Team” means one or more persons, including the directors, employees or consultants of IIFLWAM, who are authorised by the Board and/or CSR Committee, and who shall support and carry out inter-alia the execution and implementation of the CSR Policy, annual action plan and CSR Activities.
- d. “Policy” or “CSR Policy” means this Corporate Social Responsibility Policy.

All terms used in the Policy but not defined herein shall have the meaning assigned to such term in the CSR Provisions or the Applicable Laws, as applicable. In case of any conflict between the applicable meanings

assigned to such term under the CSR Provisions and the Applicable Laws, the term shall be interpreted in such manner that ensures compliance with both CSR Provisions and the Applicable Laws.

### 4 PREAMBLE

IIFLWAM recognizes the importance of contributing to sustainable social transformation. IIFLWAM’s CSR Activities are aligned to the focus of the business, and thereby help IIFLWAM to carve out a reputation for being one of the most committed and responsible companies in the industry.

### 5 PURPOSE

The Policy has been developed in accordance with CSR Provisions. The key purpose of this Policy is to:

- a. Define the broad development areas that IIFLWAM shall undertake.
- b. Outline the guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan.
- c. Outline the governance structure for management of CSR Activities within IIFLWAM.
- d. Explain the way the surpluses from CSR projects will be treated.

### 6 CSR VISION

IIFLWAM’s vision is to bring about a positive change in the lives of underprivileged individuals and communities by enabling a strategic and collaborative partnership.

We, IIFLWAM, strongly believe in enabling inclusion to bridge the gap of available opportunities and equality for both - communities that have not been given an opportunity and for those whom such opportunities are unattainable due to monetary or other reasons.

Through our CSR Activities, we look at collaborative efforts with existing philanthropy to move the needle on impact.

We intend to anchor our CSR approach on three main pillars of strength as under:

**Our People and communities** are at the core of our values and beliefs. All our CSR Activities strive to bring about a positive change in the lives of people. As part of our mission, we will focus on the marginalised communities / individuals of the society and will specifically look towards providing them with basic amenities, as well as support and access to healthcare, education, and others.

**Our Proposition** will be tailored for impact and oriented towards outcomes for each of our interventions. Our focus will be on interventions across thematic areas with specific four on: education, healthcare, community development, environment, livelihoods and financial inclusion.

**Our Platform** will be anchored to enable key stakeholders in the development ecosystem, to join us in this impact journey through collaborations with their strategic philanthropy. We envision strong participation and partnerships with relevant stakeholders as well as other HNIs / UHNIs, who would like to utilise our platform and expertise being built to achieve their philanthropic goals to ensure the sustainability of programmes. With an intent to strategically evolve into a significant contributor in the space, we will constantly seek to play a greater role in design and leverage our strengths for the betterment of society.

## 7 SCOPE OF CSR POLICY

The Policy applies to all CSR Activities undertaken by IIFLWAM and fulfils all the requirements of CSR Provisions. IIFLWAM shall ensure all CSR Activities are over and above the normal course of business and are in line with Schedule VII of the Companies Act, 2013.

## 8 NORMAL COURSE OF BUSINESS

IIFLWAM Companies are registered with SEBI inter-alia as merchant banker, stockbroker, depository participant, research analyst, portfolio manager, investment advisor and distributor of financial products. IIFLWAM mainly acts as wealth and asset manager and inter-alia 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.

## 9 GUIDING PRINCIPLES AND STATEMENT OF COMMITMENT

Following are some of IIFLWAM's key guiding principles towards designing and implementation of its CSR Activities:

- a. IIFLWAM will prefer to implement its CSR Activities in the locations where it has its offices present and other geographies towards communities in need.
- b. Challenges and needs of communities will be a key parameter while designing and implementing IIFLWAM's CSR Activities.
- c. IIFLWAM will implement, monitor, review and evaluate CSR Activities to achieve the desired outcomes.
- d. IIFLWAM will encourage its employees to contribute and volunteer for various community development initiatives.

- e. IIFLWAM will comply with CSR Provisions and will adopt industry best practices, where feasible.

## 10 CSR ACTIVITIES

IIFLWAM shall undertake CSR Activities in the areas as may be permitted under the CSR Provisions and as may be approved by the Board from time to time. Programmes, projects and activities specifically disallowed to be considered as 'CSR' shall not be included and undertaken as CSR Activities.

The duration of the CSR Activities shall be as permitted under the CSR Provisions and as may be approved by the Board from time to time.

## 11 GOVERNANCE STRUCTURE

IIFLWAM has constituted a governing mechanism to oversee the implementation of this Policy in compliance with CSR Provisions. At the helm of this mechanism, the Board shall be ultimately accountable for the CSR Activities undertaken by IIFLWAM Company. Further, IIFLWAM Company have constituted / shall constitute CSR Committees that report to the Boards for the matters related to CSR. The CSR Team shall provide support for all CSR Activities at IIFLWAM and shall be responsible for ensuring effective implementation of CSR Activities.

### 11.1 Responsibilities of the Board

The responsibilities of the Board shall be as prescribed under the CSR Provisions from time to time and shall inter-alia include:

- a. Setting up the CSR Committee as per the Act.
- b. Approving / amending the CSR Policy, annual action plan and CSR Activities as recommended by the CSR Committee in accordance with the CSR Provisions.
- c. Ensuring that in each financial year IIFLWAM Company spends such sums and in such manner as may be prescribed under CSR Provisions.
- d. Ensuring that every financial year funds committed for CSR Activities are utilized effectively and are regularly monitored for due implementation.
- e. Ensuring necessary disclosures as per CSR Provisions in the Annual Reports and on the website, if any, of IIFLWAM Company or in such other manner as may prescribed under CSR Provisions.
- f. Ensuring annual reporting of CSR Policy and CSR Activities to any Regulator or any other relevant authority in prescribed format, if applicable / required.



- g. Ensuring that administrative expenses don't increase beyond 5% of total CSR Expenditure or such other percentage as may be prescribed under the CSR Provisions.
- h. Ensure that CSR Activities are undertaken by IIFLWAM Company itself, or through IIFLW CSR Foundation or directly or indirectly through other eligible implementation agencies in accordance with the CSR Provisions.
- i. In case of ongoing project(s), the Board shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project(s) within the overall permissible time period as per the CSR Provisions.
- j. The Board may authorize and/or empower the CSR Committee and/or CSR Team, to settle all queries, differences or doubts that may arise in relation to the execution and implementation of the annual action plan and the CSR Activities approved by the Board.

## 11.2 Responsibilities of CSR Committee

The responsibilities of the CSR Committee shall be as prescribed under the CSR Provisions from time to time and shall inter-alia include:

- a. Formulating and recommending the CSR Policy to the Board in compliance with the CSR Provisions.
- b. recommending annual action plan and the CSR Activities to be undertaken as per CSR Provisions.
- c. Recommending to the Board the CSR Expenditure to be incurred as per CSR Provisions.
- d. Periodic monitoring of the implementation of the CSR Policy and annual action plan.
- e. Reporting to the Board on the progress of the various CSR Activities and spends on a regular basis.
- f. Recommending to the Board, modifications to the CSR policy or annual action plan as and when required.

The CSR Committee shall be constituted as per the CSR Provisions and shall meet as often as its members deem necessary to perform the duties and responsibilities.

## 11.3 Responsibilities of the CSR Team

The responsibilities of the CSR Team shall be as decided by the Board and/or CSR Committee and may inter-alia include:

- a. Putting together an annual action plan and sharing it with CSR Committee for approval.
- b. Execution of the decisions taken by the CSR Committee/Board.
- c. Identifying and engaging with partners for implementation of the CSR Policy, annual action plan and CSR Activities including project and partner identification and due diligence.
- d. Periodic monitoring of CSR Activities and reporting to the Board and CSR Committee.

## 12 CSR EXPENDITURE AND CSR BUDGET

### 12.1 CSR Expenditure

Basis the applicability pursuant to Section 135(1) of the Companies Act, 2013, in every financial year, IIFLWAM Company shall allocate such sums as per CSR Provisions towards CSR Activities ("**CSR Expenditure**")<sup>1</sup>. CSR Expenditure may include such sums of the nature and extent as may be permitted by the CSR Provisions e.g. administrative overheads, expenses towards impact assessment etc., but shall not include such sums which are specifically disallowed under the CSR Provisions.

Any (a) unspent CSR Expenditure amount, (b) excess amounts spent in respect of CSR Activities, and (c) any surplus arising out of CSR Activities, shall be dealt in the manner prescribed under the CSR Provisions and as the Board may approve.

### 12.2 Annual Action Plan (i.e. CSR Budget)

In accordance with provisions of the CSR Provisions, an annual action plan shall be formulated and presented to the CSR Committee for its review and recommendation to the Board. The annual action plan shall include such details as prescribed under the CSR Provisions. The Board considering the recommendations of the CSR Committee shall approve the annual action plan and the CSR Team shall implement the same as per the directions of the Board. Board may alter the annual action plan in accordance with provisions of the CSR Provisions.

<sup>1</sup> Presently as per Section 135 of the Companies Act, 2013, a company meeting the criteria specified under Section 135(1) shall spend at least 2% of average net profit of the company made during the three immediately preceding financial years as CSR expenditure (or where the company has not completed the period of three financial years since its incorporation, during such immediately preceding financial years). For this purpose, 'net profit' shall be calculated in accordance with Section 198 of the Companies Act, 2013 and shall not include such sums as may be prescribed thereunder.

## **13 IMPLEMENTATION, EXECUTION, MONITORING, ASSESSMENT AND REPORTING**

### **13.1 Implementation**

The CSR Activities can be implemented by IIFLWAM Company itself, or through IIFLW CSR Foundation or directly or indirectly through other implementation agency(ies) eligible to undertake CSR Activities as per the CSR Provisions appointed after appropriate due diligence by the CSR Team.

IIFLWAM may engage the services of external expert agencies, consultancy firms etc. for carrying out any survey, assessment or report with regards to any CSR Activities.

### **13.2 Execution**

At IIFLWAM, the CSR Committee will work closely with the CSR Team to identify projects that are in alignment to the vision and goals set.

Following the approval of annual action plan by the Board, the CSR Team will formulate implementation strategy for the annual action plan basis the following:

- a. identify the implementation agencies basis the thematic areas / programmes approved by the Board under the annual action plan.
- b. Identify sectors, geographies and target group / beneficiaries.
- c. Milestones / targets and timelines.
- d. Specification of annual financial allocation.
- e. Governance and monitoring system.
- f. Reporting framework and system.

CSR Team shall update the status of execution of the annual action plan and the CSR Activities to the CSR Committee and Board from time to time.

### **13.3 Monitoring**

In compliance with the CSR Provisions and to ensure funds spent on CSR Activities are creating the desired impact on the ground, a monitoring and reporting framework will be used. A monitoring and evaluation system will be developed for each project as relevant. As deemed appropriate, third-party evaluations may be built in to assess impact on beneficiaries and progress towards achievement of the objectives of the CSR Policy.

Key objectives of monitoring throughout the implementation period will be to establish whether:

- a. The projects are making satisfactory and timely progress towards the objectives agreed
- b. The financial management and reporting are satisfactory

- c. To flag any course correction required
- d. The projects lead to the success of social investments at the end of their implementation period and document any lessons learned.

The CSR Team will monitor the implementation and progress of the approved projects through appropriate mechanisms such as site visits, review meetings and progress reports. The CSR Team will present monitoring reports of the projects to the CSR Committee and Board on a periodic basis, including the fund utilization report.

In order to satisfy the Board that the funds so disbursed towards CSR Activities have been utilised for the purposes and in the manner as approved by it, the Chief Financial Officer or the person responsible for financial management of the concerned IIFLWAM Company, shall certify to the effect in the form and manner acceptable to the Board.

### **13.4 Assessment**

IIFLWAM shall undertake and report the impact assessment of CSR Activity, as and when required under CSR Provisions and in the manner prescribed under the CSR Provisions or if the Board deems it necessary.

### **13.5 Reporting**

Based on reports presented by the CSR Team, reviewed by CSR Committee and approved by the Board, a report on the CSR Activities as a part of the Board's report will be published. The report will disclose information in the format as prescribed by the CSR Provisions.

IIFLWAM Company shall disclose following on its website, if any:

- a. The CSR Policy, as amended from time to time,
- b. Composition of CSR Committee
- c. Details of CSR projects approved by the Board
- d. Such other details / documents as may be prescribed under the CSR Provisions.

## **14 AMENDMENTS TO THE POLICY**

The Board shall review and amend this Policy as and when required and as per CSR Provisions. Any subsequent amendment / modification in the Applicable Laws, shall automatically apply to this Policy and the Policy shall stand amended to that extent.



## Annexure V

### 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 under review:

S. N.	Name of Director	Designation	Ratio
1.	Mr. Karan Bhagat	Managing Director	45
2.	Mr. Venkataraman Rajamani	Non-Executive Director	Not Applicable
3.	Mr. Nirmal Jain	Non-Executive Director	Not Applicable
4.	Mr. Yatin Shah	Non- Executive Director	Not Applicable
5.	Mr. Shantanu Rastogi	Non-Executive Director	Not Applicable
6.	Mr. Sandeep Naik	Non-Executive Director	Not Applicable
7.	Mr. Gopalakrishnan Soundarajan	Non-Executive Director	Not Applicable
8.	Mr. Nilesh Vikamsey	Independent Director	Not Applicable
9.	Ms. Geeta Mathur	Independent Director	Not Applicable
10.	Mr. Pankaj Vaish	Independent Director	Not Applicable
11.	Dr. Subbaraman Narayan	Independent Director	Not Applicable

#### 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	125
2.	Mr. Mihir Nanavati	Chief Financial Officer (Upto September 1, 2021)	214
3.	Mr. Amit Bhandari	Company Secretary (upto August 3, 2021)	4
4.	Mr. Sanjay Wadhwa	Chief Financial Officer (w.e.f. September 2, 2021)	Not Applicable as appointed during the year under review
5.	Mr. Rohit Bhave	Company Secretary (w.e.f. August 4, 2021)	Not Applicable as appointed during the year under review

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

For employees who were in employment for the whole of Financial Year 2020-21 and Financial Year 2021-22, increase in median remuneration is 81%.

#### 4. Number of permanent employees on the rolls of company at the end of the year : 44

#### 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 2020-21 and 2021-22, the average percentile increase in salaries is 21.2% and for the managerial personnel it is 8% (excluding ESOPs and performance bonus).

#### 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

Sd /-

**Karan Bhagat**  
Managing Director  
DIN: 03247753

Sd /-

**Yatin Shah**  
Non-Executive Director  
DIN: 03231090

Date: May 4, 2022

Place: Mumbai



## Annexure VI

### FORM MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

{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,  
The Members,  
**IIFL WEALTH MANAGEMENT LIMITED**  
IIFL Centre, Kamala City,  
Senapati Bapat Marg,  
Lower Parel, 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 conduct / 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, 2022, complied with the statutory provisions listed here under 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, 2022, 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 there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment. and External Commercial Borrowings;

Certain filings under FEMA to be filed via FIRMS Portal are pending for filings due to system issue of FIRMS Portal wherein new filings can be done only subsequent to approval of filings made earlier and frequency of such filings in case of the Company is high, thereby not allowing enough time to comply with the time limits.

In certain cases, RBI has approved such filings subject to payment of late submission fees, which the Company has already paid / is in the process of paying, and in certain case(s), RBI has waived off the late submission fees.

- (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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (d) 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);**
  - (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - (f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - (g) 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);**



- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(during the period under review not applicable to the Company);**
- (i) 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 (Merchant Bankers) Regulations, 1992;
- (ix) The Securities and Exchange Board of India (Research Analysts) Regulations, 2014,

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

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

During the period under review the Company has complied with the provisions of Act, Rules, Regulations, Guidelines.

**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 notices are given to all Directors to schedule the Board / Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except seven Board Meetings which were held on a shorter notice in compliance with the provisions of the Act and Secretarial Standards, 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.

Board / Committee decisions were carried through requisite majority while the dissenting members' views, if any, 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.

- a) The Board of Directors at its meeting held on August 03, 2021 declared first - interim dividend for FY 2021-22 at the rate of ₹ 35/- per share;
- b) The Board of Directors at its meeting held on October 27, 2021 declared second - interim dividend for FY 2021-22 at the rate of ₹ 20/- per share;
- c) The Nomination and remuneration Committee allotted the following shares under the applicable ESOP Schemes of the Company:

Sr. No.	Date of Allotment	Number of Equity Shares allotted
1	April 28, 2021	34,802
2	May 25, 2021	17,240
3	June 21, 2021	10,345
4	July 31, 2021	2,95,513
5	August 23, 2021	1,47,729
6	September 19, 2021	51,161
7	October 23, 2021	30,688
8	November 25, 2021	72,898
9	December 23, 2021	1,13,088
10	January 20, 2022	10,468
11	February 18, 2022	11,005
12	March 18, 2022	30,096
	<b>Total</b>	<b>8,25,033</b>

- d) The Nomination and remuneration Committee has granted below options to the identified employees under the applicable ESOP schemes of the Company;

Sr. No.	Date of Options Granted	Number of Options granted
1	April 23, 2021	26,75,000
2	July 28, 2021	3,98,891
3	October 27, 2021	1,07,000
4	January 27, 2022	83,000
5	March 4, 2022	27,000
	<b>Total</b>	<b>32,90,891</b>

- e) The Resource Raising Committee has allotted the following rated secured redeemable principal protected market linked non – convertible debentures of face value ₹ 10,00,000/- each, on private placement basis:

Sr. No.	Date of Allotment	Number allotted of Debentures
1	December 27, 2021	1,200
2	December 30, 2021	1,000
3	January 7, 2022	298
	<b>Total</b>	<b>2,498</b>

- f) The Company was no more carrying on the investment advisory business but instead the same was carried out by the wholly owned subsidiary namely, IIFL Investment Advisor and Trustee Services Limited and hence as approved by the Board of Directors in its meeting held on October 27, 2021 an application for surrender of the said license is made by the Company and the same is in process.
- g) The Company was no more carrying on the portfolio management business but instead the same was being carried out by the wholly owned subsidiaries namely, IIFL Wealth Portfolio Managers Limited and IIFL Asset Management Limited and hence as approved by the Board of Directors in its meeting held on February 2, 2022, an application for surrender of the said license is made by the Company and the same is in process.
- h) The Board of Directors in its meeting held on October 27, 2021 passed a resolution to borrow money by issue of Commercial Papers to meet the short term requirements of the Company up to an amount not exceeding ₹ 2500 cr.
- i) The Company has listed Non-Convertible Debentures with the Stock Exchange during the period under review.
- j) A scheme of amalgamation was approved by the Board of Directors in its meeting held on February 2, 2022, between the Company and IIFL Wealth Altire Limited, the wholly – owned subsidiary of the Company.

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

**Dipti Mehta**  
Partner  
FCS No: 3667  
CP No: 23905

Place: Mumbai  
Date: May 4, 2022  
UDIN: F003667D000264721

**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,  
The Members,  
**IIFL WEALTH MANAGEMENT LIMITED**  
IIFL Centre, Kamala City,  
Senapati Bapat Marg,  
Lower Parel, 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) Wherever 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 provisions referred in Secretarial Audit Report in Form MR-3, 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)

**Dipti Mehta**  
Partner  
FCS No: 3667  
CP No: 23905

Place: Mumbai  
Date: May 4, 2022

## Annexure VII

# SECRETARIAL AUDIT REPORT OF UNLISTED MATERIAL SUBSIDIARY MR-3 SECRETARIAL AUDIT REPORT

**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022 (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 Prime Limited**  
(Formerly: IIFL Wealth Finance Ltd.)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by IIFL Wealth Prime 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. Name of the Company was changed from IIFL Wealth Finance Limited to IIFL Wealth Prime Limited effective from 7<sup>th</sup> December, 2020 vide fresh Certificate of Incorporation issued by the Registrar of Companies, Mumbai.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit and considering the relaxations granted by the Ministry of Corporate Affairs and the Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 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 Prime Limited for the financial year ended on March 31, 2022 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; and
  - f) Master Direction - Know Your Customer (KYC) Direction, 2016



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 generally complied with the provisions of the Act and Rules, Regulations, Guidelines, etc.

We further report that:

- (a) The company is 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 period, the following significant events/ actions have taken place in pursuance of the above referred laws, rules, regulations, guidelines etc.:

- (a) The Company made allotment of Redeemable Non-Convertible Debentures in different series on private placement/ right basis amounting to ₹ 1138.32 crores during FY 2021-22.

(b) The Company issued Commercial Papers amounting to ₹ 24,562.75 crores and outstanding balance was ₹. 1,238.90 crores as on March 31, 2022.

(c) Redeemable Non-Convertible Debentures amounting to ₹ 1,138.32 crores issued in different series were listed on BSE Limited during F.Y. 2021-22.

(d) The Board of Directors approved the Composite Scheme of Arrangement amongst IIFL Wealth Capital Markets Limited and IIFL Wealth Prime Limited and IIFL Wealth Distribution Services Limited and their respective shareholders and creditors and the said Scheme was approved by the unsecured creditors of the Company at NCLT convened meeting.

(e) Resolutions of the Board of Directors was passed on 01.02.2022 & Special Resolution was passed at Extra Ordinary General Meeting on 15.03.2022 for issue of Non-Convertible Debentures (NCD) aggregating upto ₹ 5000 Crores on private placement basis u/s 42 of Act.

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

Place: Mumbai

Date: 03.05.2022

UDIN: F008102D000261951

**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 A'**

To,  
The Members  
of IIFL Wealth Prime Limited  
(Formerly: IIFL Wealth Finance Ltd.)

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

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

Place: Mumbai  
Date: 03/05/2022  
UDIN: F008102D000261951

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



## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022 (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 Asset Management Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by IIFL Asset Management Limited, having CIN: U74900MH2010PLC201113 (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit and considering the relaxations granted by the Ministry of Corporate Affairs and the Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 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 the Company for the financial year ended on March 31, 2022 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. The Company does not have any overseas investment and External Commercial Borrowings during the financial year.
- v. Other Acts, Laws, Regulations or Guidelines specifically applicable to the Company:
  - a) The Securities And Exchange Board of India (Mutual Fund) Regulations, 1996 as amended.
  - b) The Securities And Exchange Board of India (Portfolio Managers) Regulations, 1993 as amended

- c) The Securities And Exchange Board of India (Alternative Investment Funds) Regulations, 2012.

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.

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

- (a) The company is wholly-owned subsidiary of IIFL Wealth Management Ltd. by virtue of Section 2(87) of the Companies Act, 2013. 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 period, no significant events/ actions have taken place in pursuance of the above referred laws, rules, regulations, guidelines etc.

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

Place: Mumbai  
Date: 04.05.2022  
UDIN: FO08102D000267671

**Jayaram U Poojari**  
FCS : 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 A'

To,  
The Members  
of IIFL Asset Management Ltd.

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 process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process 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. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

Place: Mumbai  
Date: 04.05.2022  
UDIN: F008102D000267671

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



## Annexure VIII

### 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 otherwise requires, words and expressions used in this policy and not defined herein 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 therein.

#### 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 prorata 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**

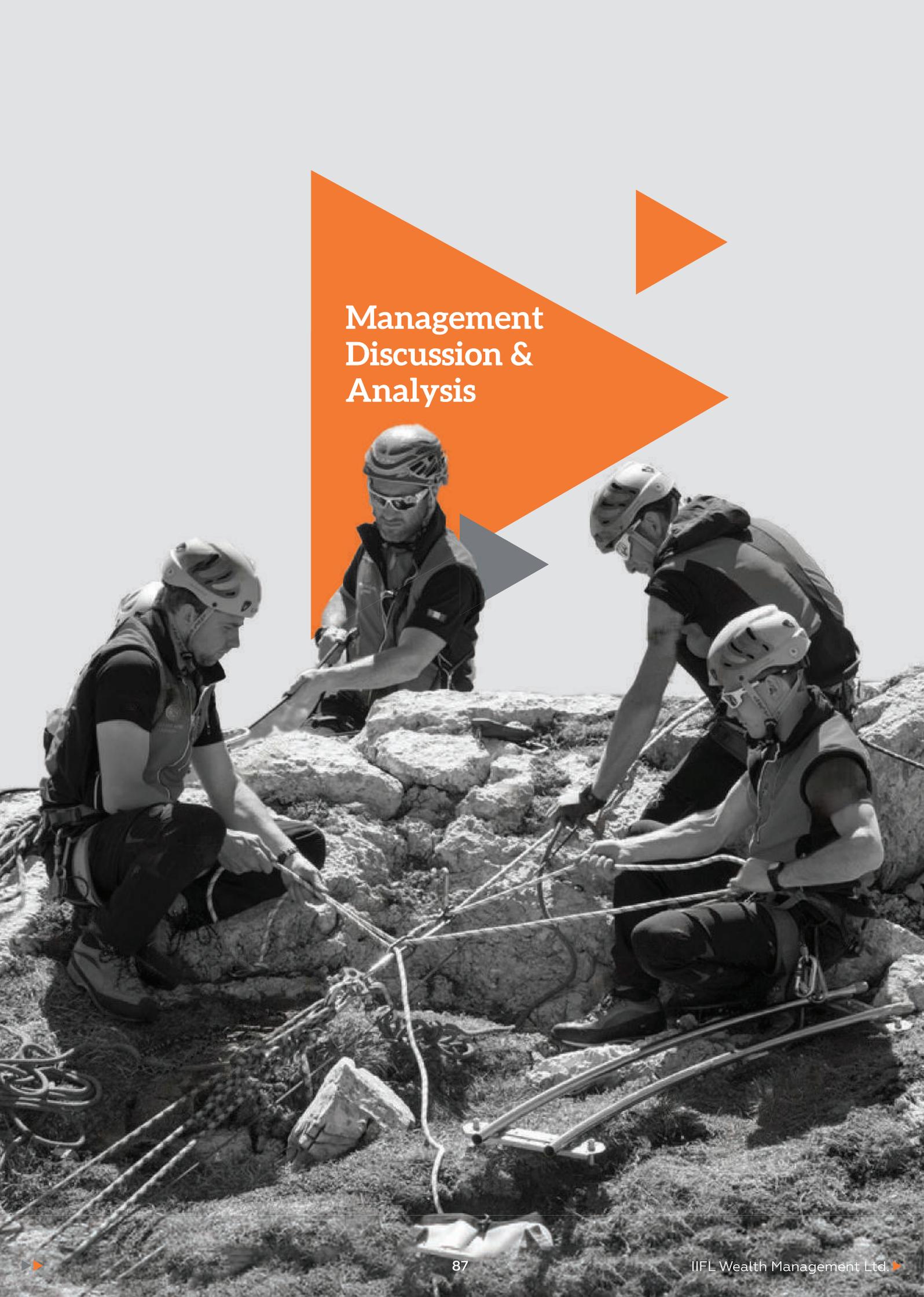
The Committee shall consist of minimum 3 non-executive directors, majority of them being independent. The Chairperson of the Committee shall be an Independent Director. The Chairperson of the Company shall not be a Chairman of the Committee. The term of the Committee shall be continued unless terminated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



## Management Discussion & Analysis

# Management Discussion & Analysis

## Unlocking ecosystem value

The nearly 200-year-old global wealth management industry is on the precipice of great change catalysed by massive digital and regulatory disruption coupled with the changing contours of investor wealth and expectations. While the growth of wealth has inevitably witnessed several ebbs and flows over the last two centuries, its one striking feature has been its exceptional resilience. Weathering multiple storms and crises, the growth of wealth has proved to be stubbornly robust and enduring. Case in point being the recent Covid-19 pandemic and the ramifications (or lack of) that it has had on the growth in global wealth.

In the aftermath of the pandemic, expectations were rife that the growth of wealth would take a significant blow, perhaps mirroring the effect of the 2008 Global Financial Crisis following which global financial wealth declined by 8%. However, contrary to the expectations of most analysts, global financial wealth grew at a strong clip instead. The prompt action taken by governments and central banks across the globe instilled the much-required confidence in the financial markets, spurring not just a reversal in equity market losses, but 18 months of sustained equity market growth.

Stock markets continued their upward trajectory, scaling new highs as co-ordinated and concerted efforts by governments, central banks, and other ecosystem stakeholders stoked both business as well as investor confidence. After initially pausing to take stock, the housing market also got infected by the prevailing optimism and house prices started rising after remaining sedate for a sustained period of time. Inevitably, the increase in the prices of both financial as well as real assets led to significant gains in household wealth throughout the world.

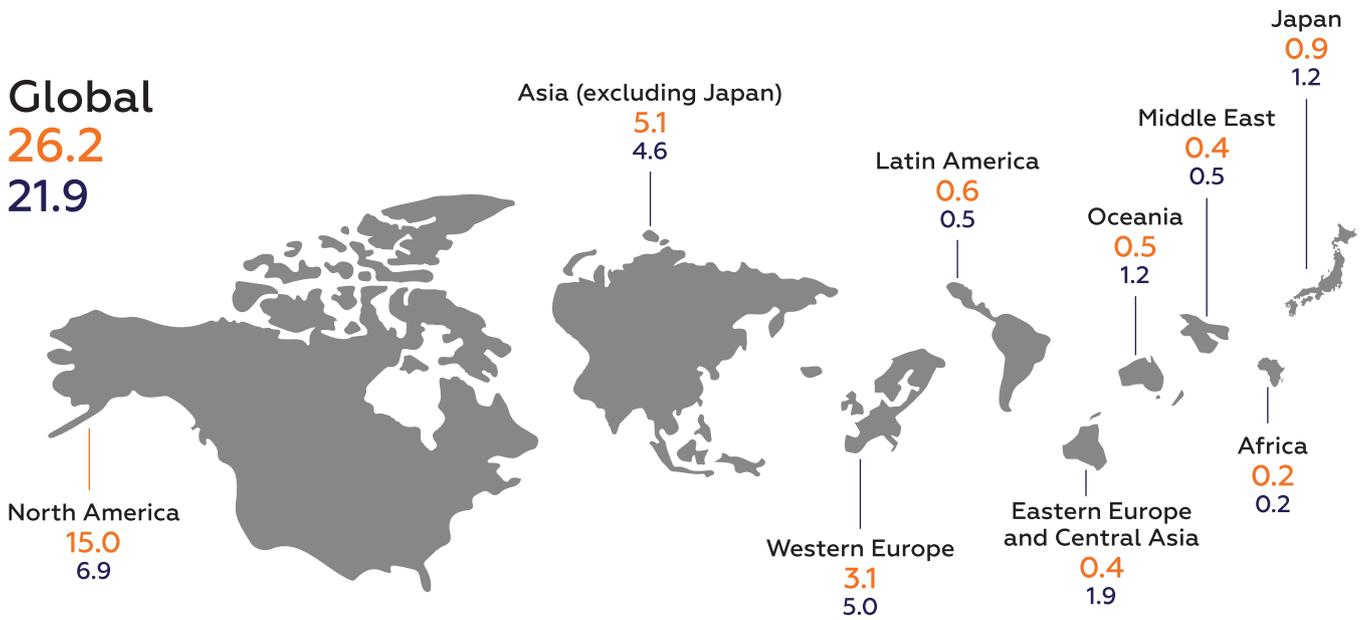
It is estimated that global financial wealth grew by a significant 10.6% from 2020 to 2021, witnessing the fastest growth rate in over a decade. The double-digit growth created USD 26 trillion in new wealth and took total financial wealth and the real asset pool close to USD 530 trillion.

Correspondingly, it was observed that physical goods like real estate, wine, art, watches, and related holding continue to find favour with the world's wealthy. It was further estimated that, over the past year, demand for real assets surged by 9.4% (USD 22 trillion), bringing the total to USD 256 trillion. Taken together, these assets now account for almost 50% of the total wealth pool.<sup>1</sup>



<sup>1</sup> <https://web-assets.bcg.com/77/3d/6f72e93e4c5ebc95ee093cc91793/bcg-global-wealth-standing-still-is-not-an-option-jun-2022-r.pdf>

## Exhibit 1: Absolute Financial Wealth and Real Assets Growth, 2020–2021



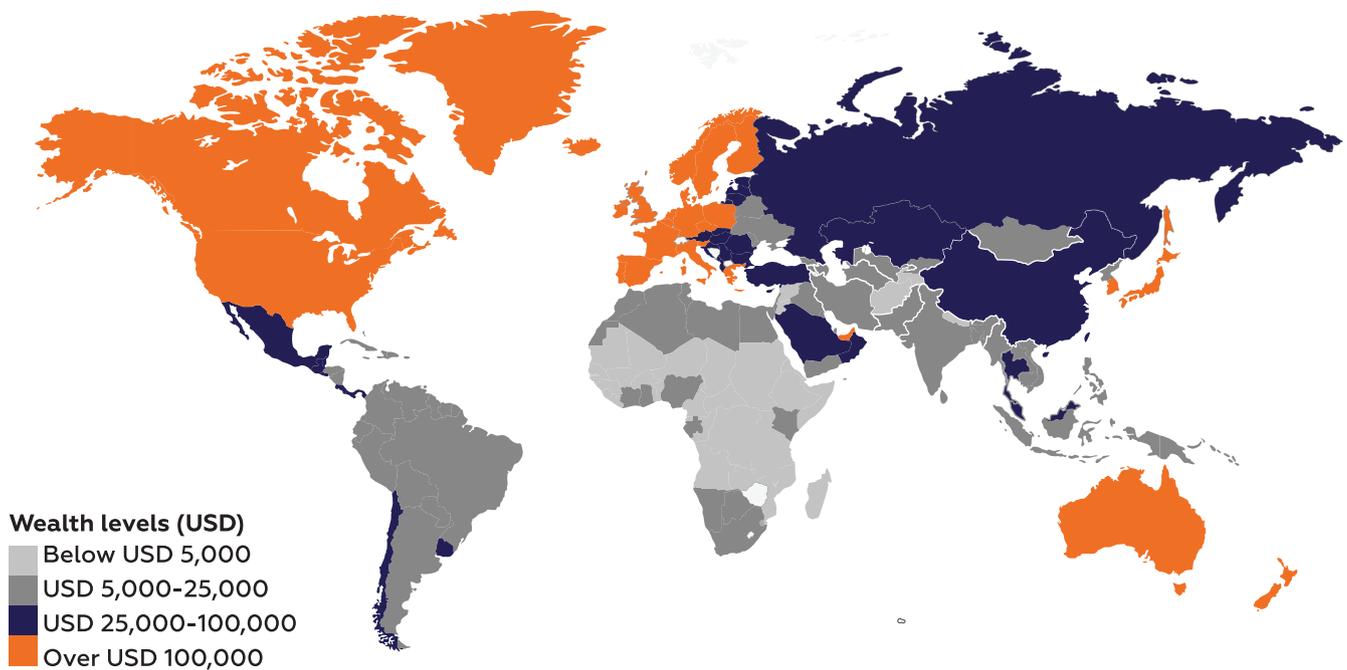
### Absolute $\Delta$ in financial wealth 2020-2021 (\$ trillions)

### Absolute $\Delta$ in real assets 2020-2021 (\$ trillions)

Source: BCG global wealth market sizing - Global Wealth Report 2022.

Note: Wealth in local currency was converted to US dollars at the 2021 year-end exchange rate across all time periods.

## Exhibit 2: World Wealth Map 2022

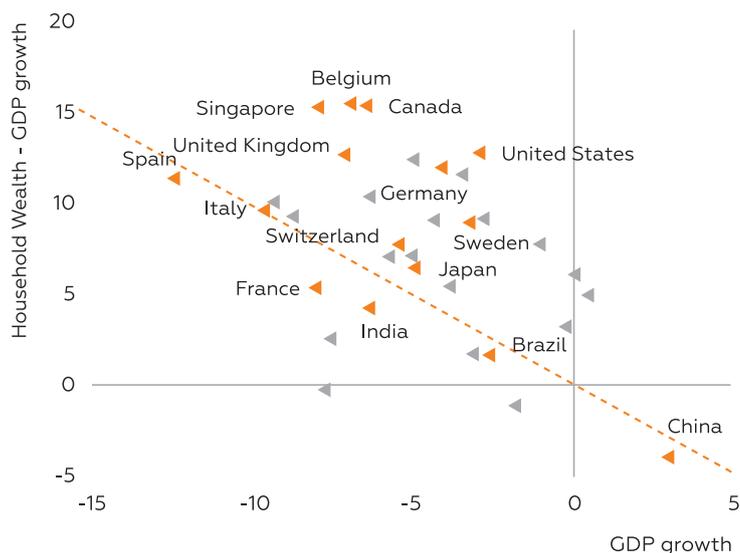


Source: James Davies, Rodrigo Lluberias and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2021

Another report stated that at the end of 2020, wealth per adult rose 6.0% to a new record high of USD 79,952.<sup>2</sup> While this in itself reveals the massive growth in global wealth, when you evaluate it against the USD 80 trillion in wealth in 1999, you will realise that overcoming multiple crises, global financial wealth has more than quadrupled in just over 2 decades.

### Exhibit 3: Growth of household wealth relative to GDP 2020 (%)

Dashed line indicates no change in household wealth in 2020 in domestic currencies



Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2021

It is further estimated that the low and middle-income countries will be responsible for 42% of this growth, despite the fact that they currently account for only 33% of global wealth.<sup>3</sup> Wealth per adult is projected to increase by 31%, passing the watershed mark of USD 100,000. The number of millionaires will also grow markedly over the next five years, reaching 84 million by CY25, while the number of UHNIs should reach 344,000 by CY25.<sup>4</sup>



<sup>2</sup> <https://www.credit-suisse.com/about-us/en/reports-research/global-wealth-report.html>

<sup>3</sup> <https://www.credit-suisse.com/about-us-news/en/articles/media-releases/global-wealth-report-2021-202106.html>

<sup>4</sup> <https://www.credit-suisse.com/about-us/en/reports-research/global-wealth-report.html>



#### Exhibit 4: Change in household wealth 2020, by region

	Total wealth	Change in total wealth		Wealth per adult	Change in wealth per adult	Change in financial assets		Change in non-financial assets		Change in debts	
	USD bn	USD bn	%	USD	%	USD bn	%	USD bn	%	USD bn	%
Africa	4,946	36	0.7	7,371	-2.1	-24	-1.0	26	0.9	-34	-8.5
Asia-Pacific	75,277	4,694	6.7	60,790	5.0	2,974	7.4	2,549	6.4	829	8.9
China	74,884	4,246	6.0	67,771	5.4	3,389	10.2	1,912	4.3	1,055	15.3
Europe	103,213	9,179	9.8	174,836	9.8	6,648	14.0	3,969	6.6	1,438	10.3
India	12,833	-594	-4.4	14,252	-6.1	119	3.8	-782	-6.8	-70	-5.8
Latin America	10,872	-1,215	-10.1	24,301	-11.4	-655	-11.1	-796	-10.5	-236	-17.0
North America	136,316	12,370	10.0	486,930	9.1	10,037	10.0	3,145	7.7	812	4.7
<b>World</b>	<b>418,342</b>	<b>28,716</b>	<b>7.4</b>	<b>79,952</b>	<b>6.0</b>	<b>22,486</b>	<b>9.7</b>	<b>10,023</b>	<b>4.8</b>	<b>3,794</b>	<b>7.5</b>

Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2021

So far, the United States has been significantly ahead of the rest of the world in terms of the largest number of millionaires, marking a wide distance between itself and the second place which is occupied by China. However, a host of reports suggest that this gap is slowly but surely getting eroded. It is estimated that the number of millionaires in the United States will rise by 28% between 2020 and 2025. Correspondingly, the number in China is expected to increase by as much as 93% to reach 10.2 million. Countries like Japan, Germany, the United Kingdom, and France are likely to see percentage rises somewhere between those of the United States and China. Particularly for India, it is predicted that the number of millionaires will increase to 1.3 million in 2025, witnessing a growth of approximately 82% between 2020-2025.<sup>5</sup>

#### Changing contours of the Indian wealth management industry

India is currently witnessing the fastest wealth creation in its history, precipitated by an enabling regulatory and business environment, a fecund start-up ecosystem, and strong demographic advantage. It is important to acknowledge that India's growth, in terms of total wealth creation and the number of wealthy is particularly noteworthy.

<sup>5</sup> <https://www.credit-suisse.com/about-us/en/reports-research/global-wealth-report.html>

### Exhibit 5: Number of millionaires in 2020 and 2025 (Selected countries)

Number in thousand

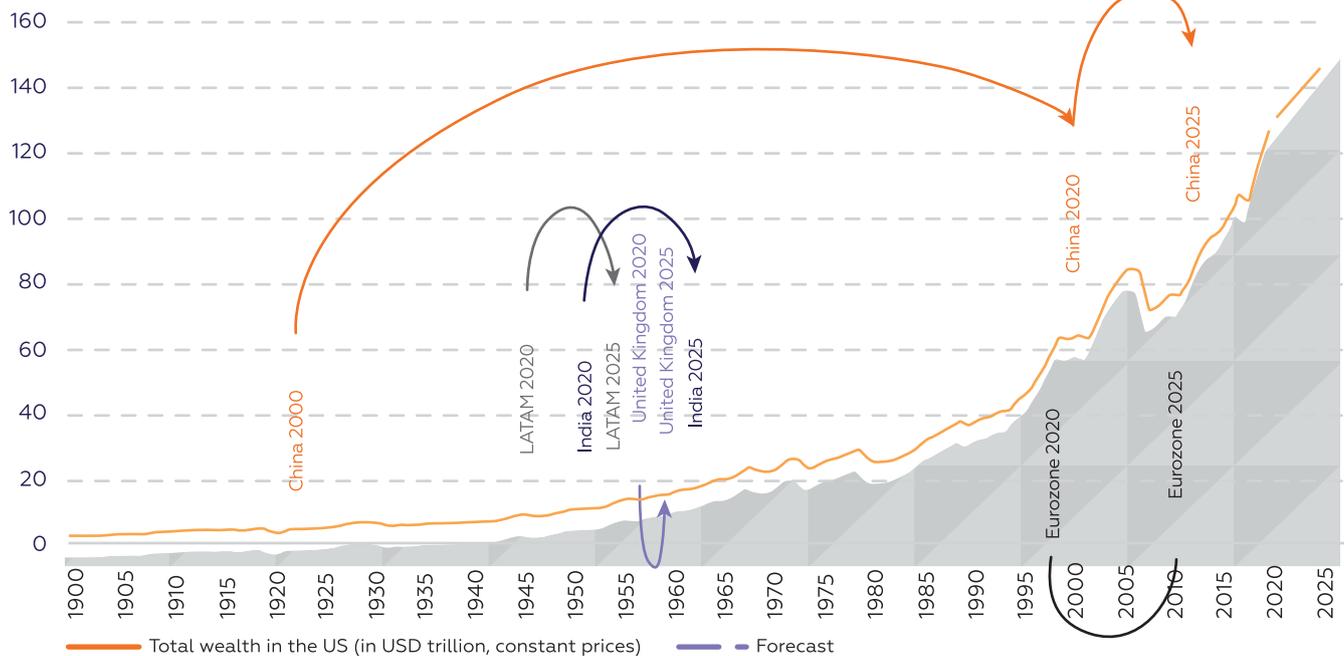
Country	2020	2025	Change (%)	CAGR (%)
United States	21,951	28,055	28	5.03
China	5,279	10,172	93	14.02
Japan	3,662	5,411	48	8.12
United Kingdom	2,491	3,711	49	8.30
Germany	2,953	4,240	44	7.50
India	698	1,269	82	12.70
World	56,084	84,014	49	8.42

Source: Global Wealth Report 2021

Between the years 2000 and 2020, total wealth in India increased eight-fold to USD 12.8 trillion in 2020. While this increase is absolutely remarkable, when you compare it to the United States, which has a quarter of India's population,

you will note that the total wealth in India is comparable to the level for the United States 70 years ago. It is estimated that this will increase to USD 18.4 trillion in real terms in 2025, similar to the level in the United States in the mid-1960s.<sup>6</sup>

### Exhibit 6: Total wealth in the United States, 1900–2025, and relative position of selected economies (USD trillion, constant prices)



Source: Original estimates by authors

Wealth in India is on a sustained path of growth as a confluence of factors come together to give it unprecedented impetus. These factors include:

- ▶ India's long-term economic growth prospects
- ▶ Rising income levels
- ▶ Positive demographics
- ▶ Thriving start-up ecosystem
- ▶ Enabling regulatory environment

<sup>6</sup> <https://www.credit-suisse.com/about-us/en/reports-research/global-wealth-report.html>



## Rising affluents

The trinity of innovation, capital, and an enabling environment is now coming together to create a thriving ecosystem of young entrepreneurs and great businesses. This fecund landscape is not only creating wealth in an unprecedented manner but also generating network effects at great scale. The IIFL Wealth Hurun India 40 & Under Self-Made Rich List captures the burgeoning class of young entrepreneurs who have earned the distinction of becoming the hottest rising stars in business from India. Further, it also reveals some interesting trends in terms of how they are creating this wealth and where the pockets of opportunity lie. Within this space, the largest wealth creators for entrepreneurs under the age of 40 have been Software & Services and Transportation & Logistics. Further, 15 of the 45 entrepreneurs reside in India while India's Silicon Valley, Bengaluru has the highest number of self-made entrepreneurs aged under 40.

The list also endorses a transformation that we, at IIFL Wealth, have already been observing. The current economic landscape coupled with the power of technology and digital solutions has created an enabling environment for emerging

entrepreneurs. This has led to two things. One, it is creating network effects at scale as innovative products and services are being launched at every point of the spectrum and second, it is creating thriving relationships amongst ecosystem players. While there are many young entrepreneurs who are on their way to becoming unicorns, there are several others who have had successful exits. These successful entrepreneurs are now setting up investment funds to support innovative ideas and other emerging entrepreneurs. Not only through funding, they are also lending support to emerging entrepreneurs by providing them strategic support in their entrepreneurial journey. The growing list of successful young entrepreneurs acts as a beacon of light for a generation of entrepreneurs. These rising stars are paving the way for immense value and wealth creation in the country.

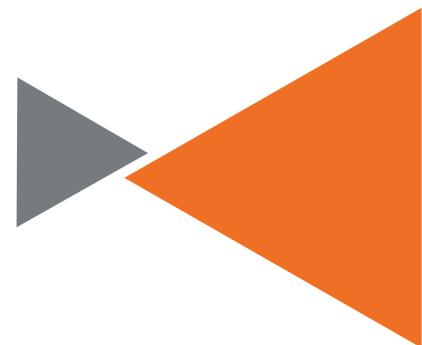
Correspondingly, the financialisation of savings is also increasing steadily as a larger number of Indians are choosing to park their savings in financial assets. This is evident by the growth being witnessed by the Indian mutual fund industry.

## Indian Mutual Fund Industry Overview

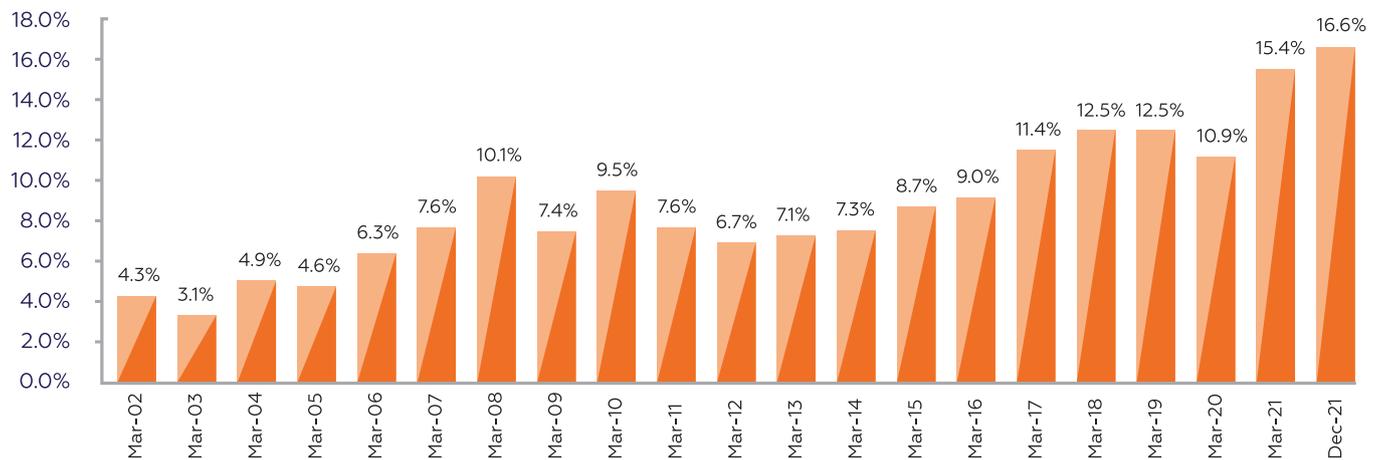
Assets managed by the Indian mutual fund industry have increased from ₹32.1 trillion in March 2021 to ₹338.4 trillion in March 2022, growing at a strong clip of 19.5%.<sup>7</sup> Despite the size and growth profile, India continues to be underpenetrated with a mutual fund penetration rate (the ratio of

period ending mutual fund AUM to GDP) of 16.6% in December 2021, as compared to 140% in the United States, 84% in Brazil, and a global average of 63%. Further, India accounts for less than 2% of the global mutual fund industry, representing a significant growth opportunity.

<sup>7</sup> [https://www.business-standard.com/article/markets/domestic-mf-industry-s-average-aum-grew-19-to-rs-38-37-trn-in-fy22-122040501003\\_1.html](https://www.business-standard.com/article/markets/domestic-mf-industry-s-average-aum-grew-19-to-rs-38-37-trn-in-fy22-122040501003_1.html)



## Exhibit 7: Growth in Mutual Fund AUM (as a % of GDP)



Note: Based on end of Fiscal AUM and GDP at current prices; Source: AMFI, IMF, RBI, CRISIL Research

Another noteworthy trend is the rise in activity from B30 locations, especially in the equity segment due to improved distribution and regulatory changes in fee structure. With improving awareness, access to the internet, and higher mobile penetration, large swathes of people across the country are understanding about and investing in financial instruments, especially mutual funds.

We are currently in the midst of the largest wealth transfer in history as money passes from the previous generation to the current generation. The current decade of the 21<sup>st</sup> century is seeing a steady rise in the influence that millennials, people born between 1982 and 1995, hold over the innovations and trends being seen on a global platform. From retail and entertainment to workplaces, every entity is adapting to the requirements of the millennials. Correspondingly, digital technology has become pervasive and is changing the contours of the wealth management industry. This has several ramifications for the industry as a whole.

- ▶ We are living in an era of instant gratification. However, creating long-term wealth is something that obviously cannot be achieved instantly. There are several gaps to be bridged in terms of matching customer expectations with on-ground reality.
- ▶ Today, the owners of wealth are shaped by an entirely different set of experiences and wealth management firms need to understand this better.
- ▶ The DIY culture is also accelerating a shift to self-investing or hybrid investing.

- ▶ Impact investing is gaining popularity as individuals are becoming increasingly conscious of the impact of their choices on their ecosystems.

This transitory phase is likely to engender a wealth of opportunities and a few challenges for wealth management firms. Firstly, the demographic advantage presents wealth management firms with a compelling opportunity to create new products that can holistically meet the nuanced needs of a young population and leverage new technologies that can ensure that clients have a seamless and efficient investment experience. Secondly, firms also need to be cognisant of clients' needs to generate positive profits through impact investing. Thirdly, firms should recognise that technology will only serve as an enabler in an industry which is tethered to traditional value and puts a premium on trust and enduring relationships that are built over a period of time.

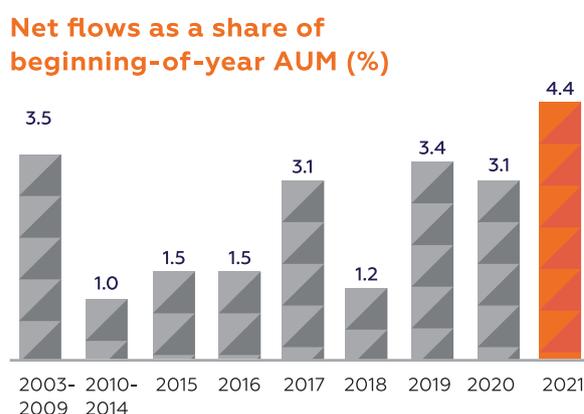
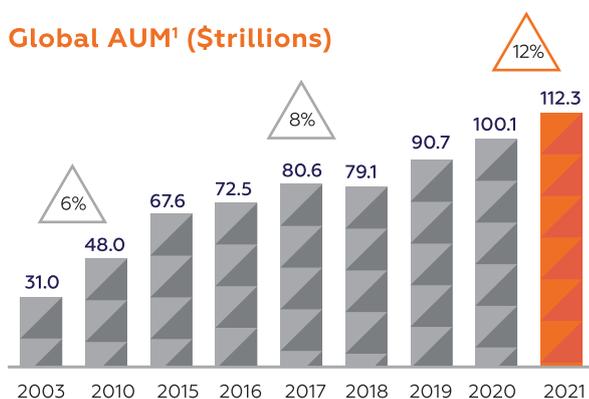
In the backdrop of this demanding landscape, 2021 has been a successful and gratifying year for IIFL Wealth & Asset Management. Our focus on our people, i.e., both internal as well as external stakeholders coupled with our accelerated investments in technology has stood us in good stead and enabled us to holistically meet the nuanced needs of our clients.

## Asset Management Landscape

Inarguably, the asset management industry has navigated the pandemic wittingly and emerged in a position of strength. This is evident from the fact that the year 2021 saw global assets under management (AUM) witness 12% growth and surpass the USD 112 trillion mark.<sup>8</sup> This is encouraging considering that this growth rate is significantly higher than the 2001-2021 average of 7%. Net inflows in 2021 were also higher than the average and reached 4.4% of total AUM at the beginning of the year or approximately USD 4.4 trillion.<sup>9</sup>

Further, it is estimated that the alternative industry will witness exponential growth in the years to come and claim a substantial part of the global AUM. The alternative AUM, which was estimated at approximately USD 13.32 trillion at the end of 2021, is expected to swell to USD 23.21 trillion by the end of 2026.<sup>10</sup> Further, it has been observed that growth in passive products has been particularly sharp in the aftermath of the 2008 Global Financial Crisis. By 2021, AUM in passively managed products such as Exchange Traded Funds (ETFs) had grown at more than 4x the rate of their actively managed counterparts since 2003.

### Exhibit 8: Growth in AUM and net inflows



Source: BCG Global Asset Management Market Sizing 2022; BCG Global Asset Management Benchmarking Database 2022.

Note: Market sizing includes assets professionally managed in exchange for management fees; AUM includes captive AUM of insurance groups or pension funds where AUM is delegated to asset management entities with fees paid; 44 markets are covered globally, including offshore AUM. For all countries where the currency is not the US dollar, we applied the end-of-year 2021 exchange rate to all years in order to synchronize current and historic data; values differ from those in prior studies because of fluctuations in exchange rates, revised methodology and changes in source data. Flow analysis is based on our global benchmarking, which includes 101 leading asset managers, representing \$69 trillion AUM, or ~62% of global AUM.

<sup>8</sup> <https://web-assets.bcg.com/79/bf/d1d361854084a9624a0cbce3bf07/bcg-global-asset-management-2021-jul-2021.pdf>

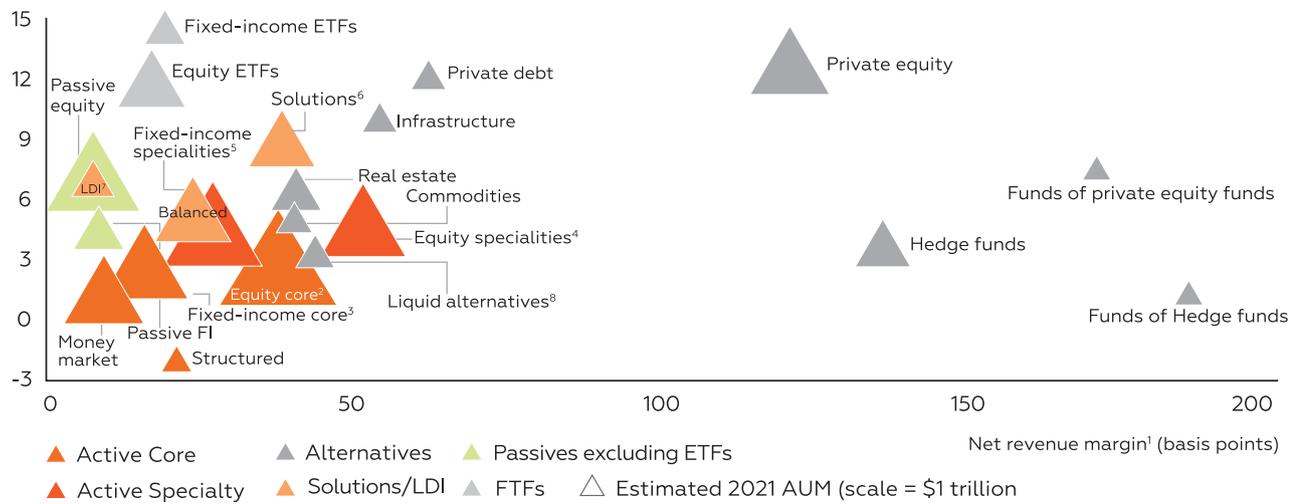
<sup>9</sup> <https://web-assets.bcg.com/ba/c8/5b65e9d643abac4fa8e6820e86f4/bcg-global-asset-management-2022-from-tailwinds-to-turbulence-may-2022-r.pdf>

<sup>10</sup> <https://www.spglobal.com/marketintelligence/en/news-insights/latest-news-headlines/global-alternatives-aum-forecast-to-double-by-2026-topping-23-trillion-68404362#:text=AUM%20in%20the%20global%20alternatives,large%20part%20by%20private%20equity>.



## Exhibit 9: ETFs and select Alternative products are expected to lead growth through 2026

### % AUM growth, 2021-2026 (est.)



Sources: BCG Global Asset Management Market Sizing 2022; BCG Global Asset Management Benchmarking Database 2022; Strategic insight; P&I; ICI; Prequin; HFR; INREV; BCG analysis

Note: ETF = exchange traded fund; LDI = Liability-driven investment

<sup>1</sup> Management fees net of distribution costs.

<sup>2</sup> Includes actively managed domestic large-cap equity.

<sup>3</sup> Includes actively managed domestic government and corporate debt.

<sup>4</sup> Includes foreign, global, emerging-market equities, small and mid caps, and themes.

<sup>5</sup> Includes emerging market, high yield, flexible, inflation linked.

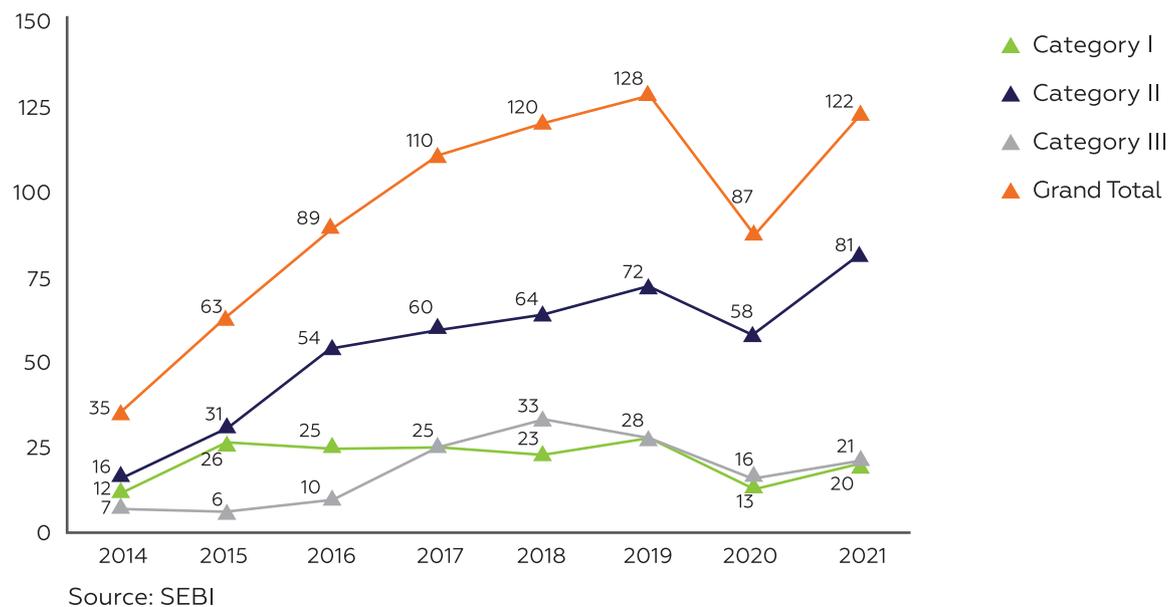
<sup>6</sup> Includes target date funds, target maturity, and OCIO.

<sup>7</sup> LDI = liability-driven investment

Another noteworthy trend is the growth in private equity, hedge funds, and real estate assets. As of December 2021, the largest asset class within the alternative AUM was private equity at USD 5.33 trillion. As per research by Prequin, private equity AUM is expected to surge to USD 11.12 trillion in 2026, witnessing double-digit CAGR in AUM while growth in other asset classes is expected to be modest.<sup>11</sup>

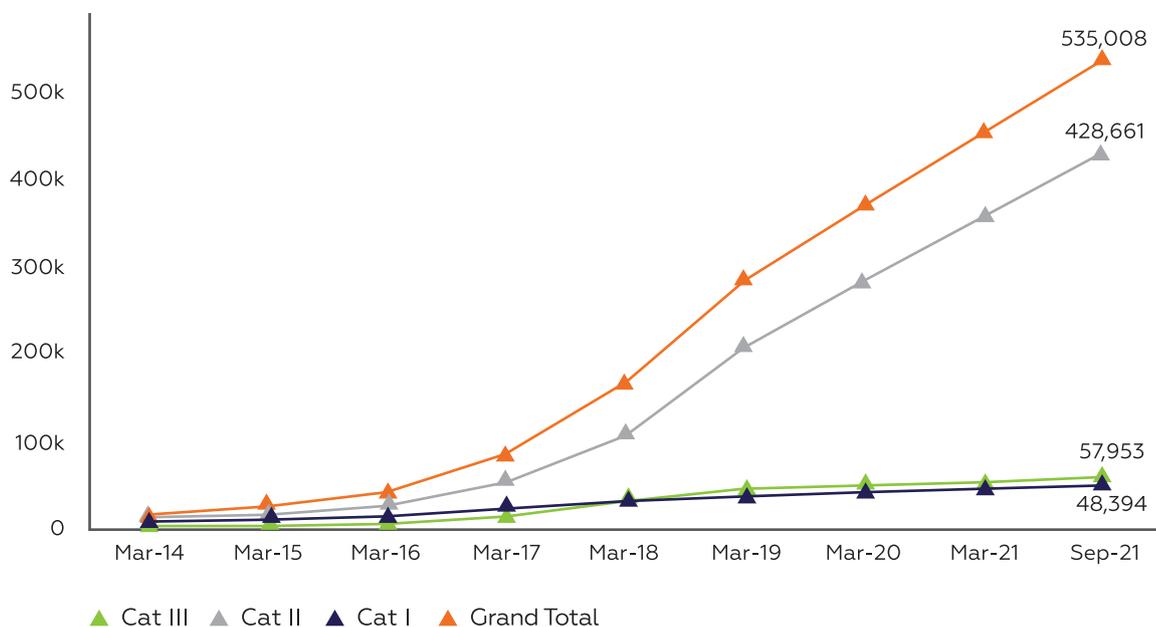
In India, although the alternative fund industry is nascent, just about a decade old, it is growing at a fast clip. This is evident from the number of alternative investment funds (AIFs) launched across categories in the recent past and the growth in commitments raised. Today, an increasing number of AIFs are being launched to meet the nuanced needs of investors and help them enhance the risk-adjusted returns of their portfolios.

## Exhibit 10: Growth in the number of AIFs launched across categories



<sup>11</sup> <https://www.spglobal.com/marketintelligence/en/news-insights/latest-news-headlines/global-alternatives-aum-forecast-to-double-by-2026-topping-23-trillion-68404362>

## Exhibit 11: Growth in commitments raised (₹ Crs)



Source: SEBI

Further, it is interesting to note that the growth of AIFs is not just limited to top cities. It is increasingly being observed that new AIFs are being launched in the cities of Ahmedabad, Kolkata, Pune, among others, thereby validating the fact that wealth is growing in tier-2 cities. Part of this can be attributed to enabling regulation, especially at Gujarat International Finance Tec-City (GIFT City). The government has taken consistent steps and actions to empower the AIF segment in India, with the latest and potentially most effective one being the launch of India's maiden International Financial Services Centre (IFSC) at GIFT City. GIFT City is especially beneficial to AIFs as it offers access to diverse incentives such as regulatory exemptions and tax benefits as well as a suitable support system aimed at advanced growth and innovation.

IIFL Asset Management has a leadership position in the AIF space. However, the overall penetration is still low and there is high potential for growth. This creates a great opportunity for wealth management firms to offer nuanced solutions to the burgeoning wealthy in India's tier-2 and tier-3 cities.

With an increasing number of people joining the ranks of the wealthy, the asset and wealth management industry is inevitably poised for exponential growth. However, we understand that if we have to optimally harness the emerging opportunities in the asset and wealth management space, then we must be agile and innovative, while staying tethered to our core philosophy of always putting the client first. Clearly, the imperatives for wealth management firms are changing. First, firms need to be prepared for success in some areas and failures in others. This means that they need to reorganise business structures and take a prolonged hard look at what's working and what's not, and where can the changes be made in the most cost-effective manner. Second, firms need to embrace technology with open arms. The speed with which the right digital solutions are adopted will determine who will win or lose in this fast-changing landscape. And third, human capital will become absolutely vital as firms in the industry reinvent themselves. This means nurturing and retaining the right people and empowering them with the right set of technology tools.

## About IIFL Wealth & Asset Management

IIFL Wealth & Asset Management (IIFL WAM) is one of the leading wealth and alternatives-focused asset management companies in India. Started 14 years ago, IIFL WAM has catapulted itself to become a financial advisor to over 6,800+ influential families in the UHNI / HNI segment, with more than ₹327,000 Crs of assets under management. Headquartered in Mumbai, IIFL WAM has more than 900 employees and a presence in 5 major global financial hubs and 23 locations in India. IIFL Wealth is the only pure wealth management company to be listed on the Indian stock exchanges with a market cap of ₹13,000 Crs as on 31st March 2022. IIFL Wealth Management Ltd is listed on the NSE (Symbol: IIFLWAM) and BSE (Scrip code: 542772).

## Key Differentiators

### Sustained progress on business model change

In line with global best practices, IIFL WAM undertook an ambitious program to pivot its revenue recognition model from a transaction driven / upfront commission-based model to a sustainable management fee / annuity distribution commissions model. This change has not only put IIFL WAM at the forefront of positive change in the industry but has also gained acceptance by a large number of clients.

Overall, we have seen a sharp increase in both AUM and revenue growth in FY22 with a commensurate growth in profitability. The company has witnessed a 41.6% growth in Annual Recurring Revenue (ARR) assets and a corresponding 56.4% growth in ARR.

In FY2022, Total Revenue stood at ₹1535 Crs and PAT was ₹582 Crs, as against a total Revenue of ₹1053 Crs and a PAT of ₹369 Crs in FY21. This indicates that revenue grew at a strong clip of 45.8% and efficiencies were well managed such that PAT grew at a higher rate of 57.7%. In FY22, Recurring Revenues stood at ₹912 Crs up 56% over FY21. ARR assets increased more than 42% yoy to ₹1,44,432 Crs. The share of ARR assets in total AUM now stands at ~55%. Net flows for FY22 were at ₹31,422 Crs, primarily towards ARR Assets – thereby depicting a conscious shift and focus towards building an Annual Recurring Asset base.

## Other Highlights

During the year, we have declared and paid a total of ₹55 per share as dividend, of which ₹35 constitutes a special dividend and ₹20, a regular dividend. This is in line with our policy of paying out 70-75% of our annual profits as dividend to our shareholders. Further, it is in accordance with our stated aim of efficiently managing our capital and Net Worth and moving towards our Target RoE of 30%.

## Segment-wise and product-wise performance

### Wealth Management

The wealth management business is an open architecture advisory-based offering with the dual objective of wealth preservation, while providing optimal, steady-state returns relative to the client's risk appetite. While Indian firms have significantly gained market share, most existing players in India offer wealth management as a non-core extension to their core business (banking/ broking/ investment banking). IIFL Wealth on the other hand, 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 and a holistic suite of offerings that include estate planning, broking, lending, and corporate advisory. Clients benefit from professional and unbiased advice, a scientific investment process, consolidated reporting across advisors, and cutting-edge portfolio analytics. We maintain a healthy balance between fixed income, equity and alternatives investments, in an attempt to ensure that portfolios are able to generate consistent returns and are well-protected during volatile times. This approach has ensured that clients' portfolios grow steadily on a compounded basis over long periods of time. IIFL Wealth's unique approach in wealth management has resulted in high retention of clients and assets. The firm continues to invest in people, products, technology, and compliance to give clients the best platform to preserve and grow wealth.

## Key Client Segments



- ▶ **Entrepreneurs:** Who have sold their businesses either partly or wholly
- ▶ **Senior executives:** Who have exercised their stock options, or sold equity in their firms
- ▶ **Professionals:** Including doctors, corporate lawyers, actors
- ▶ **Medium to large industrialists:** Marquee families with substantial liquidity in their personal books
- ▶ **Corporate Treasuries:** Our expertise in fixed income and debt and our capability to synthetically structure products give us access to some large corporate treasuries
- ▶ **Funds, Endowments and Family Offices:** Account for a significant portion of the international assets under FII sub accounts
- ▶ **Large traders:** Our focus is on utilization of platform (funding limits, speed of execution and service levels)

We uphold ourselves to the highest of wealth management and business standards and it is our constant endeavour to ensure that our clients can seamlessly access the most optimal wealth advice and products. In order to achieve this, we believe that it is important to be agile and proactively embrace new opportunities while staying tethered to our core values. Equally important in our approach is the role that our 900+ people play in aligning the interests of our customers and our shareholders. To this end, our processes, performance plan, skill development and a high level of employee ownership has ensured low attrition, especially at the team leader levels. This has resulted in a virtuous cycle where client retention is amongst the highest in the industry and the average AUM per client continues

to increase as the Team Leader vintage increases: 42% of our clients have been with us for over 5 years, highlighting the balance between onboarding new clients each year while ensuring high continuity on existing ones. For the year, our client attrition both in numbers and AUM remains very low – at approximately 2% and 1%, respectively.

Currently, we have around 60 team leaders and 167 relationship managers. To give an idea about the productivity metrics, the average count of families managed per team leader is above 100. Further, the high continuity of our senior relationship managers – 78% of our Team Leaders have been with the company for over 5 years – gives us a distinct advantage over our peers. Not only does this drive client continuity, but it also allows for significant improvement in productivity and AUM – a testimony of high stickiness of clients and Team Leaders alike.



## Asset Management - Agility and resilience is a long-term play

The Asset Management business (IIFL AMC) focuses on creating niche alternative India-focused strategies for the UHNI / HNI space. A disciplined and active investment management approach combined with intensive research and innovative strategies creates avenues for investors to tap into India's potential to facilitate long-term wealth creation. The distinctive and diversified product suite of mutual funds, portfolio management schemes and alternative investment funds span across public and private equities, fixed income securities, credit & real estate and enable investors across the world to participate in India's unique growth story. IIFL AMC has been playing a pivotal role in the growth of the AIF industry in India and continues to be one of the largest AIF managers in the country. We continue to invest in technology, people, and processes. We are also constantly upgrading our digital & technology platform to better serve the needs of our clients, with the aim to make transactions seamless and enhancing productivity across the entire spectrum of the organization.

In FY22, the AMC's overall Assets Under Management have grown by ~50% to ₹55,574 Crs. Listed equities and private equities were our top two asset classes with an AUM of ₹24,334 Crs and ₹22,057 Crs respectively.

Our focus on niche product strategies helped us in maintaining a revenue yield of around 70bps on our assets. Further, we were also able to display the flexibility required to operate across market cycles and continued to enhance our product suite across four asset classes, i.e., listed equities, private equities, credit, and real estate.

Our unique offerings coupled with the concerted efforts of our people ensure that the business continued to grow at a strong clip. Net inflows for FY 22 were at ₹11,957 Crs witnessing a growth of almost 33% from the previous year's net inflows of ₹9000 Crs. These were spread across various asset classes, strategies, and geographies. Both listed equity and private equity remain scale strategies with ₹24,334 Crs AUM in listed equity and ₹22,057 Crs AUM in private equity in FY22.

In the coming year, we will continue to explore opportunities to enhance our product offering across our four asset classes i.e., listed equities, private equities, credit and real estate. We aim to maintain our position as the largest alternative asset manager in India and build a complete range of product offerings across asset classes.

Summary of developments across key platforms is as below:

### Alternative Investment Funds

Our AIF business is growing at a robust pace and schemes continue to attract flows due to the differentiated and value accretive nature of the strategies deployed. Quarter-wise details shared below:

- ▶ In Q1, we continued to raise commitments in the IIFL Special Opportunities Fund – Series 8 (SOF 8), which is focused on opportunities in the consumer-tech space and service levels)
- ▶ In Q2, we launched the Monopolistic Market Intermediaries Fund (MMIF), which had the same underlying objective as SOF 8, to cater to rising investor interest in that space. We also launched the Turnaround Opportunities Fund – category 3 AIF (listed equity) to focus on investing in companies which are on the cusp of a turnaround and can potentially generate alpha over the long-term.
- ▶ In Q3, we launched the Multi Strategy Fund – Series 2 (a fund of funds) investing in SOF8 and MMIF. We also launched the Income Opportunities Fund – 3, a credit fund investing in a combination of fixed return instruments and instruments that can potentially benefit from an equity upside. In addition, we launched SOF 9 and SOF 10 – late stage pre-IPO funds to capture the opportunity of investing in companies that are likely to do a public listing in the next three to four years.
- ▶ In Q4, we continued to see strong traction in our late-stage pre-IPO fund (SOF 10) and our listed equity offering in the AIF space (Turnaround Opportunities Fund). We also enabled offshore investments in the Turnaround Opportunities Fund to cater to global investors keen on investing in Indian equities.

### Portfolio Management Services (PMS)

On the listed equity front, regular sales from distributor platforms continued during the year. Further, multiple updates on product performance and features were sent to the investors. The editable forms ensured business continuity during the second wave. We continued to onboard new distribution partners and achieve scale across our existing products (Multicap PMS and Phoenix PMS). Despite headwinds in the equity market, we saw net sales of ₹500 Crs during the year.

## Mutual Funds (MFs)

The total net sales across mutual fund schemes stood at ₹1,600 Crs. We continued to focus on scaling the IIFL Focused Equity Fund during the year. For most part of the year, the fund was among the best performing funds in its category. We added net sales of ₹900 Crs in the IIFL Focused Equity Fund. We launched our first quant-based offering – IIFL Quant Fund and raised over ₹100 Crs in the NFO. Recognising the strength of SIPs as an investment vehicle, we maintained focus on increasing SIPs in the equity schemes. To enable this, we reduced the minimum investment amount which is likely to ensure wider participation from retail investors.

## Offshore/Institutions

In terms of client coverage, we have constantly engaged with a wide range of offshore institutions and family offices. During the year, we added two more offshore mandates with a total AUM of ₹4300 Crs. We now have four offshore mandates in a short span of three years.

## Outlook

The year 2021 started with positive tailwinds that enabled the global as well as the domestic economy to cover lost ground and get back on the growth bandwagon. However, just as green shoots of optimism made themselves visible, inflation concerns, the imminent interest rate hikes, and the ongoing conflict between Russian and Ukraine unnerved investor sentiment and put a temporary spanner in the works. The second half of the year was dominated by inflation concerns and saw major central banks across the world take initial steps to curb ultra-loose monetary policies. The new Omicron variant of the Coronavirus, spotted at the beginning of 2022, initially indicated that we could go back into lockdown mode. However, it now seems that the coronavirus is likely to evolve into an endemic disease to which we must all adapt. The uncertainty engendered by all these multiple developments inevitably spurred volatility, in the face of which the financial markets showed sustained resilience overall.

Today, India stands at the cusp of transformative growth and at the start of an economic super cycle as its external dependencies reduce further and the country becomes increasingly self-reliant. In a recent article by Deloitte<sup>12</sup>, India is expected to grow by 7.1%–7.6% in FY22–23 and 6%–6.7% in FY23–24. “This will ensure that India reigns as the world’s fastest-growing economy over the next few years, driving world growth even as several major economies brace themselves for a slowdown or possibly a recession,” the article stated.

Overarching factors that are enabling this growth include:

### Export demand showing strength

One of the biggest repercussions of the pandemic has been a shift towards de-risking global supply chains and reducing reliance on China. Given India’s fairly strong position in the supply of select commodities and robust infrastructure, the country is well-positioned to capitalise opportunities that will be created as a result of the shift in global supply chains. India’s growing presence in global trade and supply is underscored by its recent trade number – India achieved the highest monthly value of merchandise exports in March 2022 at USD 40.38 Bn. For the period April 2021–March 2022, merchandise exports stood at USD 417.81 Bn, witnessing a y-o-y growth of approximately 43%.<sup>13</sup>

### Domestic demand gaining traction

India’s GDP per capita has crossed the USD 2000 per capita income mark and is expected to reach USD 3000 mark by FY25E.<sup>14</sup> One of the factors driving this is the country’s strong demographic advantage, that is, the large proportion of people that are currently in the ‘productive’ age group. This group of people is going to supercharge an increase in consumption as well as improve overall productivity and growth. Further, urbanization is emerging to become a mega trend with almost 40% of India’s population expected to be living in urban areas in the next 15 years. The strong demographic advantage coupled with increasing urbanization and growth in per capita GDP is inevitably going to give a fillip to discretionary spending and positively impact the overall economic growth in the country.

<sup>12</sup> <https://www2.deloitte.com/us/en/insights/economy/asia-pacific/india-economic-outlook.html>

<sup>13</sup> <https://commerce.gov.in/press-releases/press-release-indias-merchandise-trade-preliminary-data-march-2022>

<sup>14</sup> <https://www.statista.com/statistics/263776/gross-domestic-product-gdp-per-capita-in-india/>

## Focus on indigenous production

During the pandemic, much of the growth was fuelled by investments, reflecting the government's capex growth along with a gradual recovery in consumption. Government capex is likely to continue in a similar vein with the Central Government having budgeted a capex of ₹7.5 Tn for FY23 vs ₹5.5 Tn in FY22 (a sharp 35% jump). Further, through the Production-Linked Incentive (PLI) scheme, the government remains committed to expanding the manufacturing sector, localising the manufacturing ecosystem, and significantly reducing external dependencies. With a planned PLI outlay of ₹2.2 Tn, these two dynamics together are likely to create a fecund environment of enhanced capex investments and manufacturing growth.

## Revival in housing

After a fairly long hiatus, the housing sector, both in India and overseas, has woken to growth. India's housing cycle witnessed a revival as a result of a low interest rate regime, improving affluence and affordability, and an 8-year-old low inventory. Revival in the sector is also evident from the uptick in hiring activity in the formal sector. With an acceleration in the housing cycle, growth is likely to be seen not only in the construction sector but in ancillary industries like paints, building material, etc.

Clearly, India is about to embark on a virtuous cycle of growth. If managed astutely, intermittent inflation shocks and a change in stance from the prevailing low interest rate regime, will, at best, have a transitory impact on the country's growth. Overall, long-term growth should remain intact.

Correspondingly, for investors looking to build robust long-term portfolios, it is important to create a well-diversified portfolio that is cushioned from domestic stocks. While domestic investment opportunities are myriad, investors must also consider cross-border investment options that can help them diversify their portfolios. Further, with the current INR trajectory, foreign investments can help to reduce the impact of rupee depreciation on the portfolio.

Inarguably, volatility in global markets has risen in the recent past due to the geopolitical turmoil in Europe and the consequent impact on global commodity prices, especially on crude oil. Despite that, volatility in domestic markets is generally higher and thus exposure to foreign assets can, to a certain extent, reduce overall portfolio volatility. From an international investing perspective, foreign equities seem like a great play. There are certain sectoral pockets across geographies that are growing and are likely to deliver robust long-term growth. These can prove to be compelling investment opportunities. While real estate prices have witnessed a rise in the aftermath of Covid-19, real estate abroad has traditionally been a compelling asset class for investments abroad and continues to hold appeal in the backdrop of the current environment.

## Equity Market

Growing optimism around the global economic recovery, persistent drop in new cases and the progress of vaccination drives supported the global equity markets in 2021. Vaccination roll-outs across the globe and continued economic recovery kept investor and consumer sentiment buoyant. The Hang Seng Index (Hong Kong) and Nikkei 225 Index (Japan) were down by 21.7% and 3.9% respectively, last year. This correction can mainly be attributed to the Russia-Ukraine conflict and the resulting price pressures on crude oil and various other commodities exported from these countries. European equities suffered from a relatively slow roll-out of Covid-19 vaccines, political uncertainty in Italy, and slower economic recovery amid lockdown restrictions. Brexit uncertainty along with a second wave of virus infections have battered the UK, with the FTSE 100 Index being the slowest performing regional equity market.

Meanwhile, Indian equity markets outperformed the broader Emerging Market (EM) indices, with Nifty 50 increasing by 19.1% and Nifty 500 by 22.2% in the 12 months ending March 2022. Persistent traction in foreign flows and brighter domestic economic outlook as reflected through steady improvement in several high frequency indicators and better than expected Q4 FY 2020-21 corporate earnings also kept investor sentiment buoyant. This was further supported by stimulus measures announced by the government and liquidity measures adopted by the RBI.

A surge in trading by retail investors and Foreign Institutional Investors (FIIs) fueled a rally in equity markets post the sharp correction of March 2020. FIIs were net sellers in FY21-22 to the tune of USD 16 Bn as against net buyers to the tune of USD 36.18 Bn in FY20-21, an all-time high.<sup>15</sup> Unlike the FIIs, the Domestic Institutional Investors (DIIs) were net buyers to the tune of USD 26.8 Bn.

Today, India stands at the cusp of transformative growth and at the start of an economic super cycle as its external dependencies reduce further and the country becomes increasingly self-reliant. According to IMF data as of April 2022, India's GDP growth rate is projected to be 8.2% in FY23. While the growth rate has been revised marginally downwards, India continues to be one of the better performing economies across the globe. Overarching factors that are likely to give a fillip to economic growth in India include growing strength in export demand, increased focus on indigenous production, domestic demand gaining traction, and a revival in housing. These elements will act as catalysts for the India growth story and engender multiple investment opportunities.

## Debt Market

The net FPI outflow in FY22 amounted to ₹8731 Crs against outflow of ₹50,444 Crs in FY21. 10-year G-sec yields, which spiked in early April 2020 on the back of massive FPI selling and the fear of a significant rise in fiscal deficit, reversed its course soon and started trending lower. The yield moved above 7%, driven by the Russia-Ukraine conflict leading to higher commodities prices and concerns around higher than budgeted fiscal deficit. The 10-year yield ended 67 bps higher than last year on the back of high inflation, expected rate hike and global uncertainties. Continuing the trend from FY21, the FPI flows into the Indian debt markets remained weak.

Going forward, the outlook on yields will be based on ever-evolving dynamics of inflation and interest rate hike. The Russia-Ukraine conflict has been protracted, which affected prices of numerous commodities including crude oil leading to high inflation globally, among other factors like supply chain disruption. Due to persistently high inflation globally, the central bankers around the world are raising interest rates and reducing the excess liquidity in the system. In India, we have already witnessed 90 bps of interest rate hike by RBI. The market expects a few more rounds of rate hikes till the interest rates are at a pre-pandemic level. The higher borrowing for FY23 is also weighing on the markets and has been the reason for yields inching up. Recently, the RBI has acknowledged the need to tame inflation which is a deviation from the growth centricity exhibited in the previous policy. Rising interest rates will lead to higher cost of borrowing for the government. However, the RBI may intervene time and again to keep a lid on the 10-year yield. Inflation may head lower from the high backed by good monsoon, which may bode well for the overall economy.



<sup>15</sup><https://www.fpi.nsdl.co.in/Reports/Yearwise.aspx?RptType=5>

## 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.

To mitigate these risks, we have a Product team that shortlists 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.

The Indian economy has grown rapidly over the past decade and is expected to continue to grow at a healthy rate (leaving apart blips like 2019 and 2020), which, together with the increasing financialization of savings, could in turn, drive the

underlying demand for investment 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 IIFL-ONE product platform has been launched to address this change and clients who wish to move to a fee-based model are gradually moving to this platform.

We believe our wide product offering, our relationships with clients, 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, the various stock / currency / commodity exchanges and depositories.

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, submit regulatory returns and interface with regulators. We also have Anti-Money Laundering (AML) Policies and AML Committees for our various businesses to deliberate on client onboarding.

### **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, personnel expenses and other factors.

Personnel related expenses constitute a significant proportion of our total expenses. 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, 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 team. 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 OneDrive. While access to emails is accessible on mobile phones, no files / attachments can be saved on these devices. A Chief Information Security Officer (CISO) is responsible for information security.

We also have a Business Continuity and Disaster Recovery plan, with data being stored on a cloud server, which we have tested. During the Covid-19 induced nation-wide lockdown in 2020 and in 2021 during the second wave we tested our ability to support operations in a work from home (WFH) environment and we managed to execute this in a stable manner, with users logging in through a virtual private network (VPN) to access their office-based applications, thereby ensuring that no information security controls were compromised.

### **Inflation Risk**

Of late, India has experienced relatively higher rates of inflation, which is currently above the RBI's tolerance level of 4% +/- 2%. 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, as also sectors that depend on leveraged purchases like real estate and automobiles, and hence may affect us.

## Development and Implementation of Risk Management System

We have a central Risk Management department that reports to the Chief Operating Officer and the Audit Committee of the Boards of IIFL Wealth Management Ltd and its subsidiaries. There are also separate Risk Management heads for IIFL Wealth Prime (NBFC) and IIFL AMC to focus on the risks pertaining specifically to those businesses. 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 Mutual Fund (MF) Risk Management Policy, the IIFL Wealth Prime Policies pertaining to 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 Alternative Investment Fund (AIF) portfolios. There is representation from the Risk Management team on Investment, Valuation and Risk Management Committees of the various businesses.

The internal processes have been designed to ensure adequate checks and balances and regulatory compliances at every stage. Authority matrices have been defined going down from the Board of Directors, to provide authority to approve various transactions.

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, where required) of various aspects of the business, which include documentation in relation to the lending business; compliance with various regulations in AIF and checking of certain regulatory returns.

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 KPMG Assurance and Consulting Services LLP (KPMG), as per the scope suggested by Risk Management Committee(s)

and approved by the various Boards. In the case of IIFL Wealth Prime Limited, from the financial year 2022-23, this will be conducted by a Head – Internal Audit who is part of the central Risk Management team, as per RBI guidelines, and he will be assisted in this by KPMG.

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. Internal audit team carries out a risk-based audit of various processes to provide assurance on the adequacy and effectiveness of internal controls. The Internal Auditors also check and opine on the state of Internal Financial Control. Internal Audit reports are presented to the Audit Committees of the various Boards directly by the Internal Auditors.

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, through the monitoring of the Internal Audit and Statutory Audit reports and through the Risk Management Committee, to which a detailed presentation is made by the Head – Risk Management. The Audit Committee reviews major instances of fraud, if any, 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 of internal controls and prevent any recurrence.

We have also strengthened our whistle blower mechanism (backed by a policy that promises that no action will be taken against a whistleblower), and providing multiple channels (email / website / phone) managed by an external service provider (for complete independence) through which employees can record complaints and grievances, anonymously, if they choose to remain so. All whistleblowing complaints are tracked and investigated by a Vigilance Committee, with representation from Human Resources, Risk Management, Compliance and Business.

Our whistle blower mechanism is meant to facilitate reporting of unethical behaviour, actual or suspected fraud, or violation of the Company's code of conduct and ethics.

Another key aspect of governance is managing and resolving conflicts of interest that may arise. We have a Conflict of Interest Policy under which a Conflict Resolution Advisory Board (CRAB) has been formed, consisting of senior executives. Guidance has been provided in the policy on the types of transactions that are covered (e.g. transactions between an employee and a group entity, or an employee and a client, or between a group entity and a firm in which the employee or his close relatives are interested) above certain thresholds. A summary of cases brought before the CRAB, beyond certain thresholds, is also submitted to the Risk Management Committee of the Board.

## Internal Financial Controls

The Company has in place adequate internal controls with reference to financial statements and operations and the same are operating effectively. These are encapsulated in the Risks & Controls Matrix (RCM). The Internal Auditors tested the design and effectiveness of the key controls and no material weaknesses were observed in their examination. Further, Statutory Auditors have verified the systems and processes and confirmed that the Internal Financial Controls system over financial reporting are adequate and such controls are operating effectively.



## Review of Financial Performance

IIFL Wealth & Asset Management is one of the largest wealth and asset management firms in India. Founded in 2008, IIFL Wealth has grown steadily and now manages assets of more than

₹3,27,237 Crs, as on March 31, 2022. We operate out of 28 offices spread across the world and have an employee strength of more than 900 employees.

### Assets Under Management & Profitability

The table below provides a break-up of our Assets Under Management for the periods indicated:

(All figures in ₹ Crs)

Particulars	2021-22	2020-21	YoY Growth %
<b>Annual Recurring Revenue Earning Assets</b>	<b>1,44,432</b>	<b>1,01,969</b>	<b>41.6%</b>
IIFL-ONE Assets	32,724	27,940	17.1%
Funds Managed by IIFL AMC	55,574	37,372	48.7%
Distribution Assets Earning Trail Fees	51,815	33,038	56.8%
Net Interest Margin on Loans	4,318	3,620	19.3%
<b>Transactional Assets</b>	<b>1,17,313</b>	<b>1,05,074</b>	<b>11.6%</b>
Brokerage	99,856	82,422	21.2%
Distribution Assets Not Earning Trail Fees	17,458	22,653	(22.9%)
<b>Total AUM</b>	<b>2,61,745</b>	<b>2,07,044</b>	<b>26.4%</b>
Add: Custody Assets	65,493	39,039	67.8%
<b>Total AUM including Custody</b>	<b>3,27,237</b>	<b>2,46,083</b>	<b>33.0%</b>

The table below is a Reclassified Consolidated Statement of Profit and Loss for the periods indicated:

(All figures in ₹ Crs)

Particulars	2021-22	2020-21	% I / (D)
<b>Gross Revenue from Operations</b>	2,078	1,659	<b>25.3</b>
Less: Direct Costs	(543)	(606)	(10.4)
<b>Net Revenue</b>	1,535	1,053	45.8
Less: Other Income	137	137	0.0
<b>Net Operating Revenue</b>	1,398	915	52.8
<b>Classified into:</b>			
<b>Annual Recurring Revenue</b>	<b>912</b>	<b>583</b>	<b>56.4</b>
Management Fees on IIFL-ONE Assets	90	55	<b>63.6</b>
Management Fees on Funds Managed by IIFL AMC	359	198	81.3
Distribution Assets Earning Trail Fees	242	139	74.1
Net Interest Margin on Loans	221	191	15.7
<b>Transactional / Brokerage Income</b>	<b>486</b>	<b>333</b>	45.9
Brokerage	131	150	-12.7
Investment Banking / Syndication Income	354	183	93.4
<b>Costs</b>	<b>784</b>	<b>568</b>	38.0
Employee Costs	602	417	44.4
Admin and Other Expenses	183	150	22.0
<b>Profit Metrics</b>			
Operating Profit Before Taxes (OPBT)	614	348	76.4
Profit Before Taxes (PBT)	751	485	54.8
Profit After Tax (PAT) Including OCI and FCTR	582	369	57.7
<b>Cost to Income Ratio</b>	51.1%	53.9%	
<b>ROE</b>	20.2%	12.5%	
<b>ROE Ex Goodwill &amp; Intangibles</b>	24.7%	15.0%	

## Reclassified Segment-wise performance is as under:

(All figures in ₹ Crs)

Segments	For the year ended March 31, 2022			For the year ended March 31, 2021		
	Wealth Management	Asset Management	Total	Wealth Management	Asset Management	Total
<b>Gross Revenue from Operations</b>	1,614	464	2,078	1,379	280	1,659
<b>Net Operating Revenue</b>	1,038	360	1,398	718	198	916
<b>Operating Profit Before Tax</b>	425	189	614	271	77	348

### The key factors to consider are as follows:

- Total Assets under management including custody assets are ₹3,27,237 Crs as on 31<sup>st</sup> March 2022.
- The wealth management business has client assets of ₹2,06,170 Crs, excluding custody assets. Custody assets were an additional ₹65,493 Crs while the Asset Management business has ₹55,574 Crs of assets under management as on 31<sup>st</sup> March 2022 of which ₹30,997 Crs are AIF Assets, ₹18,505 Crs are PMS (Portfolio Management Services) and SMA (Separately Managed Accounts) Assets and ₹4,519 Crs are Mutual Fund assets.
- Continuing focus on increasing Recurring Revenues has resulted in an increase in ARR generating assets by 41.6% to ₹1,44,432 Crs and an increase in Recurring revenues by 56.4% YoY to ₹912 Crs.
- IIFL-One has been well received by clients with Assets Under Management increasing by 17.1% YoY to ₹32,724 Crs and Revenues increasing 63% YoY to ₹90 Crs.
- Total Net flows during the year were ₹31,422 Crs. Net Flows in Wealth Management were ₹19,464 Crs and ₹11,957 Crs in Asset Management.
- Total Consolidated Revenue for the year was up 45.8% YoY at ₹1,535 Crs, as compared to ₹1,053 Crs for FY 21, while Revenue from Operations, was up 52.7% YoY at ₹1,398 Crs.
- Overall Retention on Total Revenue stood at 63 bps and Retention on Revenue from Operations was 57 bps. Retention on Wealth Management Assets was 53 bps and Retention on Asset Management Assets was 73 bps.
- Overall Costs for the year were up 38.1% to ₹784 Crs. Employee Costs were up 44.1% YoY at INR 602 Crs, of which, Fixed Employee costs were at ₹304 Crs and Variable Employee costs were at ₹267 Crs.
- Admin and Other expenses increased 21.3% YoY to ₹183 Crs. Operating PBT (OPBT) was up 76.7% YoY to ₹614 Crs. Profit before tax (PBT) for the year was up 55% YoY to ₹751 Crs.
- Profit After Tax (PAT) for FY22 was up 57.7% at ₹582 Crs from ₹369 Crs in FY21. Average Net Worth in FY22 stood at ₹2,882 Crs as against ₹2,953 Crs in FY21. This was largely on account of a Dividend pay-out of ₹55 during the year.
- Return on Equity (RoE) for the year was at 20.2% and RoE Ex-Goodwill & Intangibles was 24.7%.
- Net profit margin in FY22 has increased to 28% from 22% in FY21, due to increase in profit during the year.
- Interest coverage ratio moved from 2.18 in FY21 to 3.04 in FY22, due to increase in profit and reduction in finance cost during the year.

## BALANCE SHEET AND CAPITAL DEVELOPMENT

(All figures in ₹ Crs)

ASSETS		2021-22	2020-21
<b>1</b>	<b>Financial Assets</b>		
(a)	Cash and Cash Equivalents	489	437
(b)	Bank Balance Other than (a) above	534	401
(c)	Derivative Financial Instruments	0	167
(d)	Receivables	0	0
(I)	Trade Receivables	255	226
(II)	Other Receivables	259	116
(e)	Loans	3,916	3,670
(f)	Investments	4,072	2,513
(g)	Other Financial Assets	188	153
<b>2</b>	<b>Non-Financial Assets</b>		
(a)	Inventories	0	0
(b)	Current Tax Assets (Net)	137	75
(c)	Deferred Tax Assets (Net)	0	1
(d)	Investment Property	0	0
(e)	Property, Plant and Equipment	278	288
(f)	Capital Work-in-Progress	0	2
(g)	Intangible Assets Under Development	0	0
(h)	Goodwill	373	373
(i)	Other Intangible Assets	150	152
(j)	Right to Use Assets	15	24
(k)	Other Non-Financial Assets	73	142
<b>Total Assets</b>		<b>10,740</b>	<b>8,740</b>

FY21 numbers have been re-grouped as per FY22 to maintain consistency in reporting.

## BALANCE SHEET AND CAPITAL DEVELOPMENT (continued)

(All figures in ₹ Crs)

LIABILITIES AND EQUITY		2021-22	2020-21
<b>1</b>	<b>Financial Liabilities</b>		
(a)	Derivative Financial Instruments	141	221
(b)	Payables	674	392
(c)	Debt Securities	5,453	4,710
(d)	Borrowings (Other than Debt Securities)	100	104
(e)	Subordinated Liabilities	254	263
(f)	Other Financial Liabilities	923	43
(g)	Finance Lease Obligation	17	27
<b>2</b>	<b>Non-Financial Liabilities</b>		
(a)	Current Tax Liabilities (Net)	29	59
(b)	Provisions	8	12
(c)	Deferred Tax Liabilities (Net)	95	34
(d)	Other Non-Financial Liabilities	48	49
<b>3</b>	<b>Equity</b>		
(a)	Equity Share Capital	18	18
(b)	Other Equity	2,980	2,810
(c)	Non-Controlling Interest	0	0
<b>Total Liabilities and Equity</b>		<b>10,740</b>	<b>8,740</b>

### Key Considerations as on March 2022:

- Consolidated Average Net Worth stood at ₹2,882 Crs vs ₹2,953 Crs in FY21. Average Net Worth Ex-Goodwill and Intangibles stood at ₹2,356 Crs vs ₹2,459 Crs in FY21.
- ROE Ex-Goodwill & Intangibles has increased to 25% from 15% in FY21 primarily driven by the increase in PAT YoY, accompanied by the high dividend pay-out in FY22.
- Debt/Equity ratio increased from 1.80 on March 31, 2021, to 1.94 on March 31, 2022; due to increase in overall outstanding debt of Group by ₹731 Crs.
- Debtors' turnover ratio moved from 6.87 in FY21 to 7.69 in FY22, due to increase in revenue from operations during the year.

FY21 numbers have been re-grouped as per FY22 to maintain consistency in reporting.



**Corporate  
Governance  
Report**

# Corporate Governance Report

This Corporate Governance Report relating to the financial year ended March 31, 2022, is issued in compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing 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 and trusted wealth management company in the financial services space in India. Since inception, the promoters have demonstrated exemplary track record of governance and utmost integrity. This report gives a comprehensive view of the governance standards adopted by the Company.

## 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 an Independent Woman Director). The Board composition is in conformity with the applicable provisions of Companies Act, 2013 and SEBI Listing Regulations, 2015, as amended from time to time. The Board of the Company represents an optimal mix of professionalism, knowledge and experience. Further, the Independent Directors on the Board of the Company are highly respected for their professional integrity as well as rich experience and expertise. The Board provides leadership, strategic guidance and discharges its fiduciary duties of safeguarding the interest of the Company and its stakeholders.

During the year under review, there was no change in the composition of the Board and the same is as follows:

Category	Name of the Directors
Independent Directors	Mr. Nilesh Vikamsey – Chairperson
	Ms. Geeta Mathur
	Dr. Subbaraman Narayan
	Mr. Pankaj Vaish
Managing Director & Promoter	Mr. Karan Bhagat
Non-Executive Directors & Promoters	Mr. Nirmal Jain
	Mr. Venkataraman Rajamani
	Mr. Yatin Shah

Category	Name of the Directors
Non-Executive Directors (Nominee Directors*)	Mr. Sandeep Naik
	Mr. Shantanu Rastogi
Non-Executive Director	Mr. Gopalakrishnan Soundarajan

\* nominated by General Atlantic Singapore Fund Pte. Ltd. equity shareholder in the Company.

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

#### ► MR. NILESH VIKAMSEY - Independent Director

Mr. Nilesh Vikamsey is a senior partner at KKC & Associates LLP (Formerly - Khimji Kunverji & Co LLP), an 85 year old Chartered Accountants firm. Mr. Vikamsey is an Independent Director in other listed & unlisted companies & a committee member of organisations like Indo American Chamber of Commerce, Bombay Chartered Accountants’ Society (BCAS), The Chamber of Tax Consultants (CTC). He is a trustee in ‘Sayagyi U Ba Khin’ Memorial Trust (Vipassana International Academy, Igatpuri) & few educational trusts in Mumbai. He is presently a member of the Advisory Committee on Mutual Funds & also Working Group to review the Role and Eligibility of a Sponsor of a Mutual Fund of Securities and Exchange Board of India (SEBI), and Expert Advisory Committee of Institute of Chartered Accountants of India (ICAI). He is member of Advisory Boards of Blacksoil Group, IC3 Institute & MentorMyBoard. He was the President of The Institute of Chartered Accountants of India (ICAI) in the past. He was an observer on the Board of International Federation of Accountants and Member of IFAC’s Technology Advisory Group. He was the Past Chairman of Federal Bank Limited and 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 was member of International Auditing and Assurance Standards Board (IAASB) Reference Group for Audits of Less Complex Entities. He is a speaker / chairman at various seminars, meetings, lectures held by ICAI & other organisations.

#### ► MR. KARAN BHAGAT - Managing Director

Mr. Karan Bhagat is the Promoter and Managing Director of our Company. He holds an MBA in Finance from the Indian Institute of Management, Bangalore and acquired his bachelor’s degree in Commerce from St. Xavier’s College, Kolkata. He has more than 20 years of experience in the financial services sector. He is responsible for providing direction and leadership towards the achievement of the organization’s strategic goals and objectives. He was recognised as ‘Asia’s

Promising Business Leaders' by The Economic Times in 2022. 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**

Mr. Yatin Shah is the Joint CEO of IIFL Wealth Management Business and Promoter and Non-Executive Director on the Board of our Company. He acquired his M.Sc. degree in Finance from Cass Business School, London and holds a bachelor's degree in commerce from University of Mumbai. He has more than 20 years of experience in the financial services sector, across equity research and private wealth management. He focuses on the wealth practice besides client services, marketing and client experiences. He is responsible for introducing IIFL Wealth & Asset Management proposition to new clients, as well as expanding the relationship with existing clients. Among other awards, he is a recipient of the Best Financial Manager award for the best registered deal by Asian Institute of Management, Manila.

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

Mr. Nirmal Jain is the Promoter and Non-Executive Director on the Board of the Company. He holds a PGDM (Post Graduate Diploma in Management) from Indian Institute of Management (IIM), Ahmedabad and is a rank holder Chartered Accountant and Cost Accountant. He started his career in 1989 with Hindustan Unilever Limited. He founded IIFL Group in 1995. It started as an independent equity research company in India. Over the last 26 years, he has led the expansion of IIFL Group, while remaining focused on financial services. IIFL Group, through its four listed entities, has a leading presence in India's Wealth & Asset management, consumer lending, securities trading & discount broking spaces. With an impeccable track record of governance and growth, IIFL Group has attracted marquee investors and won accolades internationally.

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

Mr. Venkataraman Rajamani is the Promoter and Non-Executive Director on the Board of the Company. He holds a Post Graduate Diploma in Management from Indian Institute of Management (IIM), Bangalore, and a Bachelor in Electronics and Electrical Communications Engineering from IIT, Kharagpur. He joined IIFL Group in 1999. He has been contributing immensely in the establishment of various businesses and spearheading key initiatives of IIFL Group over the past 23 years. He has previously held senior managerial positions at ICICI Limited, including ICICI Securities Limited, their investment banking joint venture with J P Morgan of US and Barclays – BZW. He worked as an Assistant Vice President with GE Capital Services India Limited in their private equity division. He has a varied experience of more than 30 years in the financial services sector.

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

Ms. Geeta Mathur is a Chartered Accountant 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 as represented ICICI on the Board of reputed companies such as Eicher Motors Limited and SIEL Limited, among others. She has 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 transitioned from corporate sector to the development sector as CFO of Helpage India, where besides successful implementation of Oracle ERP, she also set up processes for budgeting and MIS. Helpage India was consistently awarded for best presentation and transparency in accounts by the Institute of Chartered Accountants of India and South Asian Federation of Accountants. During her tenure, besides leading negotiations of high value term sheets and commercial contracts, she has developed, reorganized, streamlined and led large national teams. She currently serves as independent director in various large organisations across manufacturing and services such as Motherson Sumi Wiring India Limited, Info Edge (India) Limited, NIIT 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 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 the Price Waterhouse while pursuing her Chartered Accountancy.

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

Dr. Subbaraman Narayan is an Independent Director on the Board. He holds a PhD from IIT Delhi. 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. PANKAJ VAISH - Independent Director**

Mr. Pankaj Vaish is an Independent Director on the Board. He is an MBA from Carlson School of Management, University of Minnesota, Minneapolis, USA and a B.Tech. in Mechanical Engineering from IIT-BHU (Indian Institute of Technology, Banaras Hindu University). He was a Gold Medalist at IIT-BHU and has been awarded



the Distinguished Alumni award by IIT-BHU Alumni Association. He has more than 36 years of experience. He spent more than 28 years with Accenture, where he built businesses from scratch and scaled them to global proportions, having held several regional and global roles. He has wide ranging experience in Technology Led Transformation, Consulting, BPO, Offshoring and Outsourcing. He is actively engaged in the financial services and technology industries and is associated with companies across segments of these industries. He is a board director, a consultant and an advisor. In addition, as part of his participation in India's startup ecosystem, he is supporting various technology product companies in sharpening their market focus and scaling their businesses. He is a Professor of Practice of Management at the Amrut Mody School of Management (AMSOM), Ahmedabad University (AU). He is supporting AU in its transformation to become a globally relevant institution, with particular focus on industry collaboration and the development and delivery of a new course to help MBA students prepare for a career via hands on experiential learning. He is also an Independent Director on the board of KIMS Hospitals and Fusion Microfinance.

► **MR. SHANTANU RASTOGI -  
Non-Executive Nominee Director**

Mr. Shantanu Rastogi is a Nominee Director on the Board of the 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 master's degree in engineering from Indian Institute of Technology, Mumbai and a master's degree in business administration from the Wharton School, the University of Pennsylvania. He has approximately 17 years of experience in the fields of private equity and finance.

He has previously worked as a business consultant with McKinsey & Company India LLP and was a Principal with Apax Partners India Advisers Private Limited.

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

Mr. Sandeep Naik is a Nominee Director on the Board of the Company. He is currently Managing Director and head of India and Asia-Pacific business of General Atlantic. He holds a bachelor's degree in technology (specialising in instrumentation engineering) from University of Mumbai a master's degree in science (specialising in biomedical engineering) from Virginia Commonwealth University School of Medicine and a master's degree in business administration (specialising in finance) from 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 a 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 served in that position at ICICI Lombard from 2001 to 2018 and was also a member of the investment committee. He holds a Bachelor of Commerce degree from 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.

**(c) Attendance of Directors at Board Meetings, last Annual General Meeting ("AGM") and number of other Directorship(s) and Chairmanship(s) / Membership(s) of Committees of each Director in various companies:**

During the financial year under review, eleven (11) Board Meetings were held on the following dates: April 6, 2021; April 15, 2021; May 18, 2021; June 10, 2021; August 3, 2021; September 1, 2021; October 27, 2021; November 5, 2021; November 27, 2021; February 2, 2022 and March 30, 2022.

The Company has received necessary disclosures from all the Directors regarding committee positions held by them in other companies pursuant to Regulation 26(2) of SEBI Listing Regulations, 2015. The below table provides details of the Directors of the Company, category of Directorship, shares held by them in the Company, attendance at the Board Meetings and at the last AGM held during the year under review, directorships, committee memberships and chairpersonships in other Indian companies as on March 31, 2022.

Name of the Director (DIN)	Category of Directorship	Date of appointment	Number of shares held by the Director	Attendance at Board Meetings during the year	Attendance at last AGM	Number of Directorships (including the Company) #	Number of membership(s) in Committee(s) of company(ies) (including the Company) <sup>A</sup>	Number of Chairpersonship(s) in Committee(s) of company(ies) (including the Company) <sup>B</sup>
Mr. Nirmal Jain (DIN: 00010535)	Non-Executive Director	January 17, 2008	62,28,856	9	Yes	4	Nil	Nil
Mr. Venkataraman Rajamani (DIN: 00011919)	Non-Executive Director	January 17, 2008	13,49,204	10	Yes	7	4	2
Mr. Nilesh Vikamsey (DIN: 00031213)	Chairperson and Independent Director	August 25, 2014	23,571	11	Yes	9	8	3
Ms. Geeta Mathur (DIN: 02139552)	Independent Director	March 3, 2015	NIL	11	Yes	11	9	5

Name of the Director (DIN)	Category of Directorship	Date of appointment	Number of shares held by the Director	Attendance at Board Meetings during the year	Attendance at last AGM	Number of Directorships (including the Company) #	Number of membership(s) in Committee(s) of company(ies) (including the Company) ^	Number of Chairpersonship(s) in Committee(s) of company(ies) (including the Company) ®
Dr. Subbaraman Narayan (DIN: 00094081)	Independent Director	June 25, 2019	NIL	7	Yes	7	6	4
Mr. Pankaj Vaish (DIN 00367424)	Independent Director	January 22, 2020	NIL	11	Yes	4	4	Nil
Mr. Karan Bhagat (DIN: 03247753)	Managing Director	September 27, 2010	2,45,911	10	Yes	4	1	Nil
Mr. Yatin Shah (DIN: 03231090)	Non-Executive Director	September 27, 2010	33,56,490	11	Yes	7	2	Nil
Mr. Shantanu Rastogi (DIN: 06732021)	Nominee Director	February 25, 2016	NIL	9	Yes	9	4	Nil
Mr. Sandeep Naik (DIN: 02057989)	Nominee Director	February 25, 2016	NIL	8	Yes	5	Nil	Nil
Mr. Gopalakrishnan Soundarajan (DIN 05242795)	Non-Executive Director	January 22, 2020	NIL	10	Yes	5	1	Nil

Note:

# The directorships, held by the Directors as mentioned above, do not include directorship(s) in foreign companies and Section 8 companies under the Companies Act, 2013.

^ In accordance with Regulation 26 of the SEBI Listing Regulations, 2015, Membership(s) of only Audit Committee and Stakeholders' Relationship Committee in all public limited companies are considered.

® Chairpersonship includes committee membership and in accordance with Regulation 26 of the SEBI Listing Regulations, 2015, Chairpersonship(s) of only Audit Committee and Stakeholders' Relationship Committee in all public limited companies are considered.

The average tenure of the Directors in the Company as on March 31, 2022 is 7.89 years.

The below table provides details of the names of the Directors, the names of the listed entities where they are directors and the category of directorship as on March 31, 2022:

Name of the Director and DIN	Directorship in listed entities including the Company	Category of Directorship
Mr. Nirmal Jain (DIN: 00010535)	IIFL Finance Limited	Whole-time Director
	IIFL Wealth Management Limited	Non-Executive and Non-Independent 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
	Gati Limited	Independent Director
	Navneet Education Limited	Non-Executive and Non-Independent Director
	PNB Housing Finance Limited	Independent Director
	IIFL Wealth Management Limited	Independent Director
Ms. Geeta Mathur (DIN: 02139552)	NIIT Limited	Independent Director
	IIFL Finance Limited	Independent Director
	Info Edge (India) Limited	Independent Director
	IIFL Wealth Management Limited	Independent Director
	OnMobile Global Limited	Independent Director
	Healthcare Global Enterprises Limited	Independent Director
	Motherson Sumi Wiring India Limited	Independent Director
Dr. Subbaraman Narayan (DIN : 00094081)	Dabur India Limited	Independent Director
	Seshasayee Paper and Boards Limited	Independent Director
	Artemis Medicare Services 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 Non-Independent Director
Mr. Shantanu Rastogi (DIN: 06732021)	IIFL Wealth Management Limited	Nominee Director
Mr. Sandeep Naik (DIN: 02057989)	IIFL Wealth Management Limited	Nominee Director



Name of the Director and DIN	Directorship in listed entities including the Company	Category of Directorship
Mr. Gopalakrishnan Soundarajan (DIN: 05242795)	IIFL Wealth Management Limited	Non-Executive Director
	Qeess Corp Limited	Non-Executive Director
	Thomas Cook (India) 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. The below table highlights 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:

Skills / expertise / competence	Name of the Director										
	Mr. Nirmal Jain	Mr. Venkataraman Rajamani	Mr. Nilesh Vikamsey	Dr. Subbaraman Narayan	Mr. Pankaj Vaish	Mr. Sandeep Naik	Ms. Geeta Mathur	Mr. Yatin Shah	Mr. Gopalakrishnan Soundarajan	Mr. Karan Bhagat	Mr. Shantanu 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 Chairperson, Managing Director, Non-Executive Directors including Independent Directors ("IDs") and Board as a Whole.

The criteria for performance evaluation are as under:

##### ► For Chairperson:

The criteria for evaluation of Chairperson, inter alia, included his ability to steer the Meetings, ability to elicit inputs from all members, attendance at Meetings, accessibility, ability to analyse strategic situations, effective leadership, ability to project positive image of the Company and understanding governance and regulatory requirements.

##### ► For Managing Director:

The criteria for evaluation of Managing Director, inter alia, included his ability to lead the organisation, ability to understand the financial planning, budgeting and management of the organization's investments, ability to develop short, medium and long term strategic plans with the Board, active initiatives in creating new products and services and ability to maintain high standards of ethics and integrity.

##### ► For Non-Executive Directors (including Independent Directors):

The criteria for evaluation of Non-Executive Directors, inter alia, included attendance at the Meetings, contribution to discussions on strategy, constructive and active participation in Meetings of the Board and Committees and ability to act as effective team member.

The additional criteria for the Independent Directors inter alia included independence from the Company and other Directors, ability to exercise their own judgement, ability to arbitrate in the interest of the Company in situations of conflict of interest and ability to remain abreast of the developments affecting the Company.

##### ► For Board as a whole:

The criteria for evaluation of the Board, inter alia, included composition and diversity, constructive Meetings of the Board, teamwork, setting up of corporate culture and values, risk management and financial controls, integrity, active and effective participation by members in the discussions.

##### ► For Committees of the Board:

The criteria for evaluation of the Committees of the Board, inter alia, included structure and effectiveness of the Committees, frequency and regularity of the Meetings of the Committees, duration of the Meetings.

#### (e) Separate Meeting of the Independent Directors:

In compliance with the provisions of the Companies Act, 2013 and Regulation 25 of SEBI Listing Regulations, 2015, a separate Meeting of Independent Directors of the Company was held on March 28, 2022, inter alia, to discuss the following:

- To review the performance of Non-Independent Directors, Committees and the Board 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 management of the Company and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Upon conclusion of the Meeting, the Independent Directors expressed their satisfaction over the performance of the other Directors, Committees and the Board as a whole. They also expressed their satisfaction over the quality, quantity and flow of information between the management and the Board / Committees of the Board from time to time. They proposed adoption of certain good governance practices, the same were welcomed and placed before the Board of Directors with management comments thereon.

**(f) Familiarization programme for Independent Directors:**

**(i) Initial Familiarization:**

The Company arranges meetings between the Independent Directors and senior management of the Company to discuss the functioning of the Board and the nature of the operation of the business activities of the Company and its wholly owned subsidiaries.

**(ii) Continuing Education Process:**

The Company through its Managing Director, Key Managerial Personnel and senior management personnel makes presentations to the Board to familiarize the Independent Directors inter alia with the strategy, financial performance budgets, regulatory updates and overview of performance of business on a regular basis.

The details of such familiarization programmes of the Company may be accessed on the Company's website at [www.iiflwealth.com](http://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 Board Meetings are held. In case of business exigencies, resolutions are passed by circulations, as permitted by law, which are noted in the subsequent Board Meeting.
- ▶ Location: The Meetings are generally held at the Company's Registered & Corporate Office. However, due to COVID-19 pandemic and in accordance with the statutory provisions, exemptions and relaxations provided by Ministry of Corporate Affairs, all Meetings of the Board held in the financial year 2021-22 were held through video-conferencing, except the meeting held on November 27, 2021, which was attended in person.
- ▶ Notice and Agenda: The Board and the Committees are presented with detailed notes, along with the agenda papers to enable Directors to take an informed decisions. With a view to leverage technology and reducing paper consumption, the Company has implemented app based e-meeting system, which can be accessed through secured iPads provided to the Directors. The Board periodically reviews compliance reports of laws applicable to the Company, prepared and placed before the Board by the management.

- ▶ Presentations by management: The Board is given presentations, wherever practicable covering finance, sales, marketing, major business segments and operations of the Company, domestic and global business environment including business opportunities, business strategy, risk management practices and operating performance of the Company while taking on record the financial results of the Company.

**(h) Information placed before Board and Committees:**

The information periodically placed before the Board and the Committees inter alia includes:

- ▶ Report on Internal Audit and Internal Financial Controls
- ▶ Quarterly Financial Results on standalone and consolidated basis;
- ▶ Review of Policies and periodic updation;
- ▶ Annual budget;
- ▶ Performance of the Company and its subsidiaries;
- ▶ Risk mitigation measures;
- ▶ Remuneration of Directors & senior management;
- ▶ Minutes of the Meetings of the Board and all other Committees of the Board;
- ▶ Minutes of subsidiaries with important updates;
- ▶ Update on litigations, if any;
- ▶ Compliance status of regulatory requirements.

**(i) Minutes of the Meetings:**

The draft minutes of the proceedings of the Meetings are circulated amongst the members of the Board and the Committees. Comments and suggestions, if any, received from Directors are incorporated in the minutes, in consultation with the Chairperson of the Board and Committees, respectively.

**(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 the Committees. The important decisions taken at the Board / Committee(s) Meeting(s) which calls for actions to be taken, are initiated, communicated to the concerned departments and updated to the Board / Committee. The action taken report is placed at the subsequent Meeting(s) of the Board / Committee(s) for information and review by the Board / Committee(s).

**(k) Confirmation of Independence:**

Basis the annual declaration provided by the Independent Directors, the Board is of the opinion that all the Independent Directors fulfill the conditions specified in SEBI Listing Regulations, 2015 and the Companies Act, 2013, and are independent of the management.



### (I) Committees of the Board:

The Committees play an important role in the governance structure of the Company and are constituted to deal with specific matters as prescribed under applicable laws. The Committees are constituted by the Board to carry out clearly defined roles and terms of references. The brief terms of reference of the Committees are also available on the website of the Company at [www.iiflwealth.com](http://www.iiflwealth.com). The minutes of the meetings of all the Committees are placed before the Board for review and noting. During the year, all recommendation(s) of the Committee(s) were accepted by the Board.

The details of the Committees are in following paragraphs.

### 3 AUDIT COMMITTEE

The Audit Committee comprises Ms. Geeta Mathur, Independent Director as Chairperson and Mr. Nilesh Vikamsey, Mr. Pankaj Vaish and Mr. Shantanu Rastogi as members of the Committee. All the members of the Audit Committee are financially literate and possess thorough knowledge of the financial services industry.

During the year under review, there was no change in the composition of the Audit Committee. The composition of the Audit Committee is in conformity with the applicable provisions of Companies Act, 2013 and SEBI Listing Regulations, 2015, as amended from time to time.

The scope of the Audit Committee includes the references made under Regulation 18 read with Part C of Schedule II of SEBI Listing Regulations, 2015, read with 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 brief description of terms of reference of the Audit Committee are:

- (i) oversight of the Company'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 Company;
- (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 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;
- (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 utilization 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 Company with related parties;
- (ix) scrutiny of inter-corporate loans and investments;
- (x) valuation of undertakings or assets of the Company, 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) reviewing the utilization of loans and / or advances from / investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
- (xxi) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
- (xxii) mandatorily review the following:
- management discussion and analysis of financial condition and results of operations;
  - statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - 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;
- (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 SEBI Listing Regulations, 2015; and
  - ▶ annual statement of funds utilized for purpose other than those stated in the offer document / prospectus in terms of Regulation 32(7) of the SEBI Listing Regulations, 2015;
- (xxiii) 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.

During the year under review, the Audit Committee met four (4) times on the following dates. The necessary quorum was present at both original and adjourned Meetings. The gap between two Audit Committee Meetings was not more than 120 days:

Date of Audit Committee Meetings	Date of adjourned Audit Committee Meetings for certain matters
May 17, 2021	May 18, 2021
August 2, 2021	August 3, 2021
October 25, 2021	October 27, 2021
February 1, 2022	February 2, 2022

The attendance of each member of the Audit Committee at its Meeting(s) held during financial year 2021-22 is given below:

Name of the members	Designation	Non-Executive / Executive / Independent Director	Number of Committee Meeting(s) held <sup>^</sup>	Committee Meeting(s) attended <sup>^</sup>
Ms. Geeta Mathur	Chairperson	Independent Director	4	4
Mr. Nikesh Vikamsey	Member	Independent Director	4	4
Mr. Pankaj Vaish	Member	Independent Director	4	4
Mr. Shantanu Rastogi	Member	Non-Executive Director	4	4

<sup>^</sup> including both original and adjourned Meeting.

The Chairperson of the Audit Committee was present at the last Annual General Meeting of the Company held on September 14, 2021.

#### **4 NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee comprises Ms. Geeta Mathur, Independent Director as Chairperson, Mr. Nilesh Vikamsey and Mr. Sandeep Naik as members of the Committee.

In view of the amendments to the Regulation 19 of SEBI Listing Regulations, 2015, during the year under review, the Board re-constituted the Nomination and Remuneration Committee. Accordingly, Mr. Nirmal Jain ceased to be the member of the Committee w.e.f. December 23, 2021. The composition of the Nomination and Remuneration Committee is in conformity with the applicable provisions of Companies Act, 2013 and SEBI Listing Regulations, 2015, as amended from time to time.

The scope of the Nomination and Remuneration Committee is as set out in Regulation 19 of SEBI Listing Regulations, 2015 read with Section 178 of the Companies Act, 2013 and rules framed thereunder and other applicable provisions of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the Nomination and Remuneration Policy of the Company, besides the other terms that may be referred by the Board of Directors.

The brief description of the terms of reference of the Nomination and Remuneration Committee are:

- (i) formulation of the criteria for determining qualifications, positive attributes and independence of Directors, and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- (ii) formulation of the criteria for evaluation of performance of Independent Directors and the Board and Committees;
- (iii) evaluate the balance of skills, knowledge and experience on the Board, for every appointment of an independent director, and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director;
- (iv) devising a policy on Board diversity;

- (v) 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;
- (vi) 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;
- (vii) recommendation to the Board, all remuneration, in whatever form, payable to senior management ;
- (viii) specifying the manner for effective evaluation of performance of Board, its Committees and Directors and review its implementation and compliance;
- (ix) recommend / review remuneration of the Managing Director(s) and Whole-Time Director(s) based on their performance and defined assessment criteria;
- (x) recommend commission payable, if any, to the Non-Executive Director(s), to the Board;
- (xi) administer, monitor and formulate detailed terms and conditions of the employee stock option schemes of the Company; and
- (xii) 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 modification as may be applicable.

During the year under review, the Nomination and Remuneration Committee met two (2) times on May 17, 2021 and September 22, 2021. The necessary quorum was present at the Meetings.

The attendance of each member of the Nomination and Remuneration Committee at its Meeting(s) held during financial year 2021-22 is given below:

Name of the members	Designation	Non-Executive / Executive / Independent Director	Number of Committee Meeting(s) held	Committee Meeting(s) attended
Ms. Geeta Mathur	Chairperson	Independent Director	2	2
Mr. Nilesh Vikamsey	Member	Independent Director	2	2
Mr. Sandeep Naik	Member	Non-Executive Director	2	2
Mr. Nirmal Jain*	Member	Non-Executive Director	2	2

\* Ceased to be member of the Committee with effect from December 23, 2021.

The Chairperson of the Committee was present at the last Annual General Meeting of the Company held on September 14, 2021.

**a) Details of remuneration paid to the Directors during the year under review, are as under:**

Name of the Director	Designation	Salary and perquisites (In ₹)	Commission* (In ₹)	Sitting Fees (In ₹)	Contribution to Provident Funds, Employee Pension Fund and other funds (In ₹)	Stock options (In Quantity)
Mr. Nirmal Jain	Non-Executive Director	Nil	Nil	Nil	Nil	Nil
Mr. Venkataraman Rajamani	Non-Executive Director	Nil	Nil	Nil	Nil	Nil
Ms. Geeta Mathur	Independent Director	Nil	15,00,000	17,50,000	Nil	Nil
Mr. Nilesh Vikamsey	Independent Director	Nil	15,00,000	18,00,000	Nil	Nil
Dr. Subbaraman Narayan	Independent Director	Nil	5,50,000	7,50,000	Nil	Nil
Mr. Pankaj Vaish	Independent Director	Nil	11,00,000	16,00,000	Nil	Nil
Mr. Karan Bhagat	Managing Director	5,27,89,681#	5,59,00,000^	Nil	27,50,000	Nil
Mr. Yatin Shah	Non-Executive Director	Nil	Nil	Nil	Nil	Nil
Mr. Shantanu Rastogi	Nominee Director	Nil	Nil	Nil	Nil	Nil
Mr. Sandeep Naik	Nominee Director	Nil	Nil	Nil	Nil	Nil
Mr. Gopalakrishnan Soundarajan	Non-Executive Director	Nil	Nil	Nil	Nil	Nil

\* Commission in respect of the financial year 2021-22, paid in financial year 2022-23.

^ Commission in respect of the financial year 2020-21, paid in financial year 2021-22 basis the criteria laid down by the Nomination and Remuneration Committee pursuant to the Nomination and Remuneration Policy of the Company available on the website of Company at [www.iiflwealth.com](http://www.iiflwealth.com).

# The details of salary and perquisites are as follows:

Particulars	Amount (in ₹)
Salary	2,19,99,996
Housing / HRA	1,10,00,004
Leave Travel Allowance	18,33,336
Other benefits	1,79,56,345
<b>Total</b>	<b>5,27,89,681</b>

Further, appointment of Managing Director is by virtue of his employment with the Company and therefore, his terms of employment including service contract and notice period if any, are governed by the applicable policies.

**(b) Remuneration to Non-Executive / Independent Directors and criteria thereof:**

Independent Directors are paid ₹ 1,00,000/- (Rupees One Lakh Only) towards sitting fees for attending each of the Board and Audit Committee Meeting and ₹ 50,000/- (Rupees Fifty Thousand Only) towards sitting fees for attending each of the other Committee Meetings and Meeting of Independent Directors, plus the reimbursement of the actual travel, hotel and out-of-pocket expenses, if any, incurred by them while performing their role as an Independent Directors, in accordance with the provisions Companies Act, 2013 and as approved by the Board of Directors of the Company.

The Independent Directors are also eligible for commission as approved by the Board of Directors, not exceeding the limits prescribed under the Companies Act, 2013 and as approved by the shareholders of the Company. Further, the commission payable to Independent Directors is determined in accordance with the Nomination and Remuneration Policy of the Company inter-alia considering the participation and contribution made by Independent Directors and the responsibilities shouldered by them as the Chairperson of Board and/or Committees.

The Company has not granted any employee stock options to any of the Directors. There are no pecuniary relationships or transaction of the Non-Executive Directors vis-à-vis the Company apart from dividend, sitting fees and commission as mentioned above.

The Company has obtained Directors and Officers Liabilities Insurance Policy covering all the Directors and the Officers of the Company in respect of any legal action that may be initiated against any Director or Officer of the Company for the matters covered under the aforesaid Policy.

**5 STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Stakeholders Relationship Committee comprises Mr. Venkataraman Rajamani, Non-Executive Director as Chairperson, Mr. Pankaj Vaish and Mr. Yatin Shah as members of the Committee.

During the year under review, there was no change in the composition of the Stakeholders Relationship Committee. The composition of the Stakeholders Relationship Committee is in conformity with the applicable provisions of Companies Act, 2013 and SEBI Listing Regulations, 2015, as amended from time to time.

The scope of the Stakeholders Relationship Committee includes the references made under Regulation 20 read with Para B of Part C of Schedule II of SEBI Listing Regulations, 2015, read with Section 178 and other applicable provisions of the Companies Act, 2013, besides the other terms that may be referred by the Board of Directors.

The brief description of the terms of reference of the Stakeholders Relationship Committee are:

- resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of



annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;

- (ii) review of measures taken for effective exercise of voting rights by shareholders;
- (iii) review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- (iv) review of the various measures and initiatives taken by the Company 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
- (v) All other matters incidental or related to shares, debentures and other securities of the Company.

There was one complaint received by the Company from a shareholder during the year under review and the same was resolved within the prescribed statutory timelines.

Further, SEBI vide circulars SEBI/HO/CFD/SSEP/CIR/P/2022/48 dated April 8, 2022 and SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/76 dated May 30, 2022, has introduced Standard Operating Procedures (SOP) for dispute resolution under the Stock Exchange arbitration mechanism for disputes between a listed company and/or registrars to an issue and share transfer agents and its shareholder(s) / investor(s). The said circulars are available on the website of the Company at [www.iiflwealth.com](http://www.iiflwealth.com).

During the year under review, the Stakeholders Relationship Committee met once on March 15, 2022. The necessary quorum was present during the Meeting.

The attendance of each member of the Stakeholders Relationship Committee at its Meeting held during financial year 2021-22 is given below:

Name of the members	Designation	Non-Executive / Executive / Independent Director	Number of Committee Meeting(s) held	Committee Meeting(s) attended
Mr. Venkataraman Rajamani	Chairperson	Non-Executive Director	1	1
Mr. Pankaj Vaish	Member	Independent Director	1	1
Mr. Yatin Shah	Member	Non-Executive Director	1	1

The Chairperson of the Stakeholders Relationship Committee was present at the last Annual General Meeting of the Company held on September 14, 2021.

## 6 CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility ("CSR") Committee comprises Mr. Karan Bhagat, Managing Director as Chairperson, Mr. Nilesh Vikamsey, Mr. Nirmal Jain and Mr. Sandeep Naik as members of the Committee.

During the year under review, there was no change in the composition of the CSR Committee. The composition of CSR Committee is in conformity with the applicable provisions of Companies Act, 2013, as amended from time to time.

The scope of the CSR Committee includes the references made under Section 135 and other applicable provisions of the Companies Act, 2013, and the Corporate Social Responsibility Policy of the Company, besides the other terms that may be referred by the Board of Directors.

The brief description of the terms of reference of the CSR Committee are:

- (i) formulating and recommending the CSR Policy to the Board in compliance with applicable provisions of Companies Act, 2013;

- (ii) recommending annual action plan and the CSR Activities to be undertaken as per the applicable provisions of Companies Act, 2013;
- (iii) recommending to the Board the CSR Expenditure to be incurred as per the applicable provisions of Companies Act, 2013;
- (iv) periodic monitoring of the implementation of the CSR Policy and annual action plan;
- (v) reporting to the Board on the progress of the various CSR Activities and spends on a regular basis.

During the year under review, the CSR Committee of the Company met two (2) times on August 2, 2021 and March 15, 2022. The necessary quorum was present at the Meetings.

The attendance of each member of the CSR Committee at its Meeting(s) held during financial year 2021-22 is given below:

Name of the members	Designation	Non-Executive / Executive / Independent Director	Number of Committee Meeting(s) held	Committee Meeting(s) attended
Mr. Karan Bhagat	Chairperson	Managing Director	2	2
Mr. Nilesh Vikamsey	Member	Independent Director	2	1
Mr. Nirmal Jain	Member	Non-Executive Director	2	1
Mr. Sandeep Naik	Member	Non-Executive Director	2	2

## 7 RISK MANAGEMENT COMMITTEE:

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

During the year under review, there was no change in the composition of the Risk Management Committee. The composition of the Risk Management Committee is in conformity with the applicable provisions of SEBI Listing Regulations, 2015, as amended from time to time.

The scope of the Risk Management Committee includes the references made under Regulation 21 read with Para C of Part D of Schedule II of SEBI Listing Regulations, 2015, besides the other terms that may be referred by the Board of Directors.

The brief description of terms of reference of the Risk Management Committee are:

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

During the year under review, the Risk Management Committee of the Company met two (2) times on May 14, 2021 and October 20, 2021. The gap between two Risk Management Committee Meetings was not more than 180 days. The necessary quorum was present at the Meetings.

The attendance of each member of the Risk Management Committee at its Meeting(s) held during financial year 2021-22 is given below:

Name of the members	Designation	Non-Executive / Executive / Independent Director	No. of Committee Meeting(s) held	Committee Meeting(s) attended
Mr. Shantanu Rastogi	Chairperson	Non-Executive Director	2	2
Mr. Venkataraman Rajamani	Member	Non-Executive Director	2	2
Mr. Karan Bhagat	Member	Managing Director	2	2
Mr. Nilesh Vikamsey	Member	Independent Director	2	2
Ms. Geeta Mathur	Member	Independent Director	2	2

## 8 PERIODIC REVIEW OF COMPLIANCES OF ALL APPLICABLE LAWS

The Company follows a system whereby all the acts, rules and regulations applicable to the Company are identified and compliance with such acts, rules and regulations is monitored by respective dedicated teams on a regular basis. Verification of the compliances with the major acts / regulations is carried out by internal / secretarial auditors and their reports and implementation of their observations, if any, are reported to the Board / Audit Committee from time to time. A compliance certificate based on the compliance status received in respect of various laws, rules and regulations applicable to the Company is placed before the Board on regular basis and reviewed by the Board. Necessary reports are 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 ("**AGM**") of the Company:

Date of AGM	Location	Time (IST)	Whether any special resolutions passed
September 14, 2021	Through Video Conferencing / Other Audio Visual Means	3:00 p.m.	Yes. One Special Resolution was passed.
September 11, 2020	Through Video Conferencing / Other Audio Visual Means	11:00 a.m.	Yes. One Special Resolution was passed.
September 30, 2019	Hall of Harmony, Nehru Center, Dr. Annie Besant Road, Worli, Mumbai – 400018.	12 Noon	Yes. ..... Special Resolutions were passed.

### Details of special resolutions passed through postal ballot during the year under review and details of the voting pattern:

During the year under review, the Company sought the approval of the shareholders through notice of postal ballot dated March 12, 2021, for two special resolutions which were duly passed on April 18, 2021 and the results of the said postal ballot was announced on the April 19, 2021, details of which formed part of Annual Report for the financial year 2020-21 and are reproduced below:

- (i) 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.
- (ii) Date of postal ballot Notice: March 12, 2021  
Date of Declaration of Result: April 19, 2021  
Voting Period: March 20, 2021 to April 18, 2021  
Date of Approval: April 18, 2021

Special Resolutions	Number of votes polled	Number of votes cast in favour	Number of votes cast against	% of votes cast in favour on votes polled	% of votes cast against on votes polled
To approve IIFL Wealth Employee Stock Option Scheme 2021 (" <b>IIFLW ESOP 2021</b> ") and grant of Employee Stock Options to the Employees of the Company under the Scheme	6,93,41,551	6,28,60,228	64,81,323	90.65	9.35
To grant Stock Options to the employees of the Subsidiary Company(ies) (present and / or future) under the IIFL Wealth Employee Stock Option Scheme 2021	6,93,41,551	6,28,60,198	64,81,353	90.65	9.35

- (iii) Procedure adopted for aforesaid postal ballot:

In compliance with Sections 108, 110 and other applicable provisions of the Companies Act, 2013, read with the applicable rules framed thereunder, General Circular Nos. a) 14/2020 dated April 8, 2020, b) 17/2020 dated April 13, 2020 and c) 39/2020 dated December 31, 2020 (the "**MCA Circulars**") issued by the Ministry of Corporate Affairs, the Company had provided electronic voting (e-voting) facility, to all its shareholders. For this purpose, the Company had engaged the services of Central Depository Services (India) Limited.

The notice of postal ballot was sent in electronic mode, only to those shareholders who had registered their e-mail addresses with the Company or Depository Participant/ Depository / Link Intime India Private Limited. Further, the shareholders were requested to vote through remote e-voting and the facility to vote through physical ballot

papers was not provided in view of COVID 19 and exemptions under MCA Circulars. The Company had also published a notice in the newspaper declaring the details and requirements for postal ballot as required under the provisions of Companies Act, 2013 and applicable rules, post circulation of postal ballot notice to all the shareholders.

Voting right was reckoned on the paid-up value of shares registered in the name of the shareholders as on the cut-off date. The scrutinizer completed his scrutiny and submitted the report to the Chairperson / Managing Director and the consolidated results of the voting were announced by the Company Secretary & Compliance Officer of the Company. The results of the postal ballot are available on the website of the Company at [www.iiflwealth.com](http://www.iiflwealth.com) and the same were communicated to the Stock Exchanges, Depositories and Registrar and Share Transfer Agent of the Company.

No postal ballot is proposed / initiated till the date of this Corporate Governance Report.

## 10 DISCLOSURES

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

The Company has put in place a Policy on Related Party Transactions which is available on the Company's website at [www.iiflwealth.com](http://www.iiflwealth.com). The Policy provides for identification of related party transactions, necessary approvals by the Audit Committee / Board / Shareholders, reporting and disclosure requirements, as applicable, in compliance with the Companies Act, 2013 and SEBI Listing Regulations, 2015, as amended from time to time.

During the year under review, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the Policy on Related Party Transactions of the Company.

All related party transactions entered during the year under review and any modification(s) thereto, were placed before the Audit Committee for approval and/or review.

### (ii) Details of non-compliance by the Company during the last three years:

No strictures / penalties were imposed on the Company by Stock Exchanges or by the Securities and Exchange Board of India ("SEBI") or by any statutory authority on any matter related to the capital markets during the financial year 2019-20, 2020-21 and 2021-22.

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

The Company has adopted a Policy on Vigil Mechanism and Whistle Blower Mechanism and has established the necessary vigil mechanism for employees to raise genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The aforesaid Policy also provides for adequate safeguard against victimization of the whistle blower who avails of such mechanism and provides for the access to the Chairperson of the Audit Committee.

While none of the whistle blowers has been denied access to the Audit Committee, no whistle blower complaint was received by the Company during the year under review.

### (iv) Prevention of Insider Trading:

Pursuant to Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company being a listed entity and market intermediary has formulated and adopted Code of Conduct for Employees and Insiders of IIFL Wealth Management Limited and its Subsidiary & Associate Companies under SEBI (Prohibition of Insider Trading) Regulations, 2015, for prevention of the insider trading incorporating the requirements in accordance with the regulations, clarifications and circulars and the same is updated from time to time.

### (v) Compliance with mandatory and non-mandatory provisions:

The Company has adhered to all the mandatory requirements of Corporate Governance norms as prescribed under SEBI Listing Regulations, 2015, to the extent applicable to the Company.

The Company has also implemented the non-mandatory items such as:

- ▶ Separate posts of Chairperson of the Board and Managing Director of the Company.
- ▶ The Chairperson of the Board has not sought maintenance of 'chairperson's office' at the Company's expense.
- ▶ Unmodified audit opinions / reporting.
- ▶ Internal auditor reporting directly 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 year under review, the Company has not raised any funds through issue of equity shares by way of 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 the Company.

### (viii) Policy on material subsidiary:

The Company has adopted the Policy For Determining Material Subsidiary in line with the requirements of the SEBI Listing Regulations, 2015. The said Policy is available on the website of the Company at [www.iiflwealth.com](http://www.iiflwealth.com).

### (ix) Relationship with other Directors

None of the Directors of the Company are related to any other Director of the Company.

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

As on March 31, 2022, the Company had 3,669 unclaimed shares which were allotted pursuant to composite scheme of arrangement inter-alia amongst IIFL Holdings Limited and the Company, to the Investor Education Protection Fund ("IEPF"). The Company transferred ₹ 1,80,586/- being interim dividends (net of taxes) on the aforesaid 3,669 shares to IEPF.

The Company has transferred the unclaimed dividends declared by the Company to the respective unclaimed dividend accounts pursuant to the provisions of Companies Act, 2013.

Other than as referred above, the Company was not required to transfer any unclaimed dividend amounts / corresponding shares on which the dividends were unclaimed pursuant to the provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

Further, during the year under review, the Company had voluntarily sent emails / inland letters to those shareholders who had not claimed their dividend / fractional share entitlements reminding them about the same with the process to claim the same. For ease of reference, the procedure to claim the unclaimed dividend / fractional share entitlement amount by the shareholders is reproduced below:

- a) The concerned shareholder shall state the following details in his/her application for claiming the unclaimed dividend / fractional share entitlements amount:
  - i) Name of the Company
  - ii) Folio No. or DP Id and Client Id
  - iii) Name of the Shareholder
  - iv) Contact Number of the shareholder
  - v) E-mail ID and self-attested KYC documents of the shareholder like PAN, cancelled cheque leaf in original alongwith latest utility bill as address proof which shall not be more than three months old.
- b) The aforesaid application and the documents shall be sent to Link Intime India Private Limited, Registrar and Share Transfer Agent of the Company.

The shareholders are requested to register/update their complete bank accounts details with their depository participant in order to enable the Company remit future dividends, if any, directly to respective bank accounts.

#### (xi) Certificate from Company Secretary in practice

The Company has obtained a certificate from M/s. J U Poojari & Associates, Company Secretaries 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 Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority and is enclosed with this report as **Annexure A**.

#### (xii) Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

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 Board's Report of the Company.

Details of complaints received by the Company for the year under review on sexual harassment are 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 to the statutory auditor and all entities in the network firm / network entity of which the statutory auditor is a part of, by the Company and its subsidiaries, on a consolidated basis, for the financial year 2021-22, are as follows:

Type of Service	Amount (₹ in Millions)
Audit Fees	20.83
Tax Audit Fees	-
Others*	1.27
<b>Total</b>	<b>22.10</b>

\* Includes non-audit related services and other certifications on the consolidated basis.

#### 11 MEANS OF COMMUNICATION TO THE STAKEHOLDERS

The Annual Report, shareholding pattern, material events, corporate actions, copies of press releases, schedule of analysts / investor meets, among others, are regularly submitted to Stock Exchanges for dissemination on their respective websites and are also uploaded on the Company's website at [www.iiflwealth.com](http://www.iiflwealth.com).

The quarterly / half yearly / annual financial results are duly submitted to the Stock Exchanges in accordance with the SEBI Listing Regulations, 2015. The quarterly, half yearly and annual results of the Company were published in the Free Press Journal/ Financial Express and Navshakti, which are widely circulated. The Company also regularly

makes presentation to the analyst in their meetings held from time to time, recordings and transcripts of which are uploaded on the Company's website. The schedule of analyst meets / Institutional Investors meets are also informed to the public through the Stock Exchanges. All our official news releases are also hosted on the website of the Company at [www.iiflwealth.com](http://www.iiflwealth.com).

The Board of Directors has approved a policy for determining materiality of events for the purpose of making disclosure to the Stock Exchange and is available on the Company's website at [www.iiflwealth.com](http://www.iiflwealth.com).

## GENERAL SHAREHOLDERS' INFORMATION

1.	<b>Annual General Meeting</b>	To be held on Friday, September 30, 2022 at 4:00 p.m. (IST) through Video Conferencing / Other Audio Visual Means, without the physical presence of the shareholders at a common venue
2.	<b>Financial calendar (2021-22)</b>	<p>April 1, 2021 to March 31, 2022</p> <p>Results for the quarter ended June 30, 2021, were approved on August 3, 2021</p> <p>Results for the quarter ended September 30, 2021, were approved on October 27, 2021</p> <p>Results for the quarter ended December 31, 2021, were approved on February 2, 2022</p> <p>Results for the quarter and year ended March 31, 2022, were approved on May 4, 2022</p>
3.	<b>Book closure date</b>	Monday, September 26, 2022 to Friday, September 30, 2022
4.	<b>Dividend payment dates</b>	<p>During the year under review, the Company:</p> <p>a) declared first interim dividend of ₹ 35/- per equity share of face value ₹ 2/-, on August 3, 2021, which was paid on August 21, 2021, and</p> <p>b) declared second interim dividend of ₹ 20/- per equity share of face value ₹ 2/-, on October 27, 2021, which was paid on November 20, 2021.</p> <p>The total dividend for the financial year ended March 31, 2022, amounts to ₹ 55/- per share of face value ₹ 2/- each with total outlay of ₹ 485,78,28,410/-.</p>
5.	<b>Name and address on each stock exchanges at which the securities of the Company are listed</b>	<p><b>1. National Stock Exchange of India Limited (Equity Shares)</b> Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E) Mumbai-400 051</p> <p><b>2. BSE Limited (Equity Shares and Non-Convertible Debentures)</b> Phiroze Jeejeebhoy Towers Dalal Street, Mumbai-400001</p> <p>Requisite annual listing fees have been paid to the aforesaid Stock Exchanges.</p>
6.	<b>Stock code</b>	National Stock Exchange of India Limited – IIFLWAM BSE Limited – 542772
7.	<b>ISIN numbers in National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") for equity shares</b>	INE466L01020
8.	<b>Registrar &amp; Transfer Agent</b>	<b>Link Intime India Private Limited</b> C-101, 247 Park, Lal Bahadur Shastri Marg, Vikhroli West, Mumbai -400083. Tel: 022-49186000 Email: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a>
9.	<b>Share transfer system</b>	<p>The shares of the Company are compulsorily traded in dematerialized form. All share transfers and other share related issues are placed before the Stakeholders Relationship Committee Meeting, which is convened as and when required.</p> <p>In terms of amended Regulation 40 of SEBI Listing Regulations, 2015 w.e.f. April 1, 2019, transfer of securities in physical form shall not be processed unless the securities are held in the demat mode with a Depository Participant. Further, with effect from January 25, 2022, SEBI has made it mandatory for listed companies to issue securities in demat mode only while processing any investor service requests viz. issue of duplicate share certificates, exchange / sub-division / splitting / consolidation of securities, transmission / transposition of securities. Vide its Circular dated January 25, 2022, SEBI has clarified that listed entities / RTAs shall issue a Letter of Confirmation in lieu of the share certificate while processing any of the aforesaid investor service request.</p>

		<p><b>Simplified Norms for processing Investor Service Request</b></p> <p>SEBI, vide its Circular dated November 3, 2021, has made it mandatory for holders of physical securities to furnish PAN, KYC and nomination details to avail any investor service. Folios wherein any one of the above mentioned details are not registered by April 1, 2023, shall be frozen. The concerned shareholders are therefore urged to furnish PAN, KYC and nomination details by submitting the prescribed forms duly filled by email from their registered email id to <a href="mailto:kyc@linkintime.co.in">kyc@linkintime.co.in</a> or by sending a physical copy of the prescribed forms duly filled and signed by the registered holders to M/s. Link Intime India Private Limited at C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083 or by uploading the documents on <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>.</p>
10.	<b>Dematerialization of shares and liquidity</b>	As on March 31, 2022, 99.96% of the total paid-up share capital of the Company was held 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.
11.	<b>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</b>	<p>As on March 31, 2022, the credit ratings obtained by the Company are as follows:</p> <p>(a). Principal Protected Market Linked Debenture: "PP-MLD[ICRA] AA"(Pronounced Principal Debenture Protected Market Linked Debenture ICRA double A) rating with stable outlook</p> <p>(b). Non-Convertible Debenture: "[ICRA]AA"(Pronounced as ICRA double A) rating with a stable outlook</p> <p>(c). Commercial Paper: "[ICRA]A1+" (Pronounced as ICRA A one plus) and "CARE A1+"</p> <p>There has been no revision in the aforesaid credit rating during the year under review.</p>
12.	<b>Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity</b>	The Company does not have any outstanding GDRs / ADRs / Warrants as on date.

## 12 SHAREHOLDING PATTERN

Categories of Equity Shareholders as on March 31, 2022:

Category	Number of equity shares held	Percentage
<b>Promoter and Promoter Group Shareholders</b>		
Promoters	2,05,24,404	23.14
<b>Total (A)</b>	<b>2,05,24,404</b>	<b>23.14</b>
<b>Public Shareholders</b>		
Foreign Company	3,40,61,239	38.40
Foreign Portfolio Investors (Corporate)*	1,96,33,948	22.13
Resident Individuals	82,85,574	9.35
Mutual Funds	24,07,940	2.71
Non Resident Indians (Repatriable)	18,29,371	2.06
Other Bodies Corporate	8,73,051	0.98
Alternate Investment Funds	4,39,717	0.50
Insurance Companies	3,14,335	0.35
Body Corporates	95,996	0.11
Non Resident Indians (Non Repatriable)	95,683	0.11
Hindu Undivided Family	60,784	0.07
Clearing Members	49,643	0.06
Foreign Nationals	21,214	0.02
Trusts	11,065	0.01
Investor Education And Protection Fund	3,669	0.00
NBFCs registered with RBI	170	0.00
<b>Total (B)</b>	<b>6,81,83,399</b>	<b>76.86</b>
<b>TOTAL (A) + (B)</b>	<b>8,87,07,803</b>	<b>100</b>

\* 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, 2022

The distribution of shareholders as on March 31, 2022, 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	30,121	96.28	9,90,501	1.12
2	501 to 1000	356	1.14	2,62,771	0.30
3	1001 to 2000	249	0.80	3,67,243	0.41
4	2001 to 3000	106	0.34	2,59,445	0.30
5	3001 to 4000	66	0.21	2,34,152	0.26
6	4001 to 5000	41	0.13	1,87,843	0.21
7	5001 to 10000	96	0.31	7,10,246	0.80
8	10001 to *****	250	0.80	8,56,95,602	96.60
<b>Total</b>		<b>31,285</b>	<b>100.00</b>	<b>8,87,07,803</b>	<b>100.00</b>

### 14 MARKET PRICE DATA

The below table gives the monthly high and low quotations of shares traded at BSE Limited and the National Stock Exchange of India Limited ("NSE") during the financial year 2021-22:

Month	BSE			NSE		
	High	Low	Volume (₹ In crore)	High	Low	Volume (₹ In crore)
April 2021	1,357.65	1,061.05	1.53	1,313.15	1,069.55	90.62
May 2021	1,295.00	1,063.65	49.06	1,197.30	1,168.35	156.06
June 2021	1,212.00	1,102.95	2.63	1,189.65	1,123.85	133.34
July 2021	1,482.15	1,137.85	12.65	1,411.30	1,146.80	218.54
August 2021	1,675.00	1,354.00	42.46	1,627.95	1,383.80	892.14
September 2021	1,818.00	1,532.00	8.92	1,690.85	1,542.75	245.64
October 2021	1,785.00	1,487.95	11.43	1,702.95	1,564.50	267.16
November 2021	1,677.65	1,396.70	4.75	1,622.35	1,446.60	102.54
December 2021	1,611.00	1,300.60	393.92	1,541.60	1,349.20	968.67
January 2022	1,663.20	1,418.05	8.93	1,636.00	1,449.25	234.92
February 2022	1,758.60	1,445.95	12.40	1,688.45	1,475.45	221.35
March 2022	1,796.60	1,424.55	12.48	1,668.90	1,454.45	328.40

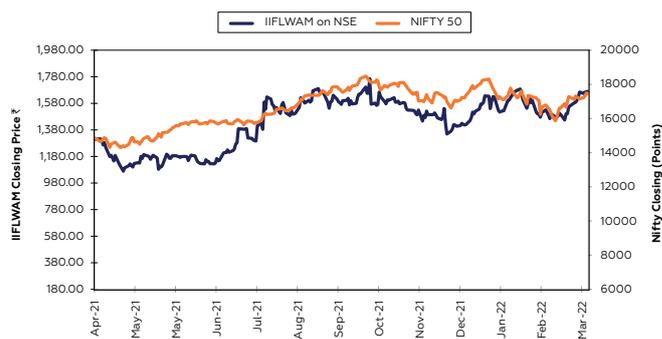
### STOCK PERFORMANCE vs S&P BSE 500 AND NSE NIFTY 500

The chart below plots the monthly closing price of the equity shares of the Company versus the BSE - Sensex and NSE - S&P CNX Nifty for the financial year ended March 31, 2022:

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



The performance of your Company's shares relative to the Nifty 50 index is given in the chart below:



## 15 SUBSIDIARY COMPANIES

For details about the subsidiaries of the Company, please refer to the Board's Report.

## 16 LOANS AND ADVANCES BY THE COMPANY AND ITS SUBSIDIARIES

Loans and advances forms part of the Related Party Disclosures in the Notes to the financial statements for the financial year ended March 31, 2022.

## 17 CEO / CFO CERTIFICATE

The certificate as required under SEBI Listing Regulations, 2015, duly signed by the Managing Director and Chief Financial Officer of the Company is enclosed herewith as "Annexure B".

## 18 CODE OF CONDUCT

The confirmation from the Managing Director regarding compliance with the Code of Conduct by all the Directors and senior management is enclosed herewith as "Annexure C". The Code of Conduct is displayed on the website of the Company at [www.iiflwealth.com](http://www.iiflwealth.com).

## 19 COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:

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

The Company has not taken any exposure in commodity hedging activities.

## 23 ADDRESS FOR CORRESPONDENCE:

All shareholder correspondence should be forwarded to M/s. Link Intime India Private Limited, the Registrar and Share Transfer Agent of the Company, or to the Company at the addresses mentioned below:

<b>Registrar and Share Transfer Agent</b> Name: Link Intime India Private Limited Address: C 101, 247 Park, L.B.S. Mark, Vikhroli (West), Mumbai-400083, Maharashtra Tel. : +91-22-49186000 Email: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a> Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>	<b>Company Secretary and Compliance Officer</b> Name: Mr. Rohit Bhave Designation: Company Secretary & Compliance Officer Address: IIFL Centre, Kamala City Senapati Bapat Marg, Lower Parel, Mumbai – 400013 Tel. : +91-22-48765600 Fax : + 91-22-46464706 Email: <a href="mailto:secretarial@iiflw.com">secretarial@iiflw.com</a> Website: <a href="http://www.iiflwealth.com">www.iiflwealth.com</a>	<b>Debenture Trustee</b> Name: Beacon Trusteeship Limited 4C, Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra (E), Mumbai (MH)- 400 051 Telephone: +91 22 26558759 E-mail: <a href="mailto:info@beacontrustee.co.in">info@beacontrustee.co.in</a> Website: <a href="http://www.beacontrustee.co.in">www.beacontrustee.co.in</a>
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### For and on behalf of the Board of Directors

Sd/-  
**Karan Bhagat**  
Managing Director  
DIN: 03247753

Place: Mumbai  
Date: May 4, 2022

Sd/-  
**Yatin Shah**  
Director  
DIN: 03231090

## 20 PLANT LOCATIONS

The Company does not have any plant as the Company belongs to the service industry. However, the details relating to the branch offices of the Company are available on the website of the Company at [www.iiflwealth.com](http://www.iiflwealth.com).

## 21 COMPLIANCES UNDER SEBI LISTING REGULATIONS, 2015

The Company complies with the applicable provisions of the SEBI Listing Regulations, 2015. Information, reports, certificates and returns as required under the applicable provisions of SEBI Listing Regulations, 2015, are submitted to the stock exchanges within the prescribed time.

The Company has obtained a compliance certificate from M/s. Mehta & Mehta, Company Secretaries in practice, regarding compliance of conditions of corporate governance required under SEBI Listing Regulations, 2015 and the same forms part of the Board's Report of the Company.

## 22 DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND REGULATION 46 OF SEBI LISTING REGULATIONS, 2015

The Company has complied with the applicable provisions of SEBI Listing Regulations, 2015, including Regulation 17 to 27 and Regulation 46 of SEBI Listing Regulations, 2015. The Company submits a quarterly compliance report on Corporate Governance signed by Compliance Officer to the Stock Exchanges within 21 (Twenty-One) days from the end of every quarter. Such quarterly compliance reports on Corporate Governance are also posted on website of the Company at [www.iiflwealth.com](http://www.iiflwealth.com).

## Certificate from Practising Company Secretary

We have examined the compliance of provisions of the 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 **IIFL Wealth Management Limited (CIN: L74140MH2008PLC177884)** having its registered office at IIFL Centre, Kamala City Senapati Bapat Marg, Lower Parel, Mumbai – 400013 ("**Company**") and the declarations made by the Directors, we hereby certify that none of the directors of the company as stated below for the financial year ending March 31, 2022 have been debarred or disqualified from being appointed or continuing as directors of the Company by SEBI / Ministry of Corporate Affairs.

Sr No.	Name of Director	DIN	Date of Appointment*
1	Nirmal Bhanwarlal Jain	00010535	17/01/2008
2	Venkataraman Rajamani	00011919	17/01/2008
3	Nilesh Shivji Vikamsey	00031213	21/05/2013
4	Subbaraman Narayan	00094081	25/06/2019
5	Pankaj Vaish	00367424	22/01/2020
6	Sandeep Achyut Naik	02057989	25/02/2016
7	Geeta Mathur	02139552	03/03/2015
8	Yatin Shah	03231090	27/09/2010
9	Karan Bhagat	03247753	27/09/2010
10	Gopalakrishnan Soundarajan	05242795	22/01/2020
11	Shantanu Rastogi	06732021	25/02/2016

\* The date of appointment is as per the MCA Portal.

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the 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

Practising Company Secretaries

#### J. U. POOJARI

FCS: 8102 CP: 8187

Mumbai, May 4, 2022

UDIN: F008102D000265755

**Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification under Securities and Exchange Board of India (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, 2022 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 financial year 2021-22 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 internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
- (i) Significant changes in internal control over financial reporting during the financial year 2021-22;
  - (ii) significant changes in accounting policies during the financial year 2021-22 and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-

**Karan Bhagat**  
Managing Director  
DIN: 03247753

Sd/-

**Sanjay Wadhwa**  
Chief Financial Officer

Place: Mumbai  
Date: May 4, 2022

**Declaration on compliance with the Code of Conduct**

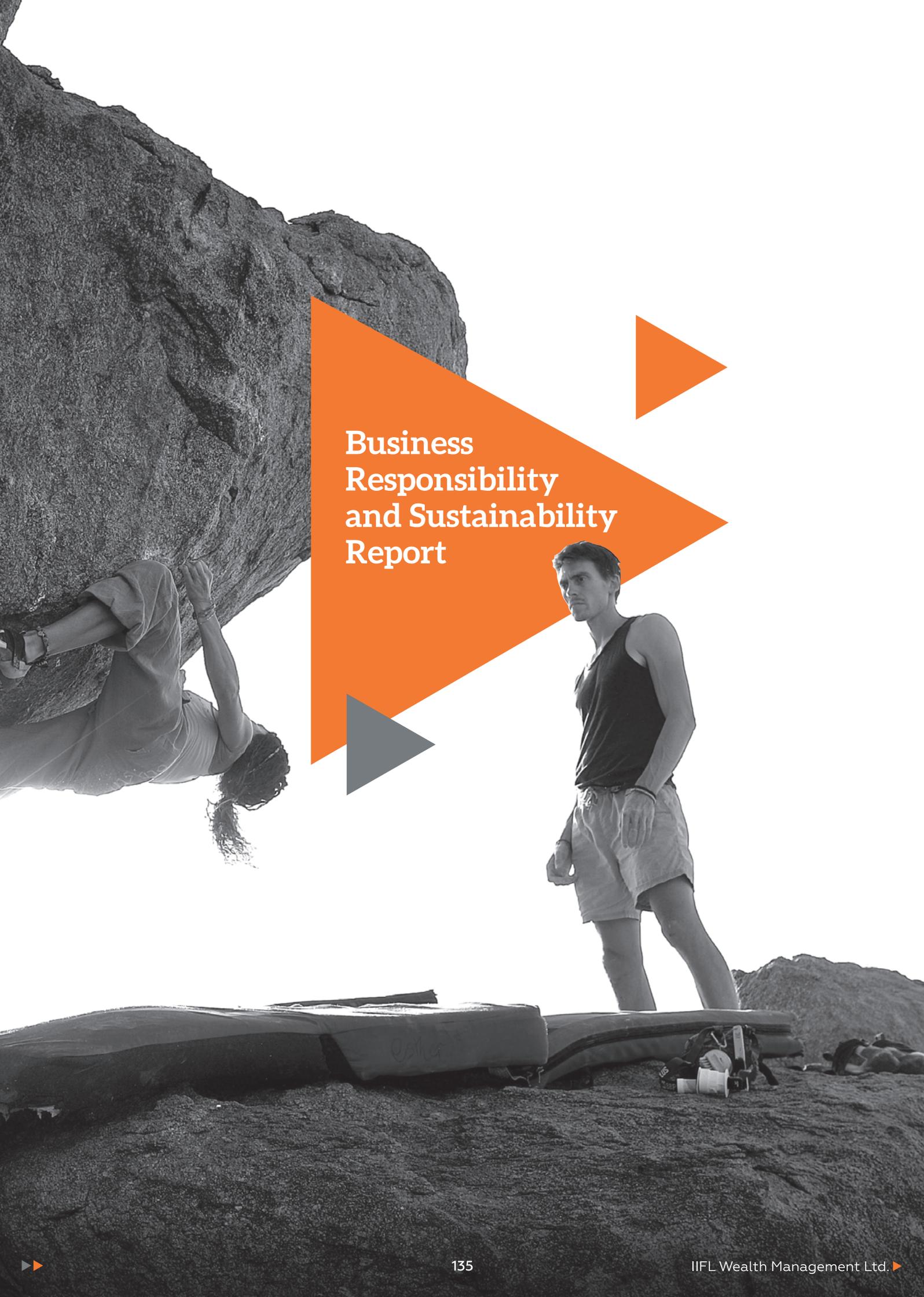
This is to confirm that the Company has adopted a Code of Conduct for its board members and the senior management and the same is available on the website of the Company at [www.iiflwealth.com](http://www.iiflwealth.com). I confirm that the Company has in respect of financial year ended March 31, 2022, received from the senior management personnel of the Company and all the Directors, a declaration of compliance with the Code of Conduct as applicable to them.

**For IIFL Wealth Management Limited**

Sd/-

**Karan Bhagat**  
Managing Director  
DIN: 03247753

Place: Mumbai  
Date: May 4, 2022



**Business  
Responsibility  
and Sustainability  
Report**

# Business Responsibility and Sustainability Report (BRSR)

## 1 ABOUT THE REPORT

### Report Scope and Boundary

This report details the ESG performance of IIFL Wealth Management Limited (“Company”) and its subsidiaries (collectively referred to as “IIFLWAM”) between, 1<sup>st</sup> April 2021 and March 31, 2022. The data in this Report pertains to IIFLWAM’s domestic operations. The Company has its registered and corporate office in Mumbai, Maharashtra.

### Forward-Looking Statement

This document contains forward-looking statements. 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 materialize, 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.

### Feedback

For any feedback or queries related to this Report, please reach out to the Company Secretary of IIFL Wealth Management Limited at [secretarial@iiflw.com](mailto:secretarial@iiflw.com).

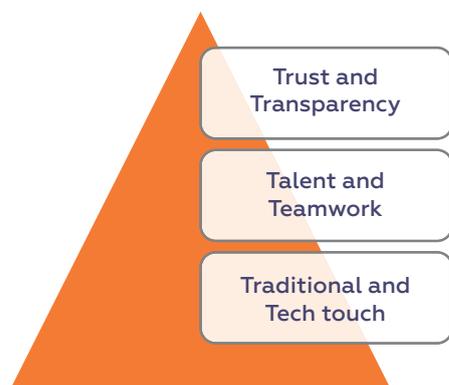
## 2 APPROACH TO VALUE CREATION

IIFLWAM is a client-centric organization offering a diverse pool of financial solutions that include wealth and asset management, lending solutions, and estate planning services. IIFLWAM works towards building long-term relationships and sustainable solutions keeping in mind the interests of the key stakeholders.

### Vision

To be India’s leading wealth and asset management company, aligning the interests of clients, shareholders, and employees.

### IIFLWAM’s Values



### About IIFLWAM and its Businesses

Building on its values and ethos has helped IIFLWAM take a long-term view with its clients, employees, and shareholders. It has a unique integration of people, platforms, products, and principles called as The Capital Code which helps IIFLWAM drive innovation across its products and services.

IIFLWAM believes in making investments for the long-term, creating lasting relationships and providing benefits to its clients, investors, and employees. IIFLWAM’s portfolio of businesses can be described as follows.

### Wealth Management

IIFL Wealth serves the highly specialized and sophisticated needs of high-net-worth individuals (HNIs) and ultra-high net worth individuals (UHNIs), family offices, and institutional clients through a comprehensive range of tailored wealth management solutions. As one of the largest players in the wealth management space, it works towards providing clients with preferential access for sourcing and customizing investments with fund houses, institutional brokers, and boutique managers.

### Asset Management

The Asset Management business has grown sizably in the past few years with key focus on alternative investment funds, a diversified suite of mutual funds and portfolio management schemes. This business is the second largest contributor to IIFLWAM’s turnover. The asset management business is growing independently yet with a lot of synergies.

### Estate Planning

The estate planning business facilitates generational planning and asset transfer for clients. This is done by lending assistance to creating trust along with investment management of the business and personal assets to provide durable and long-term solutions.

### Lending Solutions

IIFLWAM offers a wide range of lending solutions to its customers across the spectrum of structured leverage. It has provided access to capital to streamline market investments, achieve short-term working capital requirements, early-stage debt and to undertake large acquisitions.



List of subsidiaries of IIFL Wealth Management Limited :

S. No.	Name of the holding / subsidiary / associate companies / joint ventures	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by the Company	Does the Subsidiary, participate in the Business Responsibility initiatives of the listed entity? (Yes/ No)
1	IIFL Asset Management Limited	Subsidiary	100	Yes
2	IIFL Wealth Capital Markets Limited (Wholly owned subsidiary of IIFL Wealth Prime Limited)	Subsidiary	100	Yes
3	IIFL Wealth Portfolio Managers Limited	Subsidiary	100	Yes
4	IIFLW CSR Foundation	Subsidiary	100	Yes
5	IIFL Wealth Prime Limited (Formerly known as IIFL Wealth Finance Limited)	Subsidiary	100	Yes
6	IIFL Trustee Limited	Subsidiary	100	Yes
7	IIFL Wealth Distribution Services Limited	Subsidiary	100	Yes
8	IIFL Investment Adviser and Trustee Services Limited	Subsidiary	100	Yes
9	IIFL Wealth Altiore Limited (Formerly known as IIFL Altiore Advisors Limited)	Subsidiary	100	Yes
10	IIFL Wealth Securities IFSC Limited	Subsidiary	100	Yes
11	IIFL Assets Management (Mauritius) Limited	Subsidiary	100	Yes
12	IIFL Private Wealth Management (Dubai) Limited	Subsidiary	100	Yes
13	IIFL Inc.	Subsidiary	100	Yes
14	IIFL Capital (Canada) Limited	Subsidiary	100	Yes
15	IIFL Capital Pte. Limited	Subsidiary	100	Yes

**IIFLWAM's Geographical Footprint**

IIFLWAM has a thriving network of physical and digital customer touchpoints across the country. This helps IIFLWAM stay closer to its customers as well as drive development for the communities. The branches and touchpoints span 23 locations across India and 5 international offices enabling IIFLWAM to foster close relationships with its customers and ensure utmost customer satisfaction.

It also continues to invest in expanding its digital capabilities to complement the physical reach, as well as further enhance its efficiency and customer experience.



### Performance Evaluation: 2021-22

The resilient performance of IIFLWAM's business reflects the strength of its diversified offerings, excellent operational capabilities, and a robust governance structure. COVID-19 played a pivotal role in accelerating multiple trends, including the increase of online touchpoints, emergence of direct-to-consumer (D2C) players, adoption of remote working, and focus on healthier living. Ensuring fast adoption to the continuously changing trends has allowed it to stay ahead of the competition and generate stable returns year-on-year.

- Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	NIC Code	% of Turnover of the entity
1	Financial and insurance service	Other financial activities	K8	85.05%

- Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	Description of Business Activity	NIC Code	% of total Turnover contributed
1	Financial and insurance service	Financial Advisory, brokerage and Consultancy services	K7	14.95%

In addition to the stakeholders mentioned in the table below, IIFLWAM is a member of trade bodies/ associations such as Association of Mutual Funds in India (AMFI), Indian Private Equity and Venture Capital Association (IVCA) and Indian Association of Alternative Investment Funds (IAAIF).

Sr. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalized Group	Channels of communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
1	Customers	No	<ul style="list-style-type: none"> <li>• Leadership outreach / HR outreach</li> <li>• Townhalls</li> <li>• Performance updates</li> <li>• Learning and development programs</li> <li>• Internal publications and circulars</li> </ul>	<ul style="list-style-type: none"> <li>• Regularly on a need basis</li> </ul>	<ul style="list-style-type: none"> <li>• Customer feedback</li> <li>• Customer grievances</li> <li>• Providing information regarding products and services</li> </ul>
2	Investors / Shareholders	No	<ul style="list-style-type: none"> <li>• Investor presentations</li> <li>• Annual General Meeting</li> <li>• Annual Report</li> <li>• Investor / analysts meets / calls</li> <li>• Media releases</li> </ul>	<ul style="list-style-type: none"> <li>• Quarterly/ Annually</li> <li>• Need basis</li> </ul>	<ul style="list-style-type: none"> <li>• Business update</li> <li>• Financial Performance</li> </ul>

### Environmental and Social Highlights for FY 2021-22 at the Group level

- Scope 1 & 2 GHG Emissions - 1256.085 tCO<sub>2</sub>
- Total Energy Consumption 1,595,635 KWh
- 687 employees covered under skill upgradation training programmes
- CSR spending - ₹ 7.76 Cr
- Total beneficiaries - 48,597 lives positively impacted

### 3 STAKEHOLDER ENGAGEMENT AND MATERIALITY ANALYSIS

IIFLWAM believes that engaging with its stakeholders is crucial to the success of the organization. It strives to understand and address their needs and concerns which, in turn, helps build long-term relationships and create value for all stakeholders.

#### Stakeholder Engagement

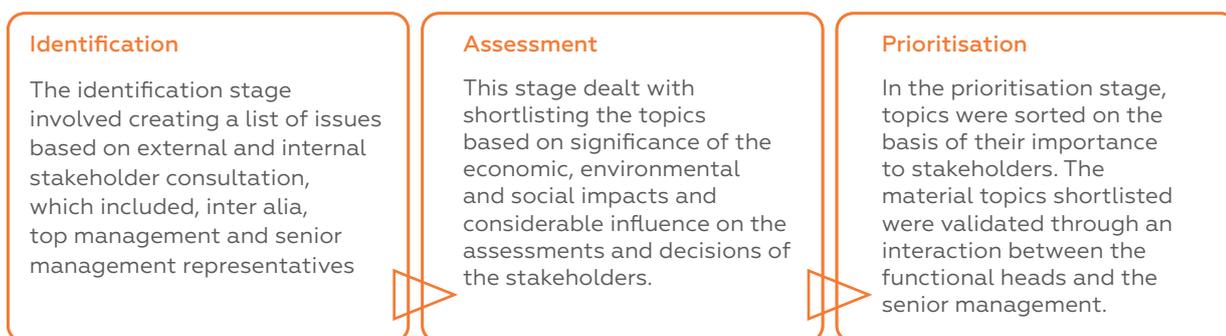
The trust and support of the stakeholders are of utmost importance to IIFLWAM. Stakeholders are individuals or groups that have the ability to influence and are impacted by IIFLWAM's business operations. It has established a decentralized stakeholder communication process to identify and assess their needs. Even during the pandemic, it ensured a proactive outreach to all its key stakeholders to appraise them on the situation as well as seek their feedback. Based on the level of impact, the following key stakeholder groups have been identified along with the mechanism employed to engage with each stakeholder group.

Sr. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalized Group	Channels of communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
3	Employees	No	<ul style="list-style-type: none"> <li>Feedback and surveys</li> <li>Townhalls</li> <li>Performance updates</li> <li>Learning and development programs</li> <li>Internal publications and circulars</li> </ul>	<ul style="list-style-type: none"> <li>Daily (department-wise internal interaction)</li> <li>L&amp;D programs, feedback, and surveys conducted periodically</li> </ul>	<ul style="list-style-type: none"> <li>Employee Productivity</li> <li>Talent management</li> <li>Learning and development</li> <li>Annual performance management</li> <li>Yearly reward and recognition programme</li> </ul>
4	Suppliers	No	<ul style="list-style-type: none"> <li>Meetings</li> <li>Communication via telephone, email, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Regularly on a need basis</li> </ul>	<ul style="list-style-type: none"> <li>Due diligence during on-boarding</li> <li>Periodic assessments of services</li> </ul>
5	Media	No	<ul style="list-style-type: none"> <li>Written Communications</li> <li>Interviews and Forums</li> <li>Meetings</li> <li>Publications and Announcements</li> <li>Media releases</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly/ Half-yearly/ Annually</li> <li>Need basis for interviews, forums, and meetings</li> </ul>	<ul style="list-style-type: none"> <li>Thought leadership</li> <li>Business strategy and performance</li> <li>Market outlook</li> </ul>
6	Regulators	No	<ul style="list-style-type: none"> <li>Meetings</li> <li>Statutory Filings &amp; Written communications</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly/ Half-yearly/ Annually</li> </ul>	<ul style="list-style-type: none"> <li>Regulatory compliance</li> <li>Corporate Governance</li> <li>Financial performance</li> </ul>
7	Communities and NGOs	Yes	<ul style="list-style-type: none"> <li>Meetings</li> <li>Conferences and workshops</li> <li>Communication via telephone, email, etc.</li> <li>CSR partnerships - Contribution towards various causes like Education, Healthcare, Rural Development, Environment initiatives, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Regularly on a need basis</li> </ul>	<ul style="list-style-type: none"> <li>Baseline and Needs Assessment surveys</li> <li>End-line surveys</li> <li>Co-creating community engagement program models</li> <li>Monitoring and Evaluation</li> </ul>

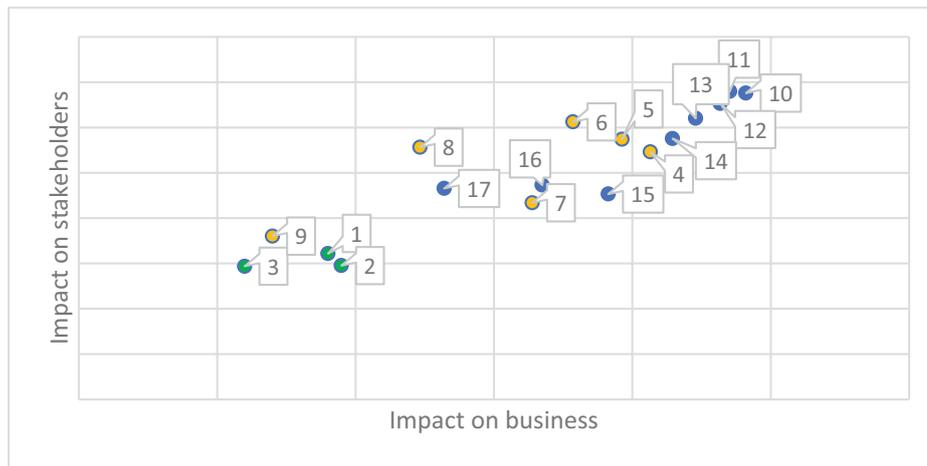
### Materiality Assessment

IIFLWAM initiated its first materiality assessment in FY 2021-22 with a view to gain insight on each of the key issues impacting value creation. A detailed materiality assessment exercise was conducted to identify and prioritize the topics that are material to IIFLWAM and its internal and external stakeholders. Material topics were reviewed and approved by the management.

### Materiality Assessment Process



## Materiality Matrix



### List of Material Topics

#### Environment

- 01 ESG-related products
- 02 Climate Change Strategy
- 03 Carbon footprint

#### Social

- 04 Customer relationship management
- 05 Talent management, training and development
- 06 Health and Safety
- 07 Employee engagement, working culture and environment
- 08 Human Rights, diversity, inclusion and equal opportunity
- 09 Community Development

#### Governance

- 10 Brand reputation, ethics and integrity
- 11 Legal and Regulatory compliance and corporate governance
- 12 Data Privacy and Security
- 13 Transparency and Trust
- 14 Enterprise risk management
- 15 Product innovation
- 16 Board Skills and Oversight
- 17 Responsible investment

## 4 ETHICS AND GOVERNANCE

Good governance and leadership practices are at the core of IIFLWAM's operations. IIFLWAM continuously strives to strike the balance between maximizing efficiency and optimizing the systems and processes. It aims at achieving the highest standards of legal and regulatory compliances and effective management.

### Leading with responsibility and foresight

The Board provides leadership, strategic guidance and discharges its fiduciary duties of safeguarding the interest of the Company and its stakeholders. The Board comprises of a team of eminent industry experts. The strength of the Board is further bolstered by diversity in terms of skill sets and experience of the Directors.

The Board oversees the functioning of the Company and provides guidance to the operations along with reviewing and approving policies, assessing their effectiveness, and taking care of the long-term interests of stakeholders and the organization.

The Company has a Board Diversity Policy which covers aspects such as gender, race, ethnicity, nationality, country of the Board members, among others. This helps effective decision-making and risk management. The Board's effectiveness is assessed on various criteria laid down by the Nomination and Remuneration Committee for performance evaluation of Chairperson, Managing Director, Non-Executive Directors including Independent Directors, Committees of the Board and the Board as a whole. Board meetings and Board attendance to these meetings is in line with the requirements mandated by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. The Board meets at least once every quarter to discuss on performance, challenges and other agenda. Additional meetings are scheduled, if necessary.

### Board of Directors

The Board of Directors comprises a balanced mix of Promoter and Non-Promoter Directors, Independent and Non-Independent Directors, as well as young and seasoned professionals. For brief profiles of Directors, please refer Corporate Governance Report.

### Board Committees

- Audit Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Stakeholder Relationship Committee
- Risk Management Committee

For details about the aforesaid Committees including their composition, terms of reference, attendance details etc., please refer Corporate Governance Report.

### Policies, Procedures, and other terms

Well-defined policies and frameworks are the backbone of IIFLWAM's systems and processes. These provide a structure within which Directors and the Senior Management can pursue its objectives for the benefit of its stakeholders. Following are some of IIFLWAM's policies that guide its governance, ethics and integrity framework. The following policies and documents are available on our website ([www.iiflwealth.com](http://www.iiflwealth.com))

- Code of Conduct for Board and Senior Management
- Policy on Vigil Mechanism and Whistle Blower Mechanism
- Policy for Determining Material Subsidiary
- Policy on Related Party Transactions
- Familiarization Program for Independent Directors
- Board Diversity Policy
- Policy on Preservation of Documents/Archival Policy
- Policy on the Determination of Materiality of Information or Events
- Corporate Social Responsibility Policy
- Dividend Distribution Policy
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
- Nomination and Remuneration Policy
- Terms and Conditions of Appointment of Independent Directors

### Ethics and Integrity

IIFLWAM employs a responsible approach to enhance organizational performance across the economic, environmental, social, and governance paradigms. It conducts its business in an ethical and fair manner, promoting a corporate culture that is socially and

environmentally responsible. In FY 2021-22, there were no cases pending relating to unfair trade practices, irresponsible advertising, or anti-competitive behavior. Additionally, there were no cases of corruption with reference to its employees or its business partners.

IIFLWAM has a comprehensive Code of Conduct policy for the Board and Senior Management that defines the standards of company conduct. Corporate values, dealing with corruption, insider trading and conflicts of interest are important components of this document. Furthermore, any Director or member of the senior management can report violations or suspected violations to this code to the Chairman of the Audit Committee or the Chairman of the Board. The Audit Committee or in the case of breach of the code by any Director, the Board of Directors shall take appropriate action in response to the breach of the code.

IIFLWAM conducts training programs each year to create awareness amongst employees and senior management regarding various policies and principles. IIFLWAM communicates closely with its employees to make them aware of the existing policies and processes along with the updates and changes.

In FY 2021-22, IIFLWAM did not report any cases of disciplinary action taken against Directors, Key Managerial Personnel (KMPs) and employees by any law enforcement agency for corruption and conflicts of interest. IIFLWAM was in compliance with all environmental laws, regulations and guidelines and did not have to pay any penalty for non-compliance. Further, IIFLWAM did not pay any fines/penalties in proceedings with regulators/ law enforcement agencies/ judicial institutions, in the financial year.

The complaints received in the past two years are given in the table below. There were no pending cases at the end of each financial year.

### Transparency and Compliance Disclosures:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No)	FY 21-22 Current Financial Year			FY 20-21 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Description of complaint	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Description of complaint
Shareholders	Yes	1	0	Non- receipt of Tax Deduction at Source on dividend	2	0	Non-Receipt of Dividend/ Interest/ Redemption Warrant
Employees and workers	Yes	Nil	Nil	-	Nil	Nil	-
Customers	Yes	1	0	Complaint regarding restrictive trade practices	Nil	Nil	-
Value Chain Partners	No	Nil	Nil	-	Nil	Nil	-
Other (please specify)	Not Applicable	Not Applicable	Not Applicable	-	Not Applicable	Not Applicable	-

## Whistleblower policy

IIFLWAM's Whistleblower policy seeks to define and establish the mechanism for its employees and Directors to raise concerns regarding any misconduct within the organization. The policy provides a framework to promote a responsible vigil mechanism including procedures to raise concerns internally and disclose information regarding any malpractice, serious irregularities, fraud, unethical business conduct, abuse or wrongdoing or violation of any Indian law. The policy protects employees and Directors from retaliation or discrimination when the employee or Director reports any such cases. The complainant can report any observed breaches to the Audit Committee via e-mail, telephone or a letter sent by mail, courier, or fax. The report is reviewed by the Committee which then determines any disciplinary action as it may deem fit as per the applicable policies of IIFLWAM and take preventive measures to avoid reoccurrence of the incident.

## Risk Management

The Company has constituted a Board-level Risk Management Committee to review risk management. The responsibilities of this Committee include reviewing the process for identification, measurement, and analysis of risk exposures, developing risk management strategies and its monitoring. The committee has identified various risks, mainly focusing on portfolio risks, operational risks, and compliance risks. These are encapsulated in the Risks & Controls Matrix (RCM).

IIFLWAM has a robust and overarching risk management policy in place which covers various aspects of risk management for IIFLWAM and all its subsidiaries. The policy also defines the risk governance structure and internal audit procedure. IIFLWAM is in the process of incorporating ESG risks and emerging risks into the risk management policy. Trainings regarding risk management are provided periodically to employees at all levels with an increased focus on enhancing the awareness on risk management amongst employees of all levels.

IIFLWAM has identified the following material responsible business conduct issues:

S. N.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity
1	Business conduct - Misselling: we need to sell / advise products to clients that match their risk appetite and financial goals	Risk	This is a key determinant of client confidence.	Risk appetite questionnaire	Indirect financial impact because of loss of reputation / client confidence and exit of AUM
2	Business Conduct - Conflicted and Related Party Transactions: where transactions happen between related parties or between a client entity / fund and an IIFL Wealth entity	Risk	Loss to shareholders / clients	All related party transactions are approved by the Audit Committee/ Board as per requirements of the Companies Act. For conflicted transactions, there is a Conflict Resolution Advisory Board that ensures that transactions are done at arm's length.	Possible claims from shareholders /clients if transactions are not done on arm's length basis

IIFLWAM has a group-wide Business Continuity and Disaster Recovery (BCP/DR) Plan. This plan encompasses various aspects such as disaster management, mitigation and preventive actions taken to ensure uninterrupted functioning of the business. A primary aspect of this plan is the formation of a Business Continuity Crisis Management Team (BCCMT) (including the members of the committee and their functions) to invoke the BCP and work toward recovery. The plan also describes the process of business impact analysis, maximum tolerable time to restore business operations and maximum tolerable time for which data loss can be accepted in order to resume the business operations at an acceptable level. Other aspects covered under the BCP include back-up arrangements for various systems, arrangements for remote working, including work from home and the IT infrastructural support required, key contacts when BCP/DR is invoked, etc.

## 5 EMPOWERING THE WORKFORCE

Employees form the backbone of IIFLWAM's operations and growth. IIFLWAM works towards creating a safe and inclusive working environment for all its employees while creating opportunities for employees to grow. It has ensured that its workplace encourages diversity and inclusion, and the rights of employees are recognized and protected. Several policies, and processes have been put in place to for enhanced emphasis on diversity and equal opportunity and human capital development. Some of these policies include but are not limited to Policy on Vigil Mechanism and Whistle Blower Mechanism, Prevention of Sexual Harassment Policy, and Code of Conduct for employees, at the workplace as per applicable laws.

## Diversity and Equal Opportunity

IIFLWAM is a merit-based organization with strong focus on fostering an inclusive and diverse environment. More than 28% of the overall workforce are female employees. During the year, a total of 227 people were hired, creating new roles and opportunities for people while also ensuring maximum retention of jobs. Of the new hires, 145 were male employees while 82 were female employees. 170 employees, discontinued their journey with IIFLWAM for various reasons.

IIFLWAM has a policy on Equal Opportunity and Commitment to Diversity which states that it provides equal employment opportunities to all employees and applicants for employment, without any regard to race, colour, ancestry, national origin, gender identity, sexual orientation, marital status, religion, age, disability. The organization is committed to create and maintain a workplace in which, all employees have an opportunity to participate and contribute to the success of the business and are valued for their skills, experience and unique perspectives.

IIFLWAM's offices are located in commercial premises with easy access to lifts for movement between floors. The offices also have ramps for easy movement of differently abled people. Wheelchairs are available at the reception area for employees or visitors, if needed. IIFLWAM welcomes diversity and is committed to providing an inclusive and nurturing work environment that is free from any discrimination. Currently, IIFLWAM has no differently-abled employees, however, it strives to be an inclusive workplace and believes in choosing candidates solely on the basis of their aptitude and knowledge.

### Breakdown of Employees as per Gender:

S. No.	Particulars	Total	Male		Female	
			No.	%	No.	%
<b>Employees</b>						
1.	Permanent	907	649	71.55%	258	28.44%
2.	Other than Permanent	0	0	0	0	0
3.	Total employees	907	649	71.55%	258	28.44%
<b>Workers</b>						
4.	Total workers	0	0	0	0	0

### Representation of women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors of the Company	11	1	9%
Key Management Personnel of the Company	3	0	NIL

### Turnover Rate of Employees:

	FY 2021-22			FY 2020-21			FY 2019-20		
	Total	Male	Female	Total	Male	Female	Total	Male	Female
<b>Permanent Employees</b>	19%	18%	22%	20%	18%	23%	19%	17%	24%

## Human Rights

IIFLWAM promotes human rights awareness among its employees through the "Your Workplace Guide" and going forward plans to have processes and policies to ensure human rights awareness across its value chain partners. IIFLWAM also plans to inculcate human rights requirements as a part of its business agreements and contracts in the future. In FY 2021-22, no grievances were reported against human rights-related issues.

Being an equal opportunity employer, IIFLWAM ensures there is no discrimination based on any factor including race, caste, and religion to name a few. In FY 2021-22 the ratio of average salary drawn by the female employees versus male employees was 1:1.78.

## Human Capital Development

IIFLWAM has a strong succession plan at the group-level. Potential successors are run through developmental exercises to make them role ready. The developmental exercises include six activities including job rotation, coaching, leadership experiences, and psychometric assessments etc.

IIFLWAM follows a meritocratic performance appraisal process. Year on year, through its structured performance management system, high performers are identified and incentivized through career progression. In FY 2021-22, a total of 282 people were promoted.

Details of coverage of performance and career development reviews of employees:

Category	FY 2021-22 Current Financial Year			FY 2020-21 Previous Financial Year		
	Total	No.	%	Total	No.	%
<b>Employees</b>						
Male	646	543	84%	620	541	87%
Female	258	199	77%	230	195	85%
<b>Total</b>	<b>904</b>	<b>742</b>	<b>82%</b>	<b>850</b>	<b>736</b>	<b>87%</b>

Details of minimum wages paid to employees:

Category	FY 2021-22					FY 2020-21				
	Total	Equal to Minimum Wage		More than Minimum Wage		Total	Equal to Minimum Wage		More than Minimum Wage	
		No.	%	No.	%		No.	%	No.	%
<b>Permanent Employees</b>										
Male	646	70	11%	576	89%	620	74	12%	546	88%
Female	258	28	11%	230	89%	230	24	10%	206	90%

### Trainings conducted across designations

Details of trainings provided to employees:

Category	FY 2021-22										
	Total	On Health and Safety Measures		On Skills upgradation		Total	On Health and Safety Measures		On Skills upgradation		
		No.	%	No.	%		No.	%	No.	%	
<b>Employees</b>											
<b>Male</b>	649	0	-	500	77%	632	-	0	-	450	71%
<b>Female</b>	258	0	-	187	72%	236	-	0	-	150	64%
<b>Total</b>	<b>907</b>	<b>0</b>	<b>-</b>	<b>687</b>	<b>76%</b>	<b>868</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>600</b>	<b>69%</b>

IIFLWAM provides trainings to its employees via online as well as offline modes. These training modules include training on various aspects such as upskilling, personality development, interpersonal skills, Microsoft Office and other software, domain-specific modules, etc.

Trainings conducted during the year include:

Training Name	Description
Induction	It is an orientation program designed for new joiners to understand the organization's history, culture, products, processes, and people. This training also includes training on the Employee Code of Conduct, risk management, prevention of sexual harassment at workplace, etc.
STRM (Strategic & Trusted Relationship Management)	This training focuses on enhancing the ability of a Relationship Manager to confidently engage with clients and prospects in a more holistic way and instil "best practices" in sales effectiveness enabling better conversion ratio, faster closure, and higher AUM.
RACE (Really Assured Client Experience)	Through this training Service Relationship Managers get a better understanding of themselves through DISC tools and work towards being First Time Right and being empathetic
Masterclass Sessions	Managing Clients during the pandemic, pitching virtually, seeking references successfully, Managing People & Prospecting were some of the masterclass sessions that were conducted
Negotiation Training	Partnered with Wilson Learning and Dr. William Ury who co-founded the Harvard Project on Negotiation. The training enables the participant to get the right fee, faster closure, and possibly higher AUM.
MEP (Manager Excellence Program)	The online learning program includes 32 hours of courses + 12 hrs of Masterclasses. Course is divided into 2 phases. Phase 1 focusing on leading self, managing teamwork, decoding other, practicing excellence and phase 2 focusing on unleashing creativity, making decisions, executing solutions & expanding network. thus, improving the ability to motivate and retain direct reports.
Prospecting	The training focuses on finding right prospects, Effective communication via email/ WhatsApp, Elevator Pitch, Successful first messaging & meeting.

Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programs held	Topics/principles covered under the training and their impact	% of persons in a respective category covered by the awareness programmes
Board of Directors		At the time of appointment of a new Independent Director, the Company arranges a meeting with the senior management to discuss the functioning of the Company and the nature of operations of IIFLWAM. The Company makes presentations in Board and Committee Meetings to familiarize the Independent Directors & Non-Executive Directors with the strategy, financial performance, budgets, overview of business performances, statutory reporting, compliance process of the Company, etc. During the year, the Independent Directors of the Company spent an average of 9 hours on various familiarization programs. For more details, please refer to the link below: Familiarization Programme - <a href="http://www.iiflwealth.com">www.iiflwealth.com</a>	100%
Key Managerial Personnel	7	<ul style="list-style-type: none"> <li>• AML KYC</li> <li>• Insider Trading</li> <li>• POSH</li> <li>• Whistleblower</li> <li>• Conflict of Interest</li> <li>• Misselling</li> <li>• Anti-Bribery</li> </ul> <i>(Only AML KYC is an annual training programme, others are only at the time of joining or are refreshed as per regulatory requirements every 3-5 years)</i>	76% of eligible KMPs completed AML KYC annual training
Employees other than BoD and KMPs	7	<ul style="list-style-type: none"> <li>• AML KYC</li> <li>• Insider Trading</li> <li>• POSH</li> <li>• Whistleblower</li> <li>• Conflict of Interest</li> <li>• Misselling</li> <li>• Anti-Bribery</li> </ul>	88% 38% 37% 47% 41% 37% 38%

Retirement benefits provided:

Benefits	FY 2021-22		FY 2020-21	
	No. of employees covered as a % of total employees	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	Deducted and deposited with the authority (Y/N/N.A.)
PF	78%	Y	81%	Y
Gratuity	100%	N.A.	100%	N.A.
ESI	0%	N.A.	0%	N.A.
NPS	4%	Y	3%	Y

### Employee health, safety and well-being

Employee health and well-being is of paramount importance to the organization and several initiatives have been taken to ensure a safe working environment for all employees. IIFLWAM has a robust system of policies and processes to always ensure the wellbeing of its employees.

IIFLWAM provides trainings on basic and advanced fire safety hazards, including evacuation drills. Further, it has tie-ups with third-party vendors to provide training to employees on handling fire-safety equipment. First aid boxes are placed on each floor which are checked and replenished regularly. All the employees of IIFLWAM and their dependents are covered by a group-level mediclaim policy. IIFLWAM has contacts to ensure there is a doctor on call, stretcher facility and tie-ups with nearby clinics to facilitate immediate medical assistance. Being a service sector company, there are no manufacturing/product risks at the workplace but there are risks related to ergonomics in workplace as well as those associated with the operation of utilities and employee commute. These are addressed by the relevant personnel at each office location.

IIFLWAM promotes the physical and mental wellbeing of its employees by offering provisions such as gymnasium and gaming centres. To promote a balanced lifestyle amongst the employees, online yoga classes are set up for all employees. These sessions are conducted once a week and are open to all employees and their families. Employees are communicated the importance of health safety and well-being through regular internal communication and alerts and encouraged to take up activities to promote their physical and mental wellbeing.

In FY 2021-22, IIFLWAM reported zero incidents of complaints regarding sexual harassment, working conditions, health and safety, discrimination at the workplace, child labour, forced/involuntary labour, wages and employee safety issues.

Details of measures for the well-being of employees:

(As on March 31, 2022)

Category	% of employees covered by										
	Total	Health Insurance		Accident Insurance		Maternity benefits		Paternity Benefits		Day Care Facilities	
		No.	%	No.	%	No.	%	No.	%	No.	%
Permanent Employees											
Male	646	646	100%	646	100%	0	0	8	1%	0	0%
Female	258	258	100%	258	100%	14	5%	0	0%	0	0%
Total	904	904		904		14		8		0	0%

Return to work and Retention rates of permanent employees and workers that took parental leave:

FY 2021-22	Male	Female	Total
No. of Employees on Leave in FY 2021-22	7	13	20
No. of Employees on Leave who Resigned in FY 2021-22	1	1	2
No. of Employees on Leave in FY 2021-22 who were Retained in FY 2021-22	6	12	18
<b>Retention Rate</b>	<b>86%</b>	<b>92%</b>	<b>90%</b>

FY 2020-21	Male	Female	Total
No. of Employees on Leave in FY 2020-21	30	37	67
No. of Employees on Leave who Resigned in FY 2020-21	2	5	7
No. of Employees on Leave in FY 2020-21 who were Retained in FY 2020-21	28	32	60
<b>Retention Rate</b>	<b>93%</b>	<b>86%</b>	<b>90%</b>

## 6 CARING FOR OUR COMMUNITIES

In a world of accelerated social change and pressing environmental concerns, caring for the communities has become more significant than ever before. IIFLWAM is committed to accelerate equitable, inclusive and sustainable growth. It focuses on positively contributing towards economic, environmental and social well-being of communities. It believes in doing what's right. For its stakeholders, for the planet and for society at large.

To consolidate its efforts towards community development, IIFLWAM established the IIFLW CSR Foundation ("Foundation") to implement sustainable solutions to address challenges faced by communities, deliver exponential impact and inspire wider change. IIFLWAM's CSR policy ensures adequate governance and accountability. Through its various flagship initiatives, in the past year, it supported and empowered the lives of nearly 50,000 beneficiaries and endeavors to multiply that in the upcoming years.

### IMPACT IN ACTION - A FEW KEY INITIATIVES ACROSS INDIA

#### 1. Income & employability enhancement for underprivileged youth (Pay for Outcomes)

The Foundation partnered with PARFI (Pan-IIT Alumni Reach for India Foundation) to implement an 'Outcome Based, Pay-for-Success and Co-Pay paradigm' to provide best-in-class skill training and placement to 1,027 underprivileged youth (including women) from Jharkhand for their income enhancement. Jharkhand is one of the lowest Human Development Index (HDI) states of the country. The youth were typically unemployed or working in unskilled trades earning lower wages. Most were school dropouts. The programme included a 45 to 60 day residential training in rural Skill Gurukuls in Jharkhand. Sectors such as Construction, Manufacturing, Apparel and Logistics were selected based on employer demands in specific geographies. Job placements were provided to these candidates PAN India with up to 4X increase in family earnings after the intervention, thereby, touching the lives of nearly 5,000 people including the youth and their families.

The Foundation's funding played an innovative and catalytic role, in the following manner:

- The model was demand-led, and the process initiated with Memorandum of Understanding (MOU) with employers. Strategic focus was directed towards outcomes (final job placement) instead of mere inputs or training, and payment is made by the donor only after proof of job placement.
- Improved leverage through co-funding (40% funding by Government and 20% through student loans) which enabled 2.5X students to

get trained when compared with a traditional method.

This initiative aligns with the Government of India's Pradhan Mantri Kaushal Vikas Yojana (PMKVY) towards creating skilled youth and increasing the employability of the nation.

#### SDG Linkage



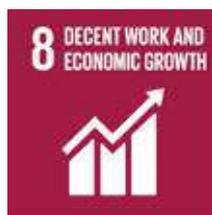
#### SDG 4 Quality Education

##### Target 4.4

By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship

##### Target 4.5

By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations



#### SDG 8 Decent Work and Economic Growth

##### Target 8.6

By 2020, substantially reduce the proportion of youth not in employment, education or training

#### 2. Sustainable livelihood generation and access to finance for women artisans (Revolving Grant)

A smart financing solution to bring about cash flow and access to working capital for about 1,250 vulnerable women artisans from Tirunelveli, Nagapattinam and Madurai districts of Tamil Nadu - with a special focus on women with monthly incomes of less than ₹15,000, who lack creditworthiness and financial footprint to afford loans from mainstream providers. This is a revolving fund between Industree Foundation (a not for profit) and Greenkraft (the producer company). These organizations provided the women artisans with (1) capacity building, and (2) access to raw material and market linkages respectively, thereby upgrading their skills and securing their livelihoods.

So the, Foundation's funding was utilized for two key purposes:

1. 10-day skilling and training for women artisans on new product design, which they will use to make good the pre-confirmed orders utilizing banana bark as raw material.
2. As an advance to the artisans, to be utilized for purchasing raw material to complete their order and sustain their livelihoods. Once the order is fulfilled, the artisans receive their fair share and part of the earnings of the producer company are then provided to the next set of women for skilling and to make good the next order

This zero-interest returnable grant with only a moral obligation to repay was given in cycle 1 to 750 women who needed funding to cover their raw material costs (banana tree bark) to manufacture and fulfil a bulk order of baskets for IKEA. The grant was then revolved back to 500 other women with similar backgrounds through Industree Foundation.

To further Government of India's schemes such as Stand-up India Loan and Pradhan Mantri Jan Dhan Yojana (PMJDY), this initiative of the Foundation helps provide access to finance.

**SDG Linkage**



**SDG 10  
Reduced Inequalities**

**Target 10.2**

By 2030, empower and promote the social, economic, and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status



**SDG 5  
Gender Equality**

**Target 5.b**

Enhance the use of enabling technology, in particular information and communications technology, to promote the empowerment of women

3. Promoting financial literacy, inclusion, and access to finance to underserved communities

Foundation partnered with Arth to implement this pay for performance programme with ~1500 nano and micro entrepreneurs across UP, Haryana and Rajasthan. It is a behavioral change incentive

program for incentivizing good credit behaviour. An incentive for example a cash reward was provided to augment the borrower's income by reduction of interest, when there is timely loan repayment. This encourages borrowers to repay loan installments on time and build credit worthiness. The Foundation's funds provided financial literacy trainings, and then helped micro-entrepreneurs reduce their interest burden when there is timely repayment of loans.

While liquidity remains tight due to a perceived high risk, many micro entrepreneurs struggle to get working capital at reasonable rates from the market. Access to finance is the single biggest hurdle facing MSMEs and disproportionately women's enterprises, and it only intensified in the pandemic. This hurdle has shifted the nature of repayments for many. This program inculcates a positive reinforcement in terms of repayments and provide the participants with an additional income.

This initiative of the Foundation is aligned with national schemes such as Stand-up India Loan, Pradhan Mantri Mudra Yojana and Pradhan Mantri Jan Dhan Yojana (PMJDY) of the Government of India.

**SDG Linkage**



**SDG 10  
Reduced Inequalities**

**Target 10.2**

By 2030, empower and promote the social, economic, and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status



**SDG 5  
Gender Equality**

**Target 5.b**

Enhance the use of enabling technology, in particular information and communications technology, to promote the empowerment of women

4. Financial stability & entrepreneurship amongst tribal communities

The Foundation partnered with Raah Foundation to create wealth at the bottom of the pyramid by providing livelihood enhancement skill training,



financial inclusion, and requisite capacity building to 368 rural micro entrepreneurs in the tribal communities of Palghar district, Maharashtra. The trainings covered areas such as financial services, compact farming, tailoring, farm nursery and vermicompost among others. The program provided materials for initial set up and handholding support for all micro entrepreneurs. There is a revolving grant component for vermicompost, nursery and farmer interventions that will amplify the impact created by the initial funding.

This initiative by the Foundation is aligned with national schemes such as Stand-up India, Mahatma Gandhi National Rural Employment Guarantee Act – NREGA, Pradhan Mantri Mudra Yojana and Pradhan Mantri Jan Dhan Yojana (PMJDY).

SDG Linkage



SDG 10  
Reduced Inequalities

Target 10.2

By 2030, empower and promote the social, economic, and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status

#### 5. Fostering innovation and incubation by supporting Fintech inclusive lending start-ups

The Foundation partnered with India’s leading inclusive Fintech incubation platform at IIM-A called CIIE.CO which seeds innovations for the underserved. CIIE.CO backs fearless entrepreneurs creating innovations through a continuum of incubation, acceleration, seed and growth funding and research.

An Investment Committee selected four FinTechs working for low and middle incomes segments. These startups are a part of larger inclusion initiative that is targeting to touch 4 million people in a time frame of 4 to 5 years (2018 to 2023). The solutions are geared towards serving the underserved, which comprises Indian households typically living on less than \$10 per person per day.

The Foundation’s contribution provides transformational support to 4 startups in two ways:

- Business progression training (over 8 months): A deep and focused engagement with startups to identify challenges and help address their challenges through mentoring and training sessions, ecosystem connects, fund raising.
- Catalytic Support: Capital infusion to enable startups to validate and scale innovative inclusive lending models and to be utilized to learn by experimentation. And change the risk-return profile of innovation and intricacies of low- and middle-income segment.

This initiative by the Foundation amplifies national schemes such as AatmNirbhar Bharat Abhiyan and Startup India Seed Fund Scheme (SISFS) through this initiative.

SDG Linkage



SDG 10  
Reduced Inequalities

Target 10.2

By 2030, empower and promote the social, economic, and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status

#### 6. Education programmes to accelerate learning outcomes in underprivileged school children

The Foundation’s education portfolio improves learning outcomes (STEM and early grade literacy) in underprivileged school children across in three states - Maharashtra, Haryana, and Karnataka.

The STEM Shakti program with **Learning Links Foundation** promotes an innovation mindset in school children by (1) providing them access to STEM kits and hands-on learning by setting up ‘Tinkering hubs’ and (2) upgrading the teaching-learning processes to build skills relevant to the 21<sup>st</sup> century (3) creating parent awareness on STEM. It’s being delivered in 40 govt. & low-income schools across Mumbai and Pune. ~8000 students in grades 6-12 benefitted from the program.

- The program has set up 30 tinkering hubs to provide hands-on learning opportunities on robotics and tinkering.
- Teacher training for 320 teachers across all 40 schools with 1,500 training hours.

- Two boot camps for the school students and Two community outreach activities involving parents, and community members were also conducted.
- A team of 10 Innovation Coaches led by a Program Manager worked closely with each school and visited the schools at least 1-2 times a week and transacted 3,37,513 learning hours on innovation, robotics, and tinkering.
- 426 prototypes have been developed from which 50 prototypes were submitted for competitions.
- An increase of around 20% was observed in student competencies such as 21st-century skills & scientific competency from baseline to end line across nodal and satellite schools during 2021-22.

The second program with Swami Vivekananda Youth Movement strives to improve student learning outcomes on STEM subjects of 1509 students in Grades 3-10 by establishing student-driven learning centres which includes a mini library, hands-on learning sessions including audio-visual and tech-enabled learning across 10 Government schools in Anekal and Nanjangud districts of Karnataka. An out-of-school community level resource centre is also set up in each of the districts for students and teachers from nearby schools to access. This centre functions as a library as well as a laboratory to enable hands-on learning. Training-of -teachers (ToT) and career guidance sessions are conducted in these centres to encourage students to pursue higher education (especially in STEM-related fields).

- Topics covered in student-driven learning centres where peer-to-peer and self-learning is promoted, include mathematics and science, STEM experiments, life skills, WASH etc. 414 sessions for higher primary schools & 218 sessions for secondary schools were conducted by SVYM staff – school facilitators.
- In community resource centres - classes were conducted for talented students to help them prepare for NTSE and NMMS (National Talent Search Exam and National Means Cum-Merit Scholarship) and provide the necessary resources for the teachers to conduct activity-based classes in their respective schools.

The third program with Language & Learning Foundation (L&LF) focusses on early grade literacy

skills such as reading with comprehension, writing independently, and doing simple mathematics for students of grades 1, 2 and 3 across 124 low-income government primary schools in Jind district of Haryana, impacting 10,000 students. Language & Learning Foundation is working with the government of Haryana as a technical literacy partner through a formalized Memorandum of Understanding (MoU).

As a technical literacy partner for the government of Haryana, in this program, 156 young and educated volunteers within the community were trained to conduct classes for these students in their own homes or community centers. They were provided with grade-level learning materials prepared by L&LF. Each group of ~20 volunteers was managed by a Community Mobiliser (L&LF staff) who was also responsible for setting up resource centers, organizing School Management Committee meetings, and overall monitoring of the program.

Here are some key updates and highlights from the project:

- Reading Melas were organized in **all villages** where students recited poems, stories and played language learning games. Parents, schoolteachers, and community members were part of this event.
- Child Resource Centres were set up in **all 124 villages** with high-quality learning materials such as storybooks, board games, and stationery for students.
- As schools reopened, volunteers and Community Mobilisers made extensive efforts to increase student attendance by 10% through home visits and counseling parents.
- Extensive outreach by volunteers led to an unprecedented turnout of **about 75% of targeted parents** attending Parent-Teacher Meetings. The meeting was focused on aligning parents and teachers to work together toward improving students' learning
- Daily home-based learning activities were shared on WhatsApp with parents to do with their children. Regular updates in the form of automated digital report cards and certificates were also shared to improve engagement. This was done in partnership with an EdTech organization called Rocket Learning.
- **190 Winter camps** were conducted across all villages to mitigate the learning loss and prepare students for the upcoming year.



The Foundation's education portfolio augments the Government of India's schemes like Sarva Shiksha Abhiyan, Atal Innovation Mission and Saakshar Bharat Mission to ensure quality education for the underprivileged.

SDG Linkage



**SDG 4**  
**Quality Education**

**Target 4.1**

By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes

**Target 4.5**

By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations

**Target 4.6**

By 2030, ensure that all youth and a substantial proportion of adults, both men and women, achieve literacy and numeracy

**7. COVID relief – Vaccination of marginalized at-risk communities**

The Foundation funded various COVID relief efforts throughout the pandemic. In FY22, while it supported immediate relief via oxygenation in a small way, the major intervention was supporting the long-term vaccination solution through ACT Grants & United Way Bangalore. It launched a vaccination programme over 9 months to vaccinate 26,316 micro entrepreneurs from marginalized backgrounds like daily wage workers and hawkers in Bengaluru through private hospital partners.

The Foundation supported the government's Mission COVID Suraksha for effectively managing the pandemic, through its COVID relief initiatives.

SDG Linkage



**SDG 3**  
**Good Health and Well-Being**

**Target 3.8**

Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality, and affordable essential medicines and vaccines for all

**8. Environmental sustainability through carbon sequestration**

A 10-year project with Grow-Trees for plantation and maintenance of 46,500 trees across 20 hectares in the periphery of Dalma Wildlife Sanctuary in Jharkhand. The plantation will be governed through periodic reviews and audit. One time replantation as per the audit findings to replace the dead saplings will be conducted. Carbon sequestration assessment study to be done in Year 5 and Year 10.

Besides carbon sequestration, mitigation of land degradation, and improvement in soil quality will also be achieved. Also, livelihood enhancement of tribal communities who are settled agriculturists dependent on forest resources to supplement their income. Upon maturity, the trees will reduce the community's dependency on forests while also providing them with sustainable income by way of fruits, fodder, timber etc.

Grow-Trees along with beneficiary communities/ farmers will take best efforts like collecting seeds from the healthy mother trees, selection of local forest species and planting them in monsoon season (less water stress) watering or trenching around the sites, manuring, and other such work to maintain the saplings for 3 years to get 90% survival rate and further look after the saplings up to 10 years.

In line with the Government of India's commitment to be Carbon Neutral by 2070 in COP 26, the Foundation has undertaken initiatives to sequester carbon through this project.

SDG Linkage



**SDG 15**  
**Life on Land**

**Target 15.3**

By 2030, combat desertification, restore degraded land and soil, including land affected by desertification, drought, and floods, and strive to achieve a land degradation-neutral world

**Target 15.5**

Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species

### MONITORING THE IMPACT

The Foundation identifies programmes in line with IIFLWAM's CSR policy wherein programmes are either implemented directly or as collaborative efforts with implementing partners.

The selection of implementing partners is based on an objective evaluation of key factors such as compliance, credibility, capability and fitment with IIFLWAM's vision. Key parameters vetted include past experience on programme delivery by the implanting partner, religious /political affiliation, alignment of programme with IIFLWAM's CSR vision, need assessment and theory of change, programme design and expected outcomes/ impact.

To ensure maximization of programme objectives and social impact, especially for the flagship programmes, IIFLWAM works closely with its implementing partners on the programme design, the implementation model and the governance and reporting of impact during the course of the programme. It follows an accountability-based approach, wherein it ensures baseline, midline and end line studies of programmes and evaluate the impact against key performance indicators (KPIs). The findings of the same are duly communicated to the CSR Committee.

IIFLWAM has engaged a third-party agency to help monitor its programmes and maintain independence while assessing the KPIs. It also uses a tech-enabled platform which allows it to track the entire CSR portfolio, financials, and impact through customized and insightful charts. The platform has an easy access to all implementing partners to enter real time data and relevant documents.

Through a periodic governance mechanism, programmes are monitored to ensure the impact generated is in accordance with the implementation plan and as per expected outputs and outcomes. Necessary steps are taken to ensure course corrections (as relevant) are identified and implemented effectively by the implementing partners.

### 7 CUSTOMER CENTRICITY

One of the most important stakeholders for IIFLWAM are customers. The key client segment for IIFLWAM, includes professionals, medium to large industrialists, corporate treasuries, large traders, senior executives, fund endowments and family offices and entrepreneurs.

To facilitate seamless communication with its clients IIFLWAM has a Client Services and Operations team, catering to high priority areas like Query Management, Compliance Checks, Onboarding amongst others. The team ensures high quality customer service and delivery as well as enhanced client experience.

#### Technology and Innovation

There is a growing importance of technology and innovation in the sector where IIFLWAM operates. It lays utmost emphasis on system development and the use of best-in-class technology available in the industry.

At IIFLWAM there is a dedicated technology team, which has both domain and technology expertise, and help leverage technology to deliver insights and interact with clients through different platforms.

Continued efforts are undertaken to keep the management and staff abreast with the technological advancements in the industry. Further, IIFLWAM ensures the absorption of high-end technology, its adaptation and development to meet the business needs and objectives. The management has invested considerable resources in deploying the latest technologies in wide area networking using MPLS, video communications, VoIP, automated dialers and other customer relationship management (CRM) tools and software. IIFLWAM 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.



Additionally, in the wake of the pandemic, the immediate focus by leaders and customer-centric teams was to ensure the right infrastructure for the team to work remotely, meeting clients' needs and rapidly innovating to provide undisrupted service to customers. To ensure seamless customer onboarding experience, a digital onboarding platform was built. This platform is designed to function with an e-signature of the client at their convenience, as well as have a positive environmental impact through the reduced usage of paper. IIFLWAM also introduced Tech Talks, a series of webinars to introduce clients to everything new in technology at IIFLWAM, and Asset Class Masterclass to educate clients about new investment asset classes.

### Transition to Work from Home

As a part of its technological advancements, in the past few years, IIFLWAM has seen a rapid evolution in the ways of working. When the lockdown was implemented, the Virtual Private Network and Tech architecture was further strengthened, to ensure that client servicing, communications and internal team connections remain seamless, as a shift was made to remote working. Additionally, the IT team ensured network security by maintaining the required controls.

IIFL Wealth Thread (Technological Health, Response, Energy, and Activity Division) demonstrated exemplary qualities and rose to the challenges posed by the pandemic by coordinating across functions and supporting critical users working at different times.

Digitally, the connection between clients and the firm has only become stronger over the past year. While the need of the hour was to stay connected, early deployment of platforms such as MS Teams and Zoom allowed for a seamless internal transition.

### Ensuring Access to Customers

To ensure staying up to date with client queries and questions, IIFLWAM also launched WhatsApp BOT – IWA (IIFL Wealth WhatsApp Assist), which offers clients 24/7 access to a variety of information in just a few taps. Additionally, it has a grievance redressal policy for its customers, the physical copy of this policy is made available in all branch offices, and it is also hosted on IIFL Wealth website. This policy details out the process for registering the grievance and review mechanism.

During the year, 1 customer complaint was received regarding restrictive trade practices and the same was resolved during the year itself.

### Data Privacy and Information Security

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

Keeping in mind the increasing threats in the Information Security domain, IIFLWAM has taken several steps to ensure that IIFLWAM is safe guarded against hacking attacks, data leakage and security breaches. IT and certain business processes have been recertified for ISO 27001 systems for practicing industry standard security implementations and processes. Further, resources have been implemented, controls are put in place and there is continuous monitoring of violations, if any.

The Technology team has deployed multiple defenses to mitigate the risk of cyber-attacks and prevent unauthorized access to, and leakage of, sensitive information. Network security safeguards include a firewall and Intrusion Prevention Systems. IIFLWAM also has a strict perimeter device security policy, which has blocked access to personal emails, social networking and data sharing websites, USB and local drives and forced users to save working files on a company administered OneDrive. Additionally, while access to emails is accessible on mobile phones, no files/ attachments can be saved on these devices.

IIFLWAM is highly dependent on technology due to significant number of transactions that are processed electronically on a daily basis. Audit procedures have been undertaken for IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed daily and the reliance on automated and IT dependent manual controls. The areas of audit focus included Access Security (including controls over privileged access), Program Change controls and Network Operations.

IIFL Wealth Prime Limited has an RBI mandated Information Technology Committee, the Asset-Liability Management Committee and a separate Risk Management Committee. Regular Information Security Awareness sessions and trainings are undertaken to ensure that there is no data theft or leakage or malicious content which may disrupt the functioning of the organization. There is also an Information Security Committee that looks at exceptions and decides on the course of action to be taken where employees have sent out confidential data.

## 8 ENVIRONMENTAL STEWARDSHIP

IIFLWAM is conscious of its impact on the environment. It closely monitors various environmental parameters such as water and energy consumption, waste generation, segregation and recycling etc. from its own operations and is making conscious efforts to reduce its resource consumption and waste disposal. IIFLWAM plans to further reduce its footprint in the upcoming years by making more conscious choices and optimizing its existing practices.

### Energy

Being a service sector company, energy consumption is one of the most material environmental impacts for IIFLWAM. In an effort to reduce its impact on climate change, it has decided to source its electricity

requirements from renewable sources. Starting 1<sup>st</sup> June 2022, it has entered into an arrangement with Tata Power for procurement of green energy.

Currently, IIFLWAM quantifies its energy consumption from two main sources – diesel consumption through DG sets and electricity consumption from the grid.

Parameter	FY 2021-22	FY 2020-21
Total electricity consumption (in KWh)	1,587,107	1,399,995
Total fuel consumption (in KWh)	8528.4	3010.02
<b>Total energy consumption (in KWh)</b>	<b>1,595,635</b>	<b>1,403,005</b>
<b>Energy intensity per rupee of turnover (Total energy consumption / turnover in ₹ crore)</b>	<b>1038.82</b>	<b>845.69</b>

### Energy Conservation Initiatives

IIFLWAM understands the need of managing energy consumption to enhance its operational eco-efficiency and reduce its carbon footprint. It is adopting and implementing energy-efficient technologies and practices across its offices to increase the sustainability of its operations.

The energy efficiency efforts of IIFLWAM include a wide range of initiatives such as installation of capacitors and Thin Film Transistor (TFT), switching conventional lights to Light Emitting Diode (LED) lights, automatic shutdown of idle monitors and restricted access to printers.

IIFL Centre has implemented Radiant Cooling Technology to reduce greenhouse gas emissions and increase energy efficiency. The capillary tube cooling system condenses the humidity and produces distilled water in return during the cooling process.

This technology has helped achieve the following:

- 30-40% energy savings,
- Superior 100% fresh air and hygiene reducing transmission of COVID 19,
- Reduction of capital cost, and
- Higher thermal comfort.

IIFLWAM also has various awareness programs regarding minimizing the usage of electricity and air conditioners, avoiding the usage of disposable utensils, etc. IIFLWAM also communicates its ESG initiatives via circulars and e-flyers on various digital platforms to the employees.

### GHG Emissions

The two emission sources from IIFLWAM's direct operations include diesel consumption in DG sets (Scope 1) and electricity purchased from the grid (Scope 2). IIFLWAM is exploring methods to mitigate GHG emissions through process improvements and energy-efficient technology.

Parameter	Unit	FY 2021-22	FY 2020-21
Scope 1 emissions	tCO <sub>2</sub>	2.275	0.803
Scope 2 emissions	tCO <sub>2</sub>	1253.81	1105.996
Total Scope 1 & 2 emissions	tCO <sub>2</sub>	1256.085	1106.799
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover (per ₹ crore)</b>		<b>0.8178</b>	<b>0.6671</b>

IIFLWAM currently does not quantify emissions from sources other than diesel and electricity consumption. However, it has in place a car lease policy that aligns with the latest emission guidelines. This policy covers the replacement of legacy cars, periodic mandatory servicing, review, and upkeep mechanisms along with leasing of new cars. This ensures that the cars owned by IIFLWAM abide by the latest emission guidelines, in turn reducing emissions. It also encourages initiatives such as carpooling, company bus service, video/audio conferencing facilities at all major offices, and the use of a web-based software platform for online meetings with an aim to avoid environmental impacts due to business travel and employee commute.

### Water

IIFLWAM uses municipal water supply for use at all office locations. There is a significant increase in the amount of water consumed in FY 2021-22 as compared to the previous year since the offices were shut owing to the pandemic-induced lockdowns during FY 2020-21, which have since reopened.

(in KL)

Source	FY 2021-22	FY 2020-21
Water withdrawal by source		
Municipal water	21,525	6,089
Tanker water	20	0
<b>Total volume of water withdrawal</b>	<b>21,545</b>	<b>6,089</b>
<b>Total volume of water consumption</b>	<b>21,545</b>	<b>6,089</b>

### Waste

IIFLWAM monitors waste generated across all locations. Waste management initiatives such as waste segregation, waste recycling, etc. are put in place. Different types of waste are segregated and sent to respective, certified dealers for recycling, thus, diverting it from landfilling. The increase in the quantity of waste in FY 2021-22 as compared to the previous year can be attributed to offices remaining shut due to lockdown as a result of the COVID pandemic during FY 2020-21 vis-à-vis FY 2021-22.

Since 2019, IIFLWAM has participated in the 'Bottles for Change' initiative organized by Bisleri International Pvt. Ltd. and received a certificate each year for significant contribution to this initiative.

(in Metric tonnes)

Category of waste	FY 2021-22	FY 2020-21
<b>Hazardous Waste</b>		
E-waste	0	0
Bio-medical waste	0	0
Construction and demolition waste	0.5	0.2
Battery waste	0.5	0.1
Radioactive waste	0	0
<b>Total Hazardous Waste</b>	<b>1.0</b>	<b>0.3</b>
<b>Non-hazardous waste</b>		
Paper waste Recycling	4.207	0.124
Plastic waste	0.1	0.1
<b>Total Non-hazardous Waste</b>	<b>4.208</b>	<b>0.125</b>
<b>Total Waste Generated</b>	<b>5.307</b>	<b>0.524</b>

# Business Responsibility and Sustainability Reporting Index

## Section A: General Disclosures

Sr. No.	Details	Page Number/ Direct Response
<b>I. Details</b>		
1.	Corporate Identity Number (CIN) of the Company	L74140MH2008PLC177884
2.	Name of the Company	IIFL Wealth Management Limited
3.	Year of incorporation	Financial year 2008-09 Date of incorporation: 17 <sup>th</sup> January 2008
4.	Registered office address	IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai - 400013
5.	Corporate address	IIFL Centre, Kamala City Senapati Bapat Marg, Lower Parel, Mumbai - 400013
6.	E-mail	Secretarial@iiflw.com
7.	Telephone	Tel. : +91-22-48765600
8.	Website	www.iiflwealth.com
9.	Financial year for which reporting is being done	Financial year 2021-22
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
11.	Paid-up Capital	Rs. 17,74,15,606/- comprising of 8,87,07,803 equity shares of Rs. 2/- each (As on 31 <sup>st</sup> March 2022)
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR Report	Name: Mr. Rohit Bhase Designation: Company Secretary & Compliance Officer Address: IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai – 400013 Tel. : +91-22-48765600 Fax : + 91-22-46464706 Email: secretarial@iiflw.com Website: www.iiflwealth.com
13.	Reporting boundary	Page 136
<b>II. Products/Services</b>		
14.	Details of business activities (accounting for 90% of the turnover)	Page 138
15.	Products/Services sold by the entity (accounting for 90% of the entity's turnover)	Page 138
<b>III. Operations</b>		
16.	Number of locations where plants and/or operations/offices of the entity are situated	Page 137
17.	Markets served by the entity	
17.a.	Number of locations	Page 137
17.b.	What is the contribution of exports as a percentage of the total turnover of the entity?	0.047% of the Company's total income (on a standalone basis)
17.c.	A brief on types of customers	Page 136
<b>IV. Employees</b>		
18.	Details as at the end of Financial Year	
18.a.	Employees and workers (including differently abled)	Page 143

Sr. No.	Details	Page Number/ Direct Response
18.b.	Differently abled Employees and workers	IIFLWAM currently does not have any differently-abled employees.
19.	Participation/Inclusion/Representation of women	Page 143
20.	Turnover rate for permanent employees and workers	Page 143
<b>V. Holding, Subsidiary and Associate Companies (including joint ventures)</b>		
21.a.	Names of holding / subsidiary / associate companies / joint ventures	Page 137
<b>VI. CSR Details</b>		
22.i.	Whether CSR is applicable as per section 135 of Companies Act, 2013	Yes
22.ii.	Turnover (in Rs.)	Please refer to Annexure III – Annual Report on CSR Activities of Board Report.
22.iii.	Net worth (in Rs.)	Please refer to Annexure III – Annual Report on CSR Activities of Board Report.
<b>VII. Transparency and Disclosures Compliances</b>		
23.	Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct	Page 141
24.	Overview of the entity's material responsible business conduct issues	Page 142

### Section B: Management and Process Disclosures

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:

<b>Principle 1</b>	Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable
<b>Principle 2</b>	Businesses should provide goods and services in a manner that is sustainable and safe
<b>Principle 3</b>	Businesses should respect and promote the well-being of all employees, including those in their value chains
<b>Principle 4</b>	Businesses should respect the interests of and be responsive towards all its stakeholders
<b>Principle 5</b>	Businesses should respect and promote human rights
<b>Principle 6</b>	Businesses should respect, protect and make efforts to restore the environment
<b>Principle 7</b>	Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
<b>Principle 8</b>	Businesses should promote inclusive growth and equitable development
<b>Principle 9</b>	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	NA	Y	Y	Y	NA	NA	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	-	Y	Y	Y	-	-	Y	Y

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
c. Web Link of the Policies, if available	Please refer Notes given below the table.								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	-	Y	Y	Y	-	-	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	N	-	N	N	N	-	-	N	N
4. Name of the national and international codes/certifications/ labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Y	-	Y	Y	Y	-	-	Y	Y
	The Company's policies abide by the spirit and content of Code of Conduct, all applicable Laws and Standards. The policies are framed to comply with applicable Regulatory requirements.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	-	-	-	-	-	-	-	-	-
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	-	-	-	-	-	-	-	-	-

Please refer Notes.

Notes:

- P1: IIFLWAM has in place Code of Conduct of Board of Directors and Senior Management Personnel and other policies which are based on guidelines and key indicators prescribed under rules and regulations of SEBI/ IRDAI and as per Companies Act, 2013. The internal policies and documents are accessible only to employees of the organization and made available through IIFLW Intranet.
- P2: Being a service sector company, IIFLWAM's products and services do not have a significant impact on the environment. Seeing the nature of the business, such policy is not applicable to IIFLWAM.
- P3: IIFLWAM has adopted various employee-oriented policies covering areas such as employee benefits, Policy on Vigil Mechanism and Whistle Blower Mechanism, Prevention Of Sexual Harassment Policy and code of conduct for employees at the workplace as per applicable laws.
- P4: IIFLWAM has prescribed processes to achieve the objectives described under this principle. The Company has a Corporate Social Responsibility Policy formulated as per Companies Act, 2013 which can be viewed on the website of the Company i.e. [www.iiflwealth.com](http://www.iiflwealth.com).
- P5: IIFLWAM has put in place Code of Conduct which focuses on best employment practices. The Code of Conduct is in adherence to the regulatory and business requirements. The said Code of Conduct is made available on the intranet of the Company.
- P6: IIFLWAM has recently embarked on its journey to monitor and report on environmental aspects. Currently there is no policy in place for environmental aspects. However, IIFLWAM complies with all applicable environmental regulations and has necessary processes in place to safeguard environment.
- P7: Keeping in view IIFLWAM's nature of business i.e., financial services, such policy is not applicable to IIFLWAM.
- P8: IIFLWAM has a Corporate Social Responsibility Policy formulated as per Companies Act, 2013 which can be viewed on the website of the Company i.e. [www.iiflwealth.com](http://www.iiflwealth.com).
- P9: IIFLWAM has Grievance Redressal Policy for its customers which conform to the regulatory guidelines which is available on the intranet of the Company.

## Governance, leadership and oversight

Sr. No.	Disclosure Questions	Page Number/ Direct Response
7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	Covered in MD and CEO's statement in the Annual Report
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Karan Bhagat, Managing Director & Promoter DIN: 03247753
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Mr. Karan Bhagat, Managing Director & Promoter DIN: 03247753

## 10. Details of Review of NGRBCs by the Company

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	-	Y	Y	Y	-	-	Y	Y	Relevant policies of the Company are reviewed periodically or on a need basis. The necessary changes to policies and procedures are implemented accordingly.								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Y	-	Y	Y	Y	-	-	Y	Y	The Company is in compliance with the extant regulations as applicable.								

Disclosure Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	The processes and compliances are subject to audits and inspections as applicable. The policies are reviewed on a periodic basis by the respective departments and updated accordingly. The updated policies with changes recommended by the management of the Company are placed before the Board for its approval, as applicable.								

## 12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	Please refer to 'Notes' section below the 'Policy and management processes' table.								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

## Section C: Principle Wise Performance Disclosure

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

**PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

Sr. No.	Disclosure Questions	Page Number/ Direct Response
<b>Essential Indicators</b>		
1.	Percentage coverage by training and awareness programmes on any of the Principles during the financial year	Page 144
2.	Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year	NIL No fine/penalties/punishment/award/compounding fees/ settlement amount was paid in FY 2021-22.
3.	Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed	NA
4.	Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy	Yes, anti-corruption and anti-bribery aspects are a part of our employee handbook called "Your Workplace Guide" which is available on the intranet. However, this is not published on the public domain.
5.	Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption	NIL
6.	Details of complaints with regard to conflict of interest	NIL
7.	Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest	NA, since there were no fines / penalties / action taken.
<b>Leadership Indicators</b>		
1.	Awareness programmes conducted for value chain partners on any of the Principles during the financial year	No initiatives were undertaken in FY 2021-22.
2.	Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.	Yes, the details are disclosed in the Code of Conduct for Board and Senior Management ( <a href="http://www.iiflwealth.com">www.iiflwealth.com</a> ).

**PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe**

Sr. No.	Disclosure Questions	Page Number/ Direct Response
<b>Essential Indicators</b>		
1.	Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively	Owing to IIFLWAM's minimal environmental and social footprint, there is no demarcated budget for capex investments in environmental and social initiatives. However, from time to time, the Company invests in making its offices more energy efficient and environmentally friendly. Such activities last took place in FY 2019 and will be taken up in the subsequent years.
2. a.	Does the entity have procedures in place for sustainable sourcing? (Yes/No)	No. The Company is engaged in providing financial services and as such its operations do not account for substantial energy consumption. For details about the conservation of energy, please refer to the Board's Report.
2. b.	If yes, what percentage of inputs were sourced sustainably?	Not Applicable
3.	Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.	Not Applicable. The Company is engaged in providing financial services and does not manufacture any products.

Sr. No.	Disclosure Questions	Page Number/ Direct Response
4.	Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same	Not Applicable. The Company is engaged in providing financial services and does not manufacture any products.

#### Leadership Indicators

1.	Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details.	Not Applicable. The Company is engaged in providing financial services and does not manufacture any such products.
2.	If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.	
3.	Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).	
4.	Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed	
5.	Reclaimed products and their packaging materials (as percentage of products sold) for each product category	

### PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Sr. No.	Disclosure Questions	Page Number/ Direct Response
<b>Essential Indicators</b>		
1. a.	Details of measures for the well-being of employees	Page 146
1. b.	Details of measures for the well-being of workers	Not applicable, since there are no workers on IIFLWAM's payroll
2.	Details of retirement benefits, for Current FY and Previous Financial Year	Page 145
3.	<b>Accessibility of workplaces</b> Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.	Page 143
4.	Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy	Page 143
5.	Return to work and Retention rates of permanent employees and workers that took parental leave	Page 146
6.	Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief	Currently, IIFLWAM does not have a grievance redressal mechanism other than the one stated in the Policy on Vigil Mechanism and Whistle Blower Mechanism.
7.	Membership of employees and worker in association(s) or Unions recognized by the listed entity	NIL
8.	Details of training given to employees and workers	Page 144
9.	Details of performance and career development reviews of employees and worker	Page 144

Sr. No.	Disclosure Questions	Page Number/ Direct Response
10.	Health and safety management system:	
10. a.	Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?	Page 145-146
10. b.	What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	Page 145-146
10. c.	Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)	Page 145-146
10. d.	Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)	Page 145-146
11.	Details of safety related incidents	Page 145-146
12.	Describe the measures taken by the entity to ensure a safe and healthy workplace.	Page 145-146
13.	Number of Complaints on Working Conditions and Health & Safety made by employees and workers	Zero Complaints For more information, refer Page 145-146
14.	Assessments on Working Conditions and Health & Safety practices for the year	IIFLWAM ensure fire safety compliance at all its locations. No assessments were carried out for working conditions in FY 2021-22.
15.	Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.	Not Applicable

#### Leadership Indicators

1.	Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)?	Page 145-146
2.	Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners	IIFLWAM ensures that it only works with third parties which ensure compliance with all applicable regulations. As a part of this activity, it ensures that these agencies adhere to all labour-related compliances.
3.	Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	Page 145-146
4.	Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)	No
5.	Details on assessments on Working Conditions and Health & Safety practices of value chain partners	NIL
6.	Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.	NIL

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**

Sr. No.	Disclosure Questions	Page Number/ Direct Response
<b>Essential Indicators</b>		
1.	Describe the processes for identifying key stakeholder groups of the entity	Page 138-139
2.	List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group	
<b>Leadership Indicators</b>		
1.	Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board	IIFLWAM conducted its first materiality assessment with internal and external stakeholders. The Company also encourages constant engagement with stakeholders to communicate its strategy and performance.
2.	Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.	IIFLWAM has recently started its ESG journey and leveraged stakeholder engagement and materiality assessment to determine key material topics to the company. The Company plans to focus on these material topics in the upcoming years.
3.	Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.	NIL

**PRINCIPLE 5: Businesses should respect and promote human rights**

Sr. No.	Disclosure Questions	Page Number/ Direct Response
<b>Essential Indicators</b>		
1.	Employees and workers who have been provided training on human rights issues and policy(ies) of the entity	No training has been conducted on human rights issues in FY 2021-22.
2.	Details of minimum wages paid to employees and workers	Page 144
3.	Details of remuneration/salary/wages	Refer to Annexure V of Board's report.
4.	Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)	No
5.	Describe the internal mechanisms in place to redress grievances related to human rights issues.	IIFLWAM has a grievance redressal mechanism for sexual harassment issues under its POSH policy. The Company is in the processes of developing a mechanism to redress grievances related to other human rights issues.
6.	Number of Complaints on Sexual Harassment, Discrimination at workplace, Child Labour, Forced Labour/Involuntary Labour, Wages and Other human rights related issues made by employees and workers	No complaints reported.
7.	Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases	IIFLWAM is in the processes of developing a mechanism to redress grievances related to human rights issues.
8.	Do human rights requirements form part of your business agreements and contracts? (Yes/No)	No
9.	Assessments on Sexual Harassment, Discrimination at workplace, Child Labour, Forced Labour/ Involuntary Labour, Wages and Others for the year	Page 146

Sr. No.	Disclosure Questions	Page Number/ Direct Response
10.	Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.	Not Applicable, since there were no cases reported in FY 2021-22.

#### Leadership Indicators

1.	Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints	NIL
2.	Details of the scope and coverage of any Human rights due diligence conducted	NIL
3.	Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?	Page 143
4.	Details on assessments conducted on Sexual Harassment, Discrimination at workplace, Child Labour, Forced Labour/Involuntary Labour, Wages and Others of value chain partners:	NIL
5.	Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.	NIL

#### PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Sr. No.	Disclosure Questions	Page Number/ Direct Response
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#### Essential Indicators

1.	Details of total energy consumption (in Joules or multiples) and energy intensity	Page 153-154
2.	Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.	No
3.	Provide details on disclosures related to water withdrawal and intensity	Page 154
4.	Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation	No
5.	Please provide details of air emissions (other than GHG emissions) by the entity	Not applicable
6.	Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity	Page 154
7.	Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details	Page 154
8.	Provide details related to waste management by the entity	Page 154-155
9.	Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.	Page 154-155

Sr. No.	Disclosure Questions	Page Number/ Direct Response
10.	If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details	IIFLWAM does not have any offices located in/ around ecologically sensitive areas.
11.	Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year	NIL
12.	Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances	Yes. No cases of non-compliances were reported in FY 2021-22.

#### Leadership Indicators

1.	Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources	IIFLWAM currently does not produce/procure renewable energy. Page 153-154
2.	Provide details related to water discharged	All the water that is consumed is discharged directly. Currently IIFLWAM does not have any mode to recycle water.
3.	Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):	NIL, IIFLWAM does not operate in any water stressed areas.
3. i.	For each facility / plant located in areas of water stress, provide the following information- Name of the area	NIL
3. ii.	For each facility / plant located in areas of water stress, provide the following information- Nature of operations	Not Applicable
3. iii.	For each facility / plant located in areas of water stress, provide the following information- Water withdrawal, consumption and discharge	Not Applicable
4.	Please provide details of total Scope 3 emissions & its intensity	IIFLWAM has not calculated Scope 3 emissions for FY 2021-22.
5.	With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.	Not Applicable
6.	If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives	The Company has implemented several energy conservation initiatives which lead to decrease in GHG emissions. Page 153-154
7.	Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link	Page 142

Sr. No.	Disclosure Questions	Page Number/ Direct Response
8.	Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?	No. Since IIFLWAM is a service sector company, its operations do not have any significant adverse impacts to the environment.
9.	Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.	NIL

**PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

Sr. No.	Disclosure Questions	Page Number/ Direct Response
<b>Essential Indicators</b>		
1. a.	Number of affiliations with trade and industry chambers/ associations	Three
1. b.	List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to	IIFLWAM is a member of trade bodies/ associations such as Association of Mutual Funds in India (AMFI), Indian Private Equity and Venture Capital Association (IVCA) and Indian Association of Alternative Investment Funds (IAAIF).
2.	Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities	Not applicable. The Company, through various associations and trade bodies, provides suggestions with respect to development and regulation of financial services sector. The members of Board/senior management participated in various committees/ working groups constituted by the Government of India/ RBI/SEBI.
<b>Leadership Indicators</b>		
1.	Details of public policy positions advocated by the entity	NIL

**PRINCIPLE 8: Businesses should promote inclusive growth and equitable development**

Sr. No.	Disclosure Questions	Page Number/ Direct Response
<b>Essential Indicators</b>		
1.	Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.	To ensure adherence to programme objectives and maximization of social impact, especially for our flagship CSR programmes, IIFLWAM works closely with its implementing partners on CSR programme design, the implementation model and the governance and reporting of impact during the course of the programme. The Company follows an accountability-based approach, wherein it ensures baseline, midline and endline studies of programmes and evaluates the impact against key performance indicators (KPIs). The findings of the same are duly communicated to the CSR Committee and Board to ensure highest level of Governance.  IIFLWAM has engaged a third-party agency to help us monitor its programmes and maintain independence while assessing the KPIs. It also uses a tech-enabled platform which allows tracking of its entire CSR portfolio, financials, and impact through customized and insightful charts. The platform provides an easy access to all implementing partners to enter ground-level data and relevant documents.

Sr. No.	Disclosure Questions	Page Number/ Direct Response
2.	Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity	As of now, no such programmes form a part of the CSR portfolio.
3.	Describe the mechanisms to receive and redress grievances of the community	IIFLWAM conducts baseline, midline and endline studies of programmes through structured questionnaires and focused group discussions. As a part of these studies, any grievances of the communities get captured and addressed subsequently.
4.	Percentage of input material (inputs to total inputs by value) sourced from suppliers	Not Applicable

#### Leadership Indicators

1.	Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above)	Although IIFLWAM hasn't conducted traditional Social Impact Assessments, no negative social impacts were identified through its baseline, midline and endline assessments of its CSR programme design.
2.	Provide information on CSR projects undertaken by your entity in designated aspirational districts and amount spent in ₹ as identified by government bodies	IIFLWAM's CSR programme with PARFI (Pan-IIT Alumni Reach for India Foundation) has 86% beneficiaries from aspirational districts of Jharkhand.
3. a.	Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)	Not Applicable
3. b.	From which marginalized /vulnerable groups do you procure?	Not Applicable
3. c.	What percentage of total procurement (by value) does it constitute?	Not Applicable
4.	Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge	Not Applicable
5.	Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved	Not Applicable
6.	Details of beneficiaries of CSR Projects	Total – 48,597 Details for each initiative are given along with the description of initiatives in the CSR section of the report. Page 147-152

#### PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Sr. No.	Disclosure Questions	Page Number/ Direct Response
<b>Essential Indicators</b>		
1.	Describe the mechanisms in place to receive and respond to consumer complaints and feedback.	Page 153
2.	Turnover of products and/ services as a percentage of turnover from all products/service that carry information about Environmental and social parameters relevant to the product, safe and responsible usage and recycling and/or safe disposal.	Not applicable

Sr. No.	Disclosure Questions	Page Number/ Direct Response
3.	Number of consumer complaints related to Data privacy, Advertising, Cyber-security, Delivery of essential services, Restrictive Trade Practices, Unfair Trade Practices and Others if any.	During the year, 1 customer complaint was received regarding restrictive trade practices and the same was resolved during the year itself.
4.	Details of instances of product recalls on account of safety issues	Not applicable
5.	Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.	Yes, however the policy is not available in the public domain.
6.	Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.	Not applicable
<b>Leadership Indicators</b>		
1.	Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).	www.iiflwealth.com
2.	Steps taken to inform and educate consumers about safe and responsible usage of products and/or services	The Company complies with all disclosure requirements relating to its products and services, as per SEBI guidelines on product labelling within risk and disclosure categories.
3.	Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services	IIFLWAM has a robust Business Continuity and Disaster Recovery Plan which covers its entire operations. Communications on any disruption/ discontinuation of essential services, albeit rare, are intimated to customers through emails, calls and other modes of electronic communication.
4.	Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)	IIFLWAM is not a manufacturing entity, hence the above question is not applicable.
5.	Provide the following information relating to data breaches:	
5. a.	Number of instances of data breaches along-with impact	No breaches reported.
5. b.	Percentage of data breaches involving personally identifiable information of customers	NIL



## Company Financials

# Independent Auditor's Report

## 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 March 31, 2022, 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 March 31, 2022, 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.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current year. We have determined that there are no key audit matters to communicate in our report.

#### 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 Director's Report, but does not include the standalone financial statements and our Auditor's Report thereon. The Director's 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 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 identified above when it becomes available 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 Director's Report including Annexures to Director's 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 Auditors' 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the 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 we report, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
  - 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 March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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.
- 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 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 Company has disclosed the impact of pending litigations on its financial position as at March 31, 2022 in its standalone financial statements (Refer Note 30)
  - 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.
  - iv. (a) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind

of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. As stated in note 20 (c) to the Standalone Financial Statements, the interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with section 123 of the Act.

- 2. As required by the Companies (Auditor's Report) Order, 2020 ("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)

(UDIN: 22105035AIKEFF4550)

Place: Mumbai

Date: May 04, 2022

## 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")

We have audited the internal financial controls over financial reporting of IIFL Wealth Management Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the IND AS 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 March 31, 2022, 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**

(Partner)

(Membership No. 105035)

(UDIN: 22105035AIKEFF4550)

Place: Mumbai

Date: May 04, 2022



## 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)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
- (i) (a) B. The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Property, Plant and Equipment, were physically verified during the year by the Management, which in our opinion, is reasonable having regard to the size of the Company and nature of its business and no material discrepancies were noticed on verification conducted during the year as compared with the book records.
- (c) According to the information and explanations given to us and records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Accordingly, clause (i)(d), of the Order are not applicable.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) To the best of our knowledge and according to the information and explanations given to us, the Company does not have any inventory and hence reporting under clause (ii)(a) of the Order is not applicable.
- (ii) (b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii)(b) of the Order is not applicable.

- (iii) The Company has made investments in provided guarantee or security to and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. With respect to such investments, guarantees or security and loans or advances:

- (a) The Company has provided loans or advances in the nature of loans, stood guarantee, or provided security during the year and details of which are given below:

	Loans (Rs. In Mn)	Guarantees Given (Rs. In Mn)
A) Aggregate Amount Granted/provided during the year		
Subsidiaries	162,253.48	4,000.00
Joint Ventures	Nil	Nil
Associates	Nil	Nil
Others	0.40	Nil
B) Balance Outstanding as at balance sheet date in respect of above cases:		
Subsidiaries	5,714.91	6,100.00
Joint Ventures	Nil	Nil
Associates	Nil	Nil
Others	0.39	Nil

- (b) The investments made, guarantee provided, security given and the terms and conditions of the grant of all the above-mentioned loans or advances in the nature of loans, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (c) In respect of loans granted or advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.
- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted or advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) During the year loans or advances in the nature of loans aggregating to Rs.5,680.55 Mn has been fallen due on March 31, 2022 and the same have been renewed on March 31, 2022. The details of such loans that fell due during the year and renewed thereafter are as follows:

Name of the entity	Aggregate amount of loans or advances in the nature of loans that fell due during the year (Rs. In Mn)	Date they fell due	Date of Renewal	Renewed date of Maturity	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
IIFL Wealth Portfolio Managers Limited (Formerly known as IIFL Portfolio Managers Limited)	900.00	31-03-22	31-03-22	31-03-23	0.55%
IIFL Asset Management Limited	500.00	31-03-22	31-03-22	31-03-23	0.31%
IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services Limited)	4,280.00	31-03-22	31-03-22	31-03-23	2.64%
IIFL Wealth Securities IFSC Limited	0.55	31-03-22	31-03-22	31-03-23	0.00%

- (f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.
- (iv) To the best of our knowledge 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 loans granted, investments made and guarantees, and securities provided, as applicable.
- (v) To the best of our knowledge and according to the information and explanations given to us, the Company has not accepted any deposit or amounts deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) To the best of our knowledge and according to the information and explanations given to us, the maintenance of cost records has not been specified
- by the Central Government under Section 148(1) of the Companies Act, 2013, for the business activities carried out by the Company. Hence reporting under (vi) of the Order is not applicable.
- (vii) In respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Goods and Services Tax, Provident Fund, Income Tax, Cess, and other material statutory dues applicable to it, to the appropriate authorities. According to the information and explanations given to us, the Employee State Insurance, sales tax, service tax, duty of customs, duty of excise, value added tax is not applicable to the Company.
- There were no undisputed amounts payable in respect of Goods and Services Tax, Provident Fund, Income Tax, Cess and any other material statutory dues in arrears as at March 31, 2022, for a period of more than six months from the date they became payable.
- (b) There are no dues of Goods and Service Tax which have not been deposited as on March 31, 2022 on account of disputes. Details of Income Tax not deposited as on March 31, 2022 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 (Rs. In Millions)	Amount Unpaid (Rs. In Millions)
Income Tax Act, 1961	Income Tax	Commissioner of Income-Tax (Appeal)	FY 2013-14	4.07	-
Income Tax Act, 1961	Income Tax	Commissioner of Income-Tax (Appeal)	FY 2015-16	20.77	-
Income Tax Act, 1961	Income Tax	Commissioner of Income-Tax (Appeal)	FY 2016-17	56.01	-
Income Tax Act, 1961	Income Tax	Commissioner of Income-Tax (Appeal)	FY 2017-18	54.48	43.59

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.

- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, *prima facie*, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company does not have joint ventures or associate companies.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. The Company does not have joint ventures or associate companies.
- (x) (a) To the best of our knowledge and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and upto the date of this report.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements, etc., as required by the applicable accounting standards.
- (xiv) (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered, the internal audit reports, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) To the best of our knowledge and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or directors of its subsidiaries or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- The Group does not have any Core Investment Company (CIC) as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditor during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report, that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a fund specified in the Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

**For DELOITTE HASKINS & SELLS LLP**

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

**Pallavi A. Gorakshakar**

(Partner)  
(Membership No. 105035)  
(UDIN: 22105035AIKEFF4550)

Place: Mumbai  
Date: May 04, 2022

# Standalone Balance Sheet as at March 31, 2022

(₹ in Mn)

SR. No.	Particulars	Note No.	As at Mar 31, 2022	As at Mar 31, 2021
<b>ASSETS</b>				
<b>1</b>	<b>Financial Assets</b>			
(a)	Cash and cash equivalents	3	652.86	1,370.02
(b)	Bank balance other than (a) above	4	19.48	14.19
(c)	Derivative financial instruments		-	-
(d)	Receivables			
	(I) Trade receivables	5	117.29	588.23
	(II) Other receivables	5	-	69.93
(e)	Loans	6	5,715.30	3.61
(f)	Investments	7	31,527.41	20,422.25
(g)	Other financial assets	8	66.20	1,366.03
<b>2</b>	<b>Non-Financial Assets</b>			
(a)	Inventories		-	-
(b)	Current tax assets (net)		411.74	295.03
(c)	Deferred tax assets (net)	9	-	-
(d)	Property, plant and equipment	10	2,684.47	2,756.11
(e)	Capital work-in-progress	11	1.50	6.75
(f)	Other intangible assets	12	33.52	26.68
(g)	Right to use Assets	13	3.06	2.99
(h)	Other non-financial assets	14	50.75	134.44
<b>Total Assets</b>			<b>41,283.58</b>	<b>27,056.26</b>
<b>LIABILITIES AND EQUITY</b>				
<b>LIABILITIES</b>				
<b>1</b>	<b>Financial Liabilities</b>			
(a)	Derivative financial instruments		-	-
(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	15	164.63	115.12
	(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		-	-

(₹ in Mn)

SR. No.	Particulars	Note No.	As at Mar 31, 2022	As at Mar 31, 2021
(c)	Finance Lease Obligation	13	3.13	3.16
(d)	Debt securities	16	7,439.02	2,337.31
(e)	Other financial liabilities	17	9,034.99	137.28
<b>2 Non-Financial Liabilities</b>				
(a)	Current tax liabilities (net)		-	-
(b)	Provisions	18	3.80	1.74
(c)	Deferred tax liabilities (net)	9	330.82	14.09
(d)	Other non-financial liabilities	19	47.48	150.35
<b>3 EQUITY</b>				
(a)	Equity share capital	20	177.42	175.77
(b)	Other equity	21	24,082.29	24,121.44
<b>Total Liabilities and Equity</b>			<b>41,283.58</b>	<b>27,056.26</b>

**See accompanying Notes to the Financial Statements**

In terms of our report attached

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants

**Pallavi A. Gorakshakar**  
Partner

Place : Mumbai  
Dated: May 04, 2022

**For and on behalf of the Board of Directors**

**Karan Bhagat**  
Managing Director  
(DIN: 03247753)

**Sanjay Wadhwa**  
Chief Financial Officer

**Yatin Shah**  
Director  
(DIN: 03231090)

**Rohit Bhase**  
Company Secretary  
ACS - 21409

# Standalone Profit and Loss for the year ended March 31, 2022

(₹ in Mn)

SR. No.	Particulars	Note No.	2021-22	2020-21
<b>1</b>	<b>Revenue from operations</b>			
(a)	Fees and commission income	22	889.06	1,377.81
	<b>Total revenue from operations</b>		<b>889.06</b>	<b>1,377.81</b>
<b>2</b>	<b>Other income</b>	23	5,058.61	6,289.80
<b>3</b>	<b>Total income (1+2)</b>		<b>5,947.67</b>	<b>7,667.61</b>
	<b>Expenses</b>			
(a)	Finance costs	24	441.85	251.34
(b)	Fees and commission expenses		48.44	15.30
(c)	Impairment on financial instruments	25	13.92	19.46
(d)	Employee benefits expenses	26	550.08	377.96
(e)	Depreciation, amortisation and impairment	10,12,13	112.63	115.69
(f)	Other expenses	27	237.65	231.68
<b>4</b>	<b>Total expenses</b>		<b>1,404.57</b>	<b>1,011.43</b>
<b>5</b>	<b>Profit before tax (3-4)</b>		<b>4,543.10</b>	<b>6,656.18</b>
<b>6</b>	<b>Tax expense:</b>			
(a)	Current tax	28	135.76	211.46
(b)	Deferred tax	28	318.93	41.02
<b>7</b>	<b>Profit for the year (5-6)</b>		<b>4,088.41</b>	<b>6,403.70</b>
<b>8</b>	<b>Other comprehensive income</b>			
(a)	(i) Items that will not be reclassified to profit or loss			
	- Remeasurements of Employee Benefits		(8.76)	0.64
	(ii) Income tax relating to items that will not be reclassified to profit or loss		2.20	(0.16)
	<b>Other Comprehensive Income/(loss)</b>		<b>(6.56)</b>	<b>0.48</b>
<b>9</b>	<b>Total comprehensive income for the year (7+8) (Comprising profit and other comprehensive income/(loss) for the year)</b>		<b>4,081.85</b>	<b>6,404.18</b>
<b>10</b>	<b>Earnings per equity share</b>			
	Basic (Rs.)	29	46.29	73.25
	Diluted (Rs.)	29	45.36	72.41

## See accompanying Notes to the Financial Statements

In terms of our report attached

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants

**Pallavi A. Gorakshakar**  
Partner

Place : Mumbai  
Dated: May 04, 2022

**For and on behalf of the Board of Directors**

**Karan Bhagat**  
Managing Director  
(DIN: 03247753)

**Yatin Shah**  
Director  
(DIN: 03231090)

**Sanjay Wadhwa**  
Chief Financial Officer

**Rohit Bhase**  
Company Secretary  
ACS - 21409



# Cashflow Statement for the year ended March 31, 2022

(₹ in Mn)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>A. Cash flows from operating activities</b>		
<b>Profit before tax</b>	<b>4,543.10</b>	<b>6,656.18</b>
<b>Adjustments for:</b>		
Depreciation and amortisation expenses	112.63	115.69
Provisions for Employee benefits	73.80	2.88
Non-cash employee share based payments	303.81	454.06
Net changes in Fair value through Profit and loss of Investments - Realised	(492.40)	(169.53)
Net changes in fair value through Profit and Loss of investments - unrealised	(1,191.71)	(60.08)
Impairment of financial instruments	13.92	19.46
Interest Income	(403.65)	(153.82)
Interest expenses	440.75	250.75
Loss on Sale of Property, plant and equipment	0.05	0.06
Dividend Income from Investments	(2,437.09)	(5,701.03)
Distribution income from investments	(346.31)	(0.00#)
<b>Operating profit before working capital changes</b>	<b>616.90</b>	<b>1,414.62</b>
<b>Changes in working Capital :</b>		
(Increase)/ Decrease in Financial/Non-financial Assets	1,936.38	(391.85)
Increase/ (Decrease) in Financial/Non-financial Liabilities	8,763.71	(1,538.74)
<b>Cash (used in)/generated from operations</b>	<b>11,316.99</b>	<b>(515.97)</b>
Net income tax paid	(252.46)	(128.18)
<b>Net cash generated from/(used in) operating activities (A)</b>	<b>11,064.53</b>	<b>(644.15)</b>
<b>B. Cash flows from investing activities</b>		
Payments for purchase of investments	(26,607.58)	(5,163.46)
Proceeds from sale of investments	17,577.28	4,662.27
Net (payments for)/proceeds from purchase/sale of Short term investments	(392.92)	143.32
Distribution income from investments	346.31	0.00#
Interest income received	338.66	167.33
Dividend received from subsidiaries	2,437.09	5,701.03
Purchase/sale of Property, plant and equipment (includes intangible assets) (net)	(41.14)	(20.25)
Staff loan(net)	2.68	(2.58)
Inter Corporate Deposit given/repaid - (net)	(5,680.00)	53.89
<b>Net cash (used in)/generated from investing activities (B)</b>	<b>(12,019.62)</b>	<b>5,541.55</b>

(₹ in Mn)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>C. Cash flows from financing activities</b>		
Proceeds from issues of shares (including securities premium)	517.97	305.84
Share application money received/(converted into share capital)	-	(0.07)
Stamp Duty paid on issuance of shares under the Composite Scheme of Arrangement	(83.30)	-
Proceeds from Long term borrowings	2,499.17	-
Net proceeds from/(repayments of) Short term borrowings	2,614.78	2,319.90
Interest expenses paid	(452.86)	(250.00)
Dividends paid to company's shareholders	(4,857.83)	(6,127.22)
<b>Net cash generated from/(used in) financing activities (C)</b>	<b>237.93</b>	<b>(3,751.55)</b>
<b>Net (decrease)/increase in cash and cash equivalents (A+B+C)</b>	<b>(717.16)</b>	<b>1,145.85</b>
Opening Cash & cash equivalents	1,370.02	224.17
<b>Closing Cash &amp; cash equivalents</b>	<b>652.86</b>	<b>1,370.02</b>

**See accompanying Notes to the Financial Statements**

In terms of our report attached

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants

**Pallavi A. Gorakshakar**  
Partner

Place : Mumbai  
Dated: May 04, 2022

**For and on behalf of the Board of Directors**

**Karan Bhagat**  
Managing Director  
(DIN: 03247753)

**Sanjay Wadhwa**  
Chief Financial Officer

**Yatin Shah**  
Director  
(DIN: 03231090)

**Rohit Bhave**  
Company Secretary  
ACS - 21409



# Standalone Statement of Changes in Equity for the year ended March 31, 2022

## Statement of Changes in Equity share capital for the year ended March 31, 2022

(₹ in Mn)

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
175.77	-	175.77	1.65	177.42

## Statement of Changes in Equity share capital for the year ended March 31, 2021

(₹ in Mn)

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
174.36	-	174.36	1.41	175.77

## Statement of Changes in other Equity for the year ended March 31, 2022

(₹ in Mn)

Particulars	Other Equity						Total Other Equity
	Securities Premium	General Reserve	Share application money	Capital Reserve	ESOP Reserve	Surplus in Statement of Profit and loss	
<b>Balance at the beginning of the year as on April 01, 2021</b>	19,232.14	133.66	-	114.59	638.10	4,002.95	24,121.44
Shares issued during the year	516.32	-	-	-	-	-	516.32
Share issue expenses	(83.30)	-	-	-	-	-	(83.30)
Profits for the year	-	-	-	-	-	4,088.41	4,088.41
Other comprehensive income	-	-	-	-	-	(6.56)	(6.56)
Dividends including Dividend distribution tax	-	-	-	-	-	(4,857.83)	(4,857.83)
Transfer (to)/from other reserves	186.22	0.02	-	-	(186.24)	-	-
Employee share based payment	-	-	-	-	303.81	-	303.81
<b>Balance at the end of the year as on March 31, 2022</b>	<b>19,851.38</b>	<b>133.68</b>	<b>-</b>	<b>114.59</b>	<b>755.67</b>	<b>3,226.97</b>	<b>24,082.29</b>

## Statement of Changes in other Equity for the year ended March 31, 2021

(₹ in Mn)

Particulars	Other Equity						Total Other Equity
	Securities Premium	General Reserve	Share application money	Capital Reserve	ESOP Reserve	Surplus in Statement of Profit and loss	
<b>Balance at the beginning of the year as on April 01, 2020</b>	18,856.51	133.50	0.07	114.59	255.40	3,725.99	23,086.06
Shares issued during the year	304.43	-	-	-	-	-	304.43
Share issue expenses	-	-	-	-	-	-	-
Profits for the year	-	-	-	-	-	6,403.70	6,403.70
Other comprehensive income	-	-	-	-	-	0.48	0.48
Dividends including Dividend distribution tax	-	-	-	-	-	(6,127.22)	(6,127.22)
Transfer (to)/from other reserves	71.20	0.16	(0.07)	-	(71.36)	-	(0.07)
Employee share based payment	-	-	-	-	454.06	-	454.06
<b>Balance at the end of the year as on March 31, 2021</b>	<b>19,232.14</b>	<b>133.66</b>	<b>-</b>	<b>114.59</b>	<b>638.10</b>	<b>4,002.95</b>	<b>24,121.44</b>

### 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.

### Capital Reserve

This reserve is created pursuant to the transfer of "Wealth Business Undertaking" and "Broking and Depository Participant 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"), IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services Limited) and their respective shareholders.

### ESOP Reserve

It relates to share options granted to the employees by the 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  
Dated: May 04, 2022

**For and on behalf of the Board of Directors**

**Karan Bhagat**  
Managing Director  
(DIN: 03247753)

**Yatin Shah**  
Director  
(DIN: 03231090)

**Sanjay Wadhwa**  
Chief Financial Officer

**Rohit Bhase**  
Company Secretary  
ACS - 21409

# Notes forming part of Standalone Financial Statements for the year ended March 31, 2022

## 1 CORPORATE INFORMATION:

IIFL Wealth Management Limited ("IIFLW", the "Company") is a public limited company incorporated under the Companies Act, 1956. The Company has advisory licence under SEBI regulations and obtained merchant banking licence from SEBI during the year. The Company mainly provides transaction structuring and advisory services relating to financial products to its clients. Until the previous year the Company was engaged in services relating to financial products distribution, advisory and portfolio management services by mobilizing funds and assets of various classes of investors including High Net worth Individuals. The Company is a holding company to its subsidiaries engaged in wealth and asset Management services including financial asset distribution, broking, lending, credit and investment solutions and asset and portfolio management.

## 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.

b) These financial statements have been approved for issuance by the Board of Directors of the Company on May 04, 2022.

### 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 income: Fees from services provided are recognized at a point in time when the service obligations are completed and when the terms of contracts are fulfilled.

- 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.

The Company has revised its estimate of useful life of Furniture and Fixtures and Electrical Equipment used in the office premise acquired during the period, which was earlier on lease, and has recomputed the depreciation on the same on prospective basis.

Leasehold improvements are amortised over the period of lease. Land is not considered as depreciable assets having regard to its infinite useful life. Individual assets / Company of similar assets costing up to Rs.5,000 has been depreciated in full in the year of purchase.

**Estimated useful life of the assets is as under:**

Class of assets	Useful life in years
Computers*	3
Electrical Equipment*	5-10
Office equipment	5
Furniture and fixtures* #	5-10
Vehicles*	5
Air conditioners*	5
Building	51

\* For these class of assets, based on internal assessment, 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 amortisation 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.

**Amortisation:**

Intangible Assets with finite lives are amortised on a Straight Line basis over the estimated useful economic life. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss. The amortisation period and the amortisation 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 amortisation 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 amortisation 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 amortisation 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 amortised 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 amortised cost:

A financial asset is measured at the amortised 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 amortised 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 amortised 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 cash flows from the financial asset expires;
- The Company 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 Company 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 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 within 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:

- recognised at amortised costs
- recognised at fair value through profit and loss (FVTPL) including the embedded derivative component if any, which is not separated.
- where there is an embedded derivative as part of the financial liability, such embedded derivative is separated and recorded at fair value and the remaining component is categorized as on amortised costs.

##### **Subsequent measurement:**

- All financial liabilities of the Company are categorized as subsequently measured at amortised cost are subsequently measured using the effective interest method.
- 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.

#### **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.

The Company has provided for "Compensated Absences" on the basis of actuarial valuation.

##### **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**

The Company assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess

whether a contract conveys the right to control the use of an identified asset, the Company considers whether (i) the contract involves the use of identified asset; (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Company has right to direct the use of the asset.

**As a lessee**

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. Where appropriate, the right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a

residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease liability and the right of use asset have been separately presented in the balance sheet and lease payments have been classified as financing activities.

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Company recognises the lease payments associated with these leases as an expense in statement of profit and loss over the lease term. The related cash flows are classified as operating activities.

#### **As a lessor**

Leases for which the Company is a lessor is classified as finance or operating leases. When the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. The Company recognizes income on operating leases based on the contractual arrangements.

### **Critical accounting estimate and judgement**

#### **1. Determination of lease term**

Ind AS 116 Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised.

#### **2. Discount rate**

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

#### **p) Borrowing Cost**

Borrowing cost includes interest, amortisation 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) 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.

### 3 CASH AND CASH EQUIVALENTS

Particulars	(₹ in Mn)	
	As at Mar 31, 2022	As at Mar 31, 2021
<b>Cash and Cash Equivalents (As per Ind AS 7 Statement of Cashflows)</b>		
Cash on hand	0.12	0.19
Cheques in hand	-	0.46
Balance with banks		
- Others	652.74	1,369.37
<b>Cash and cash equivalents (As per Ind AS 7 Statement of Cashflows)</b>	<b>652.86</b>	<b>1,370.02</b>

### 4 BANK BALANCE OTHER THAN 3 ABOVE

Particulars	(₹ in Mn)	
	As at Mar 31, 2022	As at Mar 31, 2021
<b>Other Bank Balances</b>		
In Earmarked Accounts	9.41	4.15
In Deposit accounts (with original maturity of more than 3 months)	10.07	10.04
<b>Total</b>	<b>19.48</b>	<b>14.19</b>

### 5 RECEIVABLES (REFER NOTE 32)

Particulars	(₹ in Mn)	
	As at Mar 31, 2022	As at Mar 31, 2021
<b>(i) Trade receivables</b>		
Receivables considered good - Secured	-	-
Receivables considered good - Unsecured	117.29	588.23
Receivables which have significant increase in credit risk	-	-
Receivables - credit impaired	0.64	19.45
<b>Total (i)- Gross</b>	<b>117.93</b>	<b>607.68</b>
Less: Impairment loss allowance	(0.64)	(19.45)
<b>Total (i)- Net</b>	<b>117.29</b>	<b>588.23</b>
<b>(ii) Other receivables</b>		
Receivables considered good - Secured	-	69.93
Receivables considered good - Unsecured	-	-
Receivables which have significant increase in credit risk	-	-
Receivables - credit impaired	-	-
<b>Total (ii)- Gross</b>	<b>-</b>	<b>69.93</b>
Less: Impairment loss allowance	-	-
<b>Total (ii)- Net</b>	<b>-</b>	<b>69.93</b>
<b>Total (i+ii)</b>	<b>117.29</b>	<b>658.16</b>

### Trade receivables ageing schedule for the year ended March 31, 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Unbilled revenue	
(i) Undisputed Trade receivables - considered good	105.07	6.38	5.84	-	-	-	117.29
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	0.59	0.05	-	-	-	0.64
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Unbilled revenue	-	-	-	-	-	-	-
Less: Impairment loss allowance	-	(0.59)	(0.05)	-	-	-	(0.64)
<b>Net receivable as on March 31, 2022</b>	<b>105.07</b>	<b>6.38</b>	<b>5.84</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>117.29</b>

### Trade receivables ageing schedule for the year ended March 31, 2021

Particulars	Outstanding for following periods from due date of payment						Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Unbilled revenue	
(i) Undisputed Trade receivables - considered good	519.00	11.02	58.21	-	-	-	<b>588.23</b>
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	0.34	19.11	-	-	-	<b>19.45</b>
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Unbilled revenue	-	-	-	-	-	-	-
Less: Impairment loss allowance	-	(0.34)	(19.11)	-	-	-	<b>(19.45)</b>
<b>Net receivable as on March 31, 2021</b>	<b>519.00</b>	<b>11.02</b>	<b>58.21</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>588.23</b>

- a) No trade or other receivables are due from directors or from other officers of the Company either severally or jointly with any other person nor any trade or other receivables are due from firms or private companies respectively in which any directors is a partner, director or a member as at March 31, 2022 and March 31, 2021.
- b) No trade receivables and other receivables are interest bearing.

**6 LOANS (REFER NOTE 32)**

(₹ in Mn)

Loans	As at Mar 31, 2022		As at Mar 31, 2021	
	Amortised cost	Total	Amortised cost	Total
<b>(A)</b>				
Term loans				
- Inter Corporate Deposits (including ICD interest)*	5,714.91	5,714.91	0.55	0.55
- Others - Staff loan	0.39	0.39	3.06	3.06
<b>Total (A) -Gross</b>	<b>5,715.30</b>	<b>5,715.30</b>	<b>3.61</b>	<b>3.61</b>
Less: Impairment loss allowance	-	-	-	-
<b>Total (A) - Net</b>	<b>5,715.30</b>	<b>5,715.30</b>	<b>3.61</b>	<b>3.61</b>
<b>(B)</b>				
(i) Secured	-	-	-	-
(ii) Secured by intangible assets	-	-	-	-
(iii) Covered by Bank/Government Guarantees	-	-	-	-
(iv) Unsecured	5,715.30	5,715.30	3.61	3.61
<b>Total (B)-Gross</b>	<b>5,715.30</b>	<b>5,715.30</b>	<b>3.61</b>	<b>3.61</b>
<b>(C)</b>				
<b>(I) Loans in India</b>				
(i) Public Sector	-	-	-	-
(ii) Others	5,715.30	5,715.30	3.61	3.61
Less: Impairment loss allowance	-	-	-	-
<b>Total(C) (I)-Net</b>	<b>5,715.30</b>	<b>5,715.30</b>	<b>3.61</b>	<b>3.61</b>
<b>(II) Loans outside India</b>				
Less: Impairment loss allowance	-	-	-	-
<b>Total (C) (II)- Net</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total C(I) and C(II)</b>	<b>5,715.30</b>	<b>5,715.30</b>	<b>3.61</b>	<b>3.61</b>

\* Includes Loan to related parties- Refer Note 34

Type of Borrower	As at Mar 31, 2022		As at Mar 31, 2021	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans
Promoter	Nil	-	Nil	-
Directors	Nil	-	Nil	-
KMPs	Nil	-	Nil	-
Related parties	5,714.91	99.99%	0.55	15.24%



Investments	As at Mar 31, 2022							As at Mar 31, 2021						
	At Cost	At Fair value			Subtotal	Others	Total	At Cost	At Fair value			Subtotal	Others	Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss					Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss			
	1	2	3	4	5=2+3+4	6	7=1+5+6	8	9	10	11	12=9+10+11	13	14=8+12+13
<b>(A)</b>														
Mutual funds	-	-	1,500.64	-	1,500.64	-	1,500.64	-	-	1,057.14	-	1,057.14	-	1,057.14
Debt securities	-	-	1,537.32	-	1,537.32	-	1,537.32	-	-	60.13	-	60.13	-	60.13
Equity instruments-Subsidiaries	19,454.64	-	-	-	-	-	19,454.64	19,232.89	-	-	-	-	-	19,232.89
Equity instruments-Others	-	-	9,045.50	-	9,045.50	-	9,045.50	-	-	0.04	-	0.04	-	0.04
Alternate investment funds	-	-	22.04	-	22.04	-	22.04	-	-	72.05	-	72.05	-	72.05
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total (A)</b>	<b>19,454.64</b>	<b>-</b>	<b>12,105.50</b>	<b>-</b>	<b>12,105.50</b>	<b>-</b>	<b>31,560.14</b>	<b>19,232.89</b>	<b>-</b>	<b>1,189.36</b>	<b>-</b>	<b>1,189.36</b>	<b>-</b>	<b>20,422.25</b>
<b>(B)</b>														
i) Investments outside India	1,374.98	-	-	-	-	-	1,374.98	1,153.24	-	-	-	-	-	1,153.24
ii) Investments in India	18,079.66	-	12,105.50	-	12,105.50	-	30,185.16	18,079.65	-	1,189.34	-	1,189.34	-	19,268.99
<b>Total (B)</b>	<b>19,454.64</b>	<b>-</b>	<b>12,105.50</b>	<b>-</b>	<b>12,105.50</b>	<b>-</b>	<b>31,560.14</b>	<b>19,232.89</b>	<b>-</b>	<b>1,189.34</b>	<b>-</b>	<b>1,189.34</b>	<b>-</b>	<b>20,422.23</b>
<b>(C)</b>														
Less: Allowance for impairment loss	32.73	-	-	-	-	-	32.73	-	-	-	-	-	-	-
<b>Total- Net (D) = A-C</b>	<b>19,421.91</b>	<b>-</b>	<b>12,105.50</b>	<b>-</b>	<b>12,105.50</b>	<b>-</b>	<b>31,527.41</b>	<b>19,232.89</b>	<b>-</b>	<b>1,189.36</b>	<b>-</b>	<b>1,189.36</b>	<b>-</b>	<b>20,422.25</b>

**Note:**

Out of the above investments Nil (PY - ₹ 1,057.14 Mn) are kept as collateral with the exchange on behalf of a subsidiary

Name of Investment	As at March 31, 2022			As at March 31, 2021		
	Face Value	No. of Units	Amount (₹ in Mn)	Face Value	No. of Units	Amount (₹ in Mn)
<b>Investment in Mutual Funds include :</b>						
HDFC MUTUAL FUND LIQUID FUND RG GROWTH OPEN ENDED	-	-	-	1,000.00	61,134.00	247.32
HDFC SHORT TERM DEBT FUND - GROWTH OPTION - DIRECT PLAN	-	-	-	10.00	73,38,251.00	183.07
SBI MUTUAL FUND LIQUID FD-DIRECT GROWTH	1,000.00	0.73	-	1,000.00	1,00,000.73	322.16
SBI MUTUAL FUND SAVINGS FUND REG GROWTH	-	-	-	10.00	1,00,000.88	3.26
SBI MUTUAL FUND LIQUID FD-REGULAR PL GROWTH OPEN ENDED	1,000.00	73.98	0.24	1,000.00	94,073.98	301.33
SBI OVERNIGHT FUND - REGULAR PLAN - GROWTH	1,000.00	3,02,121.87	1,000.25	-	-	-
MIRAE ASSET OVERNIGHT FUND REG-GROWTH	1,000.00	2,25,661.35	500.15	-	-	-
<b>Total</b>			<b>1,500.64</b>			<b>1,057.14</b>
<b>Investment in Equity Instruments include :</b>						
IIFL WEALTH DISTRIBUTION SERVICES LIMITED (FORMERLY IIFL DISTRIBUTION SERVICES LIMITED)	100.00	30,000.00	453.31	100.00	30,000.00	453.31
IIFL ASSET MANAGEMENT LTD	10.00	3,21,00,000.00	525.00	10.00	3,21,00,000.00	525.00
IIFL INVESTMENT ADVISER & TRUSTEE SERVICES LIMITED	10.00	3,52,25,000.00	354.00	10.00	3,52,25,000.00	354.00
IIFL (ASIA) PTE LTD	-	-	-	₹ 1	14,00,00,000.00	264.50

Name of Investment	As at March 31, 2022			As at March 31, 2021		
	Face Value	No. of Units	Amount (₹ in Mn)	Face Value	No. of Units	Amount (₹ in Mn)
IIFL PRIVATE WEALTH MANAGEMENT DUBAI LTD	AED 3.67	9,18,442.00	42.50	AED 3.67	9,18,442.00	42.50
IIFL WEALTH PRIME LTD ( FORMERLY KNOWN AS IIFL WEALTH FINANCE LTD )	10.00	30,54,93,803.00	14,636.30	10.00	30,54,93,803.00	14,636.30
IIFL WEALTH PORTFOLIO MANAGERS LIMITED (FORMERLY IIFL ALTERNATE ASSET ADVISORS LIMITED)	10.00	2,49,481.00	2,009.15	10.00	2,49,481.00	2,009.15
IIFL TRUSTEE LTD (FORMERLY KNOWN AS INDIA INFOLINE TRUSTEE CO LTD)	10.00	5,00,000.00	5.00	10.00	5,00,000.00	5.00
IIFL INC (USA)	\$ 0.01	140.00	54.14	\$ 0.01	140.00	54.14
IIFL PRIVATE WEALTH (MAURITIUS) LTD	\$ 1	69,975.00	37.95	\$ 1	69,975.00	37.95
IIFL CAPITAL (CANADA) LIMITED	CAD \$1	1,87,030.00	10.24	CAD \$1	1,87,030.00	10.24
IIFL WEALTH SECURITIES IFSC LTD	10.00	1,00,000.00	1.00	10.00	1,00,000.00	1.00
IIFL WEALTH ALTIOR LIMITED (FORMERLY KNOWN AS IIFL ALTIOR ADVISORS LIMITED)	10.00	1,24,672.00	95.80	10.00	1,24,672.00	95.80
IIFLW CSR Foundation	10.00	10,000.00	0.10	10.00	10,000.00	0.10
IIFL CAPITAL PTE. LTD.	S\$ 1	1,82,82,083.50	1,230.15	S\$ 1	1,02,16,330.00	743.90
STOVEKRAFT	-	-	-	-	82.00	0.04
NATIONAL STOCK EXCHANGE OF INDIA	1.00	28,33,927.00	9,045.50	-	-	-
<b>Sub Total</b>			<b>28,500.14</b>			<b>19,232.93</b>
Less: Allowance for impairment loss			(32.73)	-	-	-
<b>Total</b>			<b>28,467.41</b>			<b>19,232.93</b>
<b>Investment in Debt Securities include :</b>						
REDDY VEERANNA INVESTMENTS PRIVATE LIMITED SR. 1 NCD 30SP22 FVRS10LAC	-	-	-	10,00,000.00	60.00	60.13
MINDSPACE BUSINESS PARKS REIT- MLD SERIES 2	10,00,000.00	2.00	2.15	-	-	-
10% IIFL WEALTH FINANCE LIMITED FV 5LAC FEB2027	10,000.00	1,210.00	634.75	-	-	-
VIDYA TRUST SERIES VI 2021	10,000.00	90,000.00	900.42	-	-	-
<b>Total</b>			<b>1,537.32</b>			<b>60.13</b>
<b>Investment in Alternate Investment Funds include :</b>						
ASK SELECT FOCUS FUND - CLASS E	1,000.00	10,597.22	17.33	1,000.00	10,597.22	14.71
IIFL INCOME OPPORTUNITIES FUND SERIES - SPECIAL SITUATIONS - CARRY	-	-	-	4.00	673.84	-
IIFL REAL ESTATE FUND (DOMESTIC) - SERIES 2 - CARRY	4.03	948.00	0.01	6.06	948.00	0.01
IIFL REAL ESTATE FUND (DOMESTIC) - SERIES 4 - CARRY	7.46	1,000.00	0.01	9.13	1,000.00	0.01
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 1 - CARRY	4.84	1,000.00	0.01	9.17	1,000.00	0.01
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 2 - CARRY	4.87	1,000.00	0.01	9.25	1,000.00	0.01
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 3 - CARRY	4.78	1,000.00	-	9.44	1,000.00	0.01
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 4 - CARRY	4.89	1,000.00	-	10.00	1,000.00	0.01
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 5 - CARRY	4.67	1,000.00	-	10.00	1,000.00	0.01
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 7 - CARRY	10.00	1,000.00	0.01	10.00	1,000.00	0.01
IIFL YIELD ENHANCER FUND - CARRY	1.49	1,000.00	-	2.24	1,000.00	-
INDIA HOUSING FUND - CARRY	7.77	1,000.00	0.01	9.92	1,000.00	0.01
PIRAMAL INDIAREIT FUND V	1,00,000.00	40.88	4.65	1,00,000.00	40.88	4.68
SUNDARAM ALTERNATIVE OPPORTUNITIES FUND NANO CAP SERIES 1 - CLASS E	-	-	-	1,00,000.00	147.02	14.31

Name of Investment	As at March 31, 2022			As at March 31, 2021		
	Face Value	No. of Units	Amount (₹ in Mn)	Face Value	No. of Units	Amount (₹ in Mn)
SUNDARAM ALTERNATIVE OPPORTUNITIES FUND NANOCAP SERIES II - CLASS E	-	-	-	1,00,000.00	153.83	14.15
SUNDARAM ALTERNATIVE OPPORTUNITIES FUND NANOCAP SERIES II - CLASS I	-	-	-	1,00,000.00	0.91	0.08
WHITE OAK INDIA EQUITY FUND - CLASS I	-	-	-	10.00	12,93,392.79	24.03
YOURNEST ANGEL FUND – SCHEME 1	1.00	1,575.00	-	1.00	1,575.00	-
<b>Total</b>			<b>22.04</b>			<b>72.05</b>
<b>Grand Total</b>			<b>31,527.41</b>			<b>20,422.25</b>

## 8 OTHER FINANCIAL ASSETS (UNSECURED, CONSIDERED GOOD)

Particulars	(₹ in Mn)	
	As at Mar 31, 2022	As at Mar 31, 2021
Other deposits	1.58	1.78
Interest accrued on Inter Corporate Deposits and not due (Refer Note 35)	0.14	0.10
Advances to group companies/subsidiaries (Refer Note 35)	55.25	1,353.12
Receivable From Employees	-	0.77
Receivable From Broker	9.05	10.12
Others	0.18	0.14
<b>Total</b>	<b>66.20</b>	<b>1,366.03</b>

## Deferred Taxes

9 Significant components of deferred tax assets and liabilities recorded in the Balance Sheet and changes recorded in income tax expense for the year ended March 31, 2022 are as follows:

	(₹ in Mn)			
	Opening balance	Recognised in profit or loss	Recognised in/reclassified from OCI	Closing balance
<b>Deferred tax assets:</b>				
Retirement benefits for employees	0.46	(2.72)	2.20	(0.06)
Impact of IndAS 116	3.40	0.09	-	3.49
Provision for expenses	-	-	-	-
<b>Total deferred tax assets (A)</b>	<b>3.86</b>	<b>(2.63)</b>	<b>2.20</b>	<b>3.43</b>
Offsetting of deferred tax (assets) with deferred tax liabilities	-	-	-	-
<b>Net Deferred tax (assets)</b>	<b>3.86</b>	<b>(2.63)</b>	<b>2.20</b>	<b>3.43</b>
<b>Deferred tax liabilities:</b>				
Property, plant and equipment	5.67	11.70	-	17.37
Unrealised profit on investments etc.	17.18	299.87	-	317.05
Impairment of Assets	(4.90)	4.73	-	(0.17)
Goodwill	-	-	-	-
<b>Total deferred tax liabilities (B)</b>	<b>17.95</b>	<b>316.30</b>	<b>-</b>	<b>334.25</b>
Offsetting of deferred tax liabilities with deferred tax (assets)	-	-	-	-
<b>Net Deferred tax liabilities</b>	<b>17.95</b>	<b>316.30</b>	<b>-</b>	<b>334.25</b>
<b>Deferred tax liabilities (A - B)</b>	<b>(14.09)</b>	<b>(318.93)</b>	<b>2.20</b>	<b>(330.82)</b>

**Significant components of deferred tax assets and liabilities recorded in the Balance Sheet and changes recorded in income tax expense for the year ended March 31, 2021 are as follows:**

(₹ in Mn)

	Opening balance	Recognised in profit or loss	Recognised in/reclassified from OCI	Closing balance
<b>Deferred tax assets:</b>				
Difference between book base and tax base of property, plant & equipment, investment property and intangible assets	27.94	(33.61)	-	(5.67)
Impairment of Assets	-	4.90	-	4.90
Retirement benefits for employees	1.00	(0.38)	(0.16)	0.46
Impact of IndAS 116	3.38	0.02	-	3.40
Provision for expenses	1.18	(1.18)	-	-
<b>Total deferred tax assets (A)</b>	<b>33.50</b>	<b>(30.25)</b>	<b>(0.16)</b>	<b>3.09</b>
Offsetting of deferred tax (assets) with deferred tax liabilities	-	-	-	-
<b>Net Deferred tax (assets)</b>	<b>33.50</b>	<b>(30.25)</b>	<b>(0.16)</b>	<b>3.09</b>
<b>Deferred tax liabilities:</b>				
Unrealised profit on investments etc.	6.41	10.77	-	17.18
<b>Total deferred tax liabilities (B)</b>	<b>6.41</b>	<b>10.77</b>	<b>-</b>	<b>17.18</b>
Offsetting of deferred tax liabilities with deferred tax (assets)	-	-	-	-
<b>Net Deferred tax liabilities</b>	<b>6.41</b>	<b>10.77</b>	<b>-</b>	<b>17.18</b>
<b>Deferred tax assets/(liabilities) (A - B)</b>	<b>27.09</b>	<b>(41.02)</b>	<b>(0.16)</b>	<b>(14.09)</b>

**10 PROPERTY PLANT AND EQUIPMENT**

(₹ in Mn)

Particulars	Furniture Fixture	Vehicles	Office Equipment	Computers	Electrical Equipment	Land	Building	Total
<b>Gross Carrying value as on April 01, 2021</b>	<b>526.97</b>	<b>17.58</b>	<b>75.11</b>	<b>89.08</b>	<b>25.42</b>	<b>1,487.51</b>	<b>897.63</b>	<b>3,119.30</b>
Additions	2.26	-	1.00	17.25	0.95	-	-	21.46
Deductions/ Adjustments during the year	-	-	-	2.55	0.51	-	-	3.06
<b>As at March 31, 2022</b>	<b>529.23</b>	<b>17.58</b>	<b>76.11</b>	<b>103.78</b>	<b>25.86</b>	<b>1,487.51</b>	<b>897.63</b>	<b>3,137.70</b>
<b>Depreciation</b>								
<b>Up to April 01, 2021</b>	<b>186.40</b>	<b>6.77</b>	<b>43.34</b>	<b>86.24</b>	<b>9.39</b>	<b>-</b>	<b>31.05</b>	<b>363.19</b>
Depreciation for the year	50.12	2.93	14.39	4.88	3.04	-	17.63	92.99
Deductions/Adjustments during the year	-	-	-	2.55	0.40	-	-	2.95
<b>Up to March 31, 2022</b>	<b>236.52</b>	<b>9.70</b>	<b>57.73</b>	<b>88.57</b>	<b>12.03</b>	<b>-</b>	<b>48.68</b>	<b>453.23</b>
<b>Net Block as at March 31, 2022</b>	<b>292.71</b>	<b>7.88</b>	<b>18.38</b>	<b>15.21</b>	<b>13.83</b>	<b>1,487.51</b>	<b>848.95</b>	<b>2,684.47</b>

(₹ in Mn)

Particulars	Furniture Fixture	Vehicles	Office Equipment	Computers	Electrical Equipment	Land	Building	Total
<b>Gross Carrying value as on April 01, 2020</b>	<b>525.96</b>	<b>26.36</b>	<b>74.66</b>	<b>90.31</b>	<b>25.42</b>	<b>1,487.51</b>	<b>897.63</b>	<b>3,127.85</b>
Additions	1.01	-	0.50	0.31	-	-	-	1.82
Deductions/ Adjustments during the year	-	8.78	0.05	1.54	-	-	-	10.37
<b>As at March 31, 2021</b>	<b>526.97</b>	<b>17.58</b>	<b>75.11</b>	<b>89.08</b>	<b>25.42</b>	<b>1,487.51</b>	<b>897.63</b>	<b>3,119.30</b>
<b>Depreciation</b>								
<b>Up to April 01, 2020</b>	<b>134.79</b>	<b>4.21</b>	<b>28.48</b>	<b>79.25</b>	<b>5.63</b>	<b>-</b>	<b>13.45</b>	<b>265.81</b>
Depreciation for the year	51.61	4.30	14.89	8.45	3.76	-	17.60	100.61
Deductions/Adjustments during the year	-	1.74	0.03	1.46	-	-	-	3.23
<b>Up to March 31, 2021</b>	<b>186.40</b>	<b>6.77</b>	<b>43.34</b>	<b>86.24</b>	<b>9.39</b>	<b>-</b>	<b>31.05</b>	<b>363.19</b>
<b>Net Block as at March 31, 2021</b>	<b>340.57</b>	<b>10.81</b>	<b>31.77</b>	<b>2.84</b>	<b>16.03</b>	<b>1,487.51</b>	<b>866.58</b>	<b>2,756.11</b>

### 11 CAPITAL WORK-IN-PROGRESS

Particulars	As at Mar 31, 2022
<b>As at April 01, 2021</b>	6.75
Additions	647.39
Deductions	652.64
<b>As at March 31, 2022</b>	<b>1.50</b>

(₹ in Mn)

Particulars	As at Mar 31, 2021
<b>As at April 01, 2020</b>	10.31
Additions	7.29
Deductions	10.85
<b>As at March 31, 2021</b>	<b>6.75</b>

### CWIP aging schedule for the year ended March 31, 2022

(₹ in Mn)

CWIP	Amount in CWIP for a period of				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.50	1.00	-	-	1.50
Projects temporarily suspended	-	-	-	-	-

### CWIP completion schedule for the year ended March 31, 2022

(₹ in Mn)

CWIP	To be completed in				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 1	1.00	-	-	-	1.00
Project 2	0.50	-	-	-	0.50

## CWIP aging schedule for the year ended March 31, 2021

(₹ in Mn)

CWIP	Amount in CWIP for a period of				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	6.75	-	-	-	6.75
Projects temporarily suspended	-	-	-	-	-

## CWIP completion schedule for the year ended March 31, 2021

(₹ in Mn)

CWIP	To be completed in				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 1	6.75	-	-	-	6.75
Project 2	-	-	-	-	-

## 12 OTHER INTANGIBLE ASSETS

(₹ in Mn)

Particulars	As at Mar 31, 2022
<b>Software/Intangible assets</b>	
<b>Gross Carrying value as on April 01, 2021</b>	<b>66.80</b>
Additions	24.97
Deductions / adjustments during the year	-
<b>As at March 31, 2022</b>	<b>91.77</b>
<b>Amortisation</b>	
<b>Up to April 01, 2021</b>	<b>40.12</b>
Amortisation for the year	18.13
Deductions / adjustments during the year	-
<b>Up to March 31, 2022</b>	<b>58.25</b>
<b>Net Block as at March 31, 2022</b>	<b>33.52</b>

(₹ in Mn)

Particulars	As at Mar 31, 2021
<b>Software/Intangible assets</b>	
<b>Gross Carrying value as on April 01, 2020</b>	<b>37.72</b>
Additions	29.08
Deductions / adjustments during the year	-
<b>As at March 31, 2021</b>	<b>66.80</b>
<b>Amortisation</b>	
<b>Up to April 01, 2020</b>	<b>26.66</b>
Amortisation for the year	13.46
Deductions / adjustments during the year	-
<b>Up to March 31, 2021</b>	<b>40.12</b>
<b>Net Block as at March 31, 2021</b>	<b>26.68</b>

**13 DISCLOSURE PURSUANT TO IND AS 116 "LEASES"**

**Following are the changes in the carrying value of right of use assets for the year ended March 31, 2022: (₹ in Mn)**

Particulars	Vehicles
<b>Balance as at April 01, 2021</b>	2.99
Additions during the year	4.00
Depreciation charge for the year	(1.52)
Deletions during the year	(2.41)
<b>Balance as at March 31, 2022</b>	<b>3.06</b>

**Following are the changes in the carrying value of right of use assets for the year ended March 31, 2021: (₹ in Mn)**

Particulars	Vehicles
<b>Balance as at April 01, 2020</b>	3.22
Additions during the year	2.45
Depreciation charge for the year	(1.62)
Deletions during the year	(1.06)
<b>Balance as at March 31, 2021</b>	<b>2.99</b>

**The following is the movement in lease liabilities during the year ended March 31, 2022: (₹ in Mn)**

Particulars	Vehicles
<b>Balance as at April 01, 2021</b>	3.16
Additions	4.00
Deletion	(2.54)
Finance cost accrued during the year	0.35
Payment of lease liabilities	(1.84)
<b>Balance as at March 31, 2022</b>	<b>3.13</b>

**The following is the movement in lease liabilities during the year ended March 31, 2021: (₹ in Mn)**

Particulars	Vehicles
<b>Balance as at April 01, 2020</b>	3.41
Additions	2.45
Deletion	(1.15)
Finance cost accrued during the year	0.33
Payment of lease liabilities	(1.88)
<b>Balance as at March 31, 2021</b>	<b>3.16</b>

**Following is the break up value of the Current and Non - Current Lease Liabilities:**

Particulars	As at March 31, 2022	As at March 31, 2021
	Vehicles	Vehicles
Current lease liabilities	0.80	1.36
Non-current lease liabilities	2.33	1.80
<b>Total</b>	<b>3.13</b>	<b>3.16</b>

**Maturity analysis – contractual undiscounted cash flows**

Particulars	As at March 31, 2022	As at March 31, 2021
	Vehicles	Vehicles
Less than one year	1.05	1.59
One to five years	2.63	1.99
More than five years	-	-
<b>Total undiscounted lease liabilities</b>	<b>3.68</b>	<b>3.58</b>
<b>Lease liabilities included in the statement of financial position</b>	<b>3.13</b>	<b>3.16</b>

### Amounts recognised in the Statement of profit & loss

Particulars	As at March 31, 2022	As at March 31, 2021
Interest on lease liabilities	0.35	0.33
Variable lease payments not included in the measurement of lease liabilities	-	-
Income from sub-leasing right-of-use assets	-	-
Expenses relating to short-term leases	-	-
Depreciation relating to leases	1.52	1.62
<b>Total</b>	<b>1.87</b>	<b>1.95</b>

### Amounts recognised in the statement of cash flows

Particulars	As at March 31, 2022	As at March 31, 2021
Total cash outflow for leases	1.84	1.88

### 14 OTHER NON FINANCIAL ASSETS (UNSECURED, CONSIDERED GOOD)

Particulars	(₹ in Mn)	
	As at Mar 31, 2022	As at Mar 31, 2021
<b>Unsecured</b>		
Prepaid expenses	33.61	123.75
Advances recoverable	9.66	7.91
Employee advance against expenses	-	1.75
Goods and Service tax input credit receivable	7.48	1.03
<b>Total</b>	<b>50.75</b>	<b>134.44</b>

### 15 PAYABLES

Particulars	(₹ in Mn)	
	As at Mar 31, 2022	As at Mar 31, 2021
Trade payables		
(i) Total outstanding dues of micro enterprises and small enterprises (Refer note 15.1)	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	164.63	115.12
<b>Total</b>	<b>164.63</b>	<b>115.12</b>
Other payable		
(i) Total outstanding dues of micro enterprises and small enterprises (Refer note 15.1)	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>164.63</b>	<b>115.12</b>

### Trade payables ageing schedule for the year ended March 31, 2022

Particulars	(Amount in ₹)					
	Outstanding for following periods from due date of payment					
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Unbilled / Provision	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	3.86	-	-	-	160.78	164.64
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iii) Disputed dues - others	-	-	-	-	-	-
<b>Total trade payables as on March 31, 2022</b>	<b>3.86</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>160.78</b>	<b>164.64</b>

## Trade payables ageing schedule for the year ended March 31, 2021

(Amount in ₹)

Particulars	Outstanding for following periods from due date of payment					Unbilled / Provision	Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years			
(i) MSME	-	-	-	-	-	-	-
(ii) Others	12.21	-	-	-	-	102.91	115.12
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iii) Disputed dues - others	-	-	-	-	-	-	-
<b>Total trade payables as on March 31, 2021</b>	<b>12.21</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>102.91</b>	<b>115.12</b>

### 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:

Particulars	FY 2021-22	FY 2020-21
(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.

## 16 DEBT SECURITIES

(₹ in Mn)

Particulars	As at Mar 31, 2022				As at Mar 31, 2021			
	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
Liability component of compound financial instruments								
Bonds / Debentures	2,542.82	-	-	2,542.82	-	-	-	-
Commercial paper	4,965.00	-	-	4,965.00	2,350.00	-	-	2,350.00
Less: Prepaid discount	(68.80)	-	-	(68.80)	(12.69)	-	-	(12.69)
<b>Total</b>	<b>7,439.02</b>	<b>-</b>	<b>-</b>	<b>7,439.02</b>	<b>2,337.31</b>	<b>-</b>	<b>-</b>	<b>2,337.31</b>
Debt securities in India	7,439.02	-	-	7,439.02	2,337.31	-	-	2,337.31
Debt securities outside India	-	-	-	-	-	-	-	-
<b>Total</b>	<b>7,439.02</b>	<b>-</b>	<b>-</b>	<b>7,439.02</b>	<b>2,337.31</b>	<b>-</b>	<b>-</b>	<b>2,337.31</b>

Residual maturity	As at Mar 31, 2022		As at Mar 31, 2021	
	Balance outstanding (₹ in Mn)	Interest rate % (p.a)	Balance outstanding (₹ in Mn)	Interest rate % (p.a)
At Amortised cost				
Less than 1 year	4,965.00	5.10% to 6.60%	2,350.00	5.85% to 6.00%
1-5 years	2,542.82	7.00%	-	-
Above 5 years	-	-	-	-

**Note:**

1. The secured non convertible debentures are secured by way of a first mortgage on immovable property such that a security cover of 100% or higher as per the terms of the offer document is maintained till the time of maturity.
2. The funds called for through issue of debt securities during the year have been utilised by the Company for the purposes called for.

Commercial Papers include	As at Mar 31, 2022		As at Mar 31, 2021	
	Interest rates	Amount (₹ in Mn)	Interest rates	Amount (₹ in Mn)
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 20-04-2021	-	-	6.00%	1,500.00
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 31-05-2021	-	-	5.85%	850.00
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 13-04-2021	6.60%	265.00	-	-
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 13-04-2021	4.95%	50.00	-	-
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 09-06-2021	4.95%	250.00	-	-
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 09-06-2021	5.15%	1,500.00	-	-
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 14-06-2021	5.10%	1,250.00	-	-
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 01-09-2021	5.65%	500.00	-	-
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 05-09-2021	5.65%	1,150.00	-	-
<b>Total</b>		<b>4,965.00</b>		<b>2,350.00</b>
<b>Debentures include</b>				
Market Linked Non Convertible Debenture of Face Value Rs. 10,00,000 Each Redeemable on 15-05-2025	7.00%	2,542.82	-	-
<b>Total</b>		<b>2,542.82</b>		<b>-</b>

**17 OTHER FINANCIAL LIABILITIES**

Particulars	(₹ in Mn)	
	As at Mar 31, 2022	As at Mar 31, 2021
Payable to group companies/subsidiaries (Refer Note 35)	3.99	130.30
Interest payable on ICD (Refer Note 35)	0.12	-
Deposits from customers	9,030.56	-
Advance from customers	-	5.46
Others	0.32	1.52
<b>Total</b>	<b>9,034.99</b>	<b>137.28</b>



## 18 PROVISIONS

Particulars	(₹ in Mn)	
	As at Mar 31, 2022	As at Mar 31, 2021
Provision for employee benefits		
- Gratuity (Refer Note 26.1)	3.61	1.74
- Leave Encashment	0.19	-
<b>Total</b>	<b>3.80</b>	<b>1.74</b>

## 19 OTHER NON FINANCIAL LIABILITIES

Particulars	(₹ in Mn)	
	As at Mar 31, 2022	As at Mar 31, 2021
Statutory remittances	32.94	147.13
Others	14.54	3.22
<b>Total</b>	<b>47.48</b>	<b>150.35</b>

19.1 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 NCD.

## 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:

Authorised :	(₹ in Mn)	
	As at Mar 31, 2022	As at Mar 31, 2021
132,650,000 (PY - 132,650,000) Equity shares of ₹ 2/- each with voting rights	265.30	265.30
<b>Issued, Subscribed and Paid Up:</b> 88,707,803 (PY - 87,882,770) Equity shares of ₹ 2/- each fully paidup with voting rights	177.42	175.77

(b) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at Mar 31, 2022		As at Mar 31, 2021	
	No. of shares	Amount (₹ in Mn)	No. of shares	Amount (₹ in Mn)
At the beginning of the year	8,78,82,770	175.77	8,71,81,042	174.36
Add: Issued during the year	8,25,033	1.65	7,01,728	1.41
<b>Outstanding at the end of the year</b>	<b>8,87,07,803</b>	<b>177.42</b>	<b>8,78,82,770</b>	<b>175.77</b>

(c) 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 Company declares and pays dividend in Indian Rupees. During the year ended March 31, 2022, a special dividend of ₹Nil (PY. ₹40/-) and an interim dividend of ₹55/- (PY. ₹30/-) has been paid and recognised as distribution to equity shareholders.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) Details of shareholders holding more than 5% shares

Particulars	As at Mar 31, 2022		As at Mar 31, 2021	
	No. of shares	% holding	No. of shares	% holding
General Atlantic Singapore Fund Pte Ltd	1,86,19,550	21.0%	1,86,19,550	21.2%
FIH Mauritius Investments Ltd	1,20,91,635	13.6%	1,20,91,635	13.8%
Nirmal Jain	62,28,856	7.0%	62,28,856	7.1%

**(e) Shares reserved for issue under options**

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company, please refer note. 33

**(f)** During the period of 5 years immediately preceding the Balance Sheet date, the Company has not issued any equity shares without payment being received in cash, bonus shares and has not bought back any equity shares, except for shares issued under the composite scheme of arrangement.

Sr no	Promoters Name	As at March 31,2022		% change during the year
		No of shares	%holding	
1	Nirmal Bhanwarlal Jain	62,28,856	7.0%	-0.1%
2	Yatin Shah	33,56,490	3.8%	0.0%
3	Kyra Family Private Trust (trustee being IIFL Investment Adviser and Trustee Services Ltd)	15,00,000	1.7%	0.0%
4	Kush Family Private Trust (trustee being IIFL Investment Adviser and Trustee Services Ltd)	15,00,000	1.7%	0.0%
5	Nirmal Madhu Family Private Trust (trustee being Mansukhlal Jain and Harshita Nirmal Jain)	14,28,571	1.6%	0.0%
6	Madhu N Jain	13,74,999	1.6%	0.0%
7	Venkataraman Rajamani	13,49,204	1.5%	0.0%
8	Kalki Family Private Trust (trustee being Aditi Avinash Athavankar)	12,85,714	1.4%	-0.1%
9	Shilpa Bhagat	11,25,821	1.3%	0.0%
10	Karan Bhagat	2,45,911	0.3%	0.0%
11	Aditi Athavankar	28,571	0.0%	0.0%
12	Ami Yatin Shah	571	0.0%	0.0%
13	Kyrush Investments (Karan Bhagat being Partner)	3,78,268	0.4%	0.4%
14	Ardent Impex Pvt Ltd	4,85,714	0.5%	-0.1%
15	Orpheus Trading Pvt Ltd	2,35,714	0.3%	0.0%
<b>TOTAL</b>		<b>2,05,24,404</b>	<b>23.1%</b>	

Sr no	Promoters Name	As at March 31,2021		% change during the year
		No of shares	%holding	
1	Nirmal Bhanwarlal Jain	62,28,856	7.1%	0.1%
2	Yatin Shah	33,56,490	3.8%	0.0%
3	Kyra Family Private Trust (trustee being IIFL Investment Adviser and Trustee Services Ltd)	15,00,000	1.7%	0.0%
4	Kush Family Private Trust (trustee being IIFL Investment Adviser and Trustee Services Ltd)	15,00,000	1.7%	0.0%
5	Nirmal Madhu Family Private Trust (trustee being Mansukhlal Jain and Harshita Nirmal Jain)	14,28,571	1.6%	0.0%
6	Madhu N Jain	13,74,999	1.6%	0.0%
7	Venkataraman Rajamani	13,49,204	1.5%	0.0%
8	Kalki Family Private Trust (trustee being Aditi Avinash Athavankar)	12,85,714	1.5%	0.0%
9	Shilpa Bhagat	11,25,821	1.3%	0.0%
10	Karan Bhagat	2,45,911	0.3%	-0.1%
11	Aditi Athavankar	28,571	0.0%	0.0%
12	Ami Yatin Shah	571	0.0%	0.0%
34	Ardent Impex Pvt Ltd	4,85,714	0.6%	0.0%
35	Orpheus Trading Pvt Ltd	2,35,714	0.3%	0.0%
42	<b>TOTAL</b>	<b>2,01,46,136</b>	<b>22.9%</b>	



## 21 OTHER EQUITY

(₹ in Mn)

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Securities premium	19,851.38	19,232.14
General reserve	133.68	133.66
Capital reserve	114.59	114.59
ESOP Reserve	755.67	638.10
Retained earnings	3,226.97	4,002.95
<b>Total</b>	<b>24,082.29</b>	<b>24,121.44</b>

## 22 FEE AND COMMISSION INCOME

(₹ in Mn)

Particulars	2021-22	2020-21
Fees & Commission	889.06	1,377.81
<b>TOTAL</b>	<b>889.06</b>	<b>1,377.81</b>

## 23 OTHER INCOME

(₹ in Mn)

Particulars	2021-22	2020-21
Interest income	403.65	170.05
Profit on cancellation of lease	0.13	0.09
Rent income	184.93	189.05
Change in fair value of investments - realised	492.40	169.53
Change in fair value of investments - unrealised	1,191.71	60.08
Dividend income (from subsidiaries)	2,437.09	5,701.03
Distribution income	346.31	-
Miscellaneous income	2.39	(0.03)
<b>Total</b>	<b>5,058.61</b>	<b>6,289.80</b>

## 24 FINANCE COST

(₹ in Mn)

Particulars	2021-22			2020-21		
	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	-	440.75	440.75	-	250.75	250.75
Other interest expense	-	1.10	1.10	-	0.59	0.59
<b>Total</b>	<b>-</b>	<b>441.85</b>	<b>441.85</b>	<b>-</b>	<b>251.34</b>	<b>251.34</b>

## 25 IMPAIRMENT ON FINANCIAL INSTRUMENTS

(₹ in Mn)

Particulars	2021-22		2020-21	
	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 Receivable	-	(18.81)	-	19.46
On Investments	-	32.73	-	-
<b>Total</b>	<b>-</b>	<b>13.92</b>	<b>-</b>	<b>19.46</b>

**26 EMPLOYEE BENEFIT EXPENSES**

Particulars	(₹ in Mn)	
	2021-22	2020-21
Salaries and wages	489.39	271.95
Contribution to provident and other funds	11.01	11.73
Share based payments to employees	34.14	78.31
Staff welfare expenses	14.12	13.09
Gratuity expense	1.23	2.88
Leave encashment	0.19	-
<b>Total</b>	<b>550.08</b>	<b>377.96</b>

**26.1. Gratuity Abridged Disclosure Statement as Per Indian Accounting Standard 19 (Ind AS 19)**

Particulars	(₹ in Mn)	
	2021-22	2020-21
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	Funded
Starting period	01-Apr-21	01-Apr-20
Date of reporting	31-Mar-22	31-Mar-21
Period of reporting	12 Months	12 Months
<b>Assumptions</b>		
Expected return on plan assets	6.90%	6.33%
Rate of discounting	6.90%	6.33%
Rate of salary increase	7.50%	7.50%
Rate of employee turnover	For service 4 years and below 15.00% p.a. For service 5 years and above 7.50% p.a.	For service 4 years and below 15.00% p.a. For service 5 years and above 7.50% p.a.
Mortality rate during employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality (2006-08) Ultimate
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 year	19.90	24.50
Interest cost	0.86	1.48
Current service cost	1.52	2.64
Past service cost	-	-
Liability transferred in/ acquisitions	0.29	1.94
(Liability transferred out/ divestments)	(6.81)	(6.33)
(Gains)/ losses on curtailment	-	-
(Liabilities extinguished on settlement)	-	-
(Benefit paid directly by the employer)	(1.60)	-
(Benefit paid from the fund)	(14.04)	(3.97)
The effect of changes in foreign exchange rates	-	-
Actuarial (gains)/losses on obligations - due to change in demographic assumptions	(0.01)	-

(₹ in Mn)

Particulars	2021-22	2020-21
Actuarial (gains)/losses on obligations - due to change in financial assumptions	(0.59)	(0.54)
Actuarial (gains)/losses on obligations - due to experience	14.19	0.18
Present value of benefit obligation at the end of the year	13.71	19.90
<b>Table showing change in the fair value of plan assets</b>		
Fair value of plan assets at the beginning of the year	18.16	20.61
Interest income	1.15	1.24
Contributions by the employer	-	-
Expected contributions by the employees	-	-
Assets transferred in/acquisitions	-	-
(Assets transferred out/ divestments)	-	-
(Benefit paid from the fund)	(14.04)	(3.97)
(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	4.83	0.28
Fair value of plan assets at the end of the year	10.10	18.16
<b>Amount recognized in the balance sheet</b>		
(Present value of benefit obligation at the end of the year)	(13.71)	(19.90)
Fair value of plan assets at the end of the year	10.10	18.16
Funded status (surplus/ (deficit))	(3.61)	(1.74)
Net (liability)/asset recognized in the balance sheet	(3.61)	(1.74)
<b>Net interest cost for current year</b>		
Interest cost	0.86	1.48
(Interest income)	(1.15)	(1.24)
Net interest cost for current year	(0.29)	0.24
<b>Expenses recognized in the statement of profit or loss for current year</b>		
Current service cost	1.52	2.64
Net interest cost	(0.29)	0.24
Past service cost	-	-
(Expected contributions by the employees)	-	-
(Gains)/losses on curtailments and settlements	-	-
Net effect of changes in foreign exchange rates	-	-
Expenses recognized	1.23	2.88
<b>Expenses recognized in the other comprehensive income (OCI) for current year</b>		
Actuarial (gains)/losses on obligation for the year	13.59	(0.36)
Return on plan assets, excluding interest income	(4.83)	(0.28)
Change in asset ceiling	-	-
Net (income)/expense for the year recognized in OCI	8.76	(0.64)
<b>Balance sheet reconciliation</b>		
Opening net liability	1.74	3.89
Expenses recognized in statement of profit or loss	1.23	2.88
Expenses recognized in OCI	8.76	(0.64)
Net liability/(asset) transfer in	0.29	1.94
Net (liability)/asset transfer out	(6.81)	(6.33)
(Benefit paid directly by the employer)	(1.60)	-

(₹ in Mn)

Particulars	2021-22	2020-21
(Employer's contribution)	-	-
Net liability/(asset) recognized in the balance sheet	3.61	1.74
<b>Category of assets</b>		
Government of india assets	-	-
State government securities	-	-
Special deposits scheme	-	-
Debt instruments	-	-
Corporate bonds	-	-
Cash and cash equivalents	-	-
Insurance fund	10.10	18.16
Asset-backed securities	-	-
Structured debt	-	-
Other	-	-
<b>Total</b>	<b>10.10</b>	<b>18.16</b>
<b>Other details</b>		
No of active members	44	94
Per month salary for active members	8.85	9.60
Weighted Average Duration of the Projected Benefit Obligation	9	9
Average Expected Future Service	8	9
Projected benefit obligation (pbo)	13.71	19.90
Prescribed contribution for next year (12 months)	5.45	4.21
<b>Maturity analysis of the benefit payments</b>		
1st following year	1.04	1.46
2nd following year	1.10	1.58
3rd following year	1.26	1.60
4th following year	1.23	1.66
5th following year	1.19	1.62
Sum of years 6 to 10	5.73	8.96
Sum of years 11 and above	13.39	18.74
<b>Sensitivity analysis</b>		
PBO on current assumptions	13.72	19.90
Delta effect of +1% change in rate of discounting	(0.93)	(1.43)
Delta effect of -1% change in rate of discounting	1.05	1.63
Delta effect of +1% change in rate of salary increase	0.53	0.92
Delta effect of -1% change in rate of salary increase	(0.52)	(0.89)
Delta effect of +1% change in rate of employee turnover	0.14	0.11
Delta effect of -1% change in rate of employee turnover	(0.16)	(0.13)

## 26.2 Defined Contribution Plans:

The Company has recognised the following amounts as an expense and included in the Employee Benefit Expenses.

(₹ in Mn)

Particulars	2021-22	2020-21
Contribution to provident fund	11.01	11.73
<b>Total</b>	<b>11.01</b>	<b>11.73</b>



## 27 OTHER EXPENSES

Particulars	(₹ in Mn)	
	2021-22	2020-21
Operations, treasury and fund management expenses	4.25	5.44
Rent and energy cost	0.79	3.83
Insurance	7.13	2.72
Repairs & maintenance	4.92	1.11
Marketing, advertisement and business promotion expenses	27.88	5.82
Travelling & conveyance	10.44	7.30
Legal & professional fees	121.62	128.62
Communication	0.30	0.70
Software charges / Technology cost	9.47	25.40
Office & other expenses	11.62	13.98
Loss on sale of assets	0.05	0.06
Directors' fees and commission	10.55	5.76
Remuneration to Auditors :		
Audit fees	4.90	2.83
Certification expenses	0.32	0.19
Out Of pocket expenses	0.09	0.22
Corporate social responsibility expenses & donation	23.32	27.70
<b>Total</b>	<b>237.65</b>	<b>231.68</b>

## 28 INCOME TAXES

Disclosure pursuant to Ind AS 12 "Income Taxes"

(a) Major components of tax expense/ (income) (Total Operations)

Sr. No.	Particulars	(₹ in Mn)	
		2021-22	2020-21
	Statement of Profit and Loss:		
(a)	Profit and Loss section:		
	(i) Current Income tax :		
	Current income tax expense	135.76	213.57
	Tax expense in respect of earlier years	-	(2.11)
		<u>135.76</u>	<u>211.46</u>
	(ii) Deferred Tax:		
	Tax expense on origination and reversal of temporary differences	318.93	41.02
		<u>318.93</u>	<u>41.02</u>
	<b>Income tax expense reported in the statement of profit or loss [(i)+(ii)]</b>	<b>454.69</b>	<b>252.48</b>
(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	(2.20)	0.16
		<u>(2.20)</u>	<u>0.16</u>
	<b>Income tax expense reported in the other comprehensive income [(i)+(ii)]</b>	<b>(2.20)</b>	<b>0.16</b>

(b) Reconciliation of Income tax expense and accounting profit multiplied by domestic tax rate applicable in India:

		(₹ in Mn)	
Sr. No.	Particulars	2021-22	2020-21
(a)	<b>Profit/(loss) before tax</b>	4,543.10	6,656.18
(b)	Income tax expense at tax rates applicable to individual entities	1,143.41	1,675.23
(c)	(i) Tax on income subject to lower tax rate		
	(A) Gains on investments (including fair valuation)	2.79	(8.67)
(d)	Dividend Income exempt due to applicability of provisions of Sec 80M	-	(1,434.80)
(e)	(ii) Tax on Income exempt from Tax		
	(A) Income from Investments (Including tax suffered income on investment in AIF)	(700.53)	(6.58)
	(B) Expenses not allowable as tax deductible as per tax laws	6.77	7.00
	(iii) Effect on deferred tax due to change in Income tax	-	-
	(iv) Tax expense in respect of earlier years	-	-
	(v) Tax effect on various other items	2.25	20.30
	<b>Total effect of tax adjustments [(i) to (xii)]</b>	<b>(688.72)</b>	<b>(1,422.75)</b>
(e)	Tax expense recognised during the year	<b>454.69</b>	<b>252.48</b>
	Effective tax rate	<b>10.01%</b>	<b>3.79%</b>

## 29 EARNINGS PER SHARE

Basic and diluted earnings per share ["EPS"] computed in accordance with INDAS 33 "Earnings per share".

Particulars		2020-21	2020-21
Face value of equity shares in ₹ fully paid up		2.00	2.00
<b>BASIC</b>			
Profit after tax as per statement of profit and loss before other comprehensive income (₹ in Mn)	A	4,088.41	6,403.70
Weighted average number of shares subscribed	B	8,83,26,249	8,74,27,094
Face value of equity shares (in ₹) fully paid		2.00	2.00
Basic EPS (₹)	A/B	46.29	73.25
<b>DILUTED</b>			
Profit after tax as per statement of profit and loss before other comprehensive income (₹ in Mn)	A	4,088.41	6,403.70
Weighted number of shares subscribed	B	8,83,26,249	8,74,27,094
Add: Potential equity shares on account of conversion of employee stock option	C	18,09,929	10,07,730
Weighted average number of shares outstanding	D=B+C	9,01,36,178	8,84,34,824
Diluted EPS (₹)	A/D	45.36	72.41

## 30 CAPITAL, OTHER COMMITMENTS AND CONTINGENT LIABILITIES AT BALANCE SHEET DATE

### Capital and Other Commitments

		(₹ in Mn)	
Particulars		As at Mar 31, 2022	As at Mar 31, 2021
Commitments to contribute funds for the acquisition of property, plant and equipment and intangible assets		4.46	17.85
<b>Total</b>		<b>4.46</b>	<b>17.85</b>

## Contingent Liabilities

Particulars	(₹ in Mn)	
	As at Mar 31, 2022	As at Mar 31, 2021
Corporate guarantee (Refer Note 30.1)	6,100.00	2,100.00
Disputed income tax demand (Refer Note 30.2)	140.71	135.33
Legal matter	166.67	-
<b>Total</b>	<b>6,407.38</b>	<b>2,235.33</b>

30.1 Corporate guarantee issued to a bank towards provision of credit facilities and bank guarantee to subsidiaries of the Company.

30.2 Amount paid under protest with respect to income tax demand ₹ 97.05 Mn (PY - ₹ 89.17 Mn)

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.

30.3 The Company has received demand towards stamp duty on account of the Composite Scheme of Arrangement. The demand has been raised for a sum of ₹ 750.00 Mn. As per the scheme document any incidental expenses will be borne by the resulting companies i.e IIFL Finance Limited, IIFL Securities Limited and IIFL Wealth Management Limited equally. The Company has appealed against the same and paid ₹ 83.33 million under protest towards its share of the liability and shown ₹ 166.67 million as Contingent liability.

## 31 CORPORATE SOCIAL RESPONSIBILITY

Particulars	(₹ in Mn)	
	2021-22	2020-21
Amount required to be spent by the company during the year	22.32	27.65
Amount of expenditure incurred	22.32	27.65
Shortfall at the end of the year	-	-
Reason for shortfall	NA	NA
Provision of CSR	-	-
Nature of CSR activities	Livelihoods and livelihoods-incubator	Education and healthcare including COVID Relief

The Company has met its CSR obligations through its fellow subsidiary IIFLW CSR Foundation. (Refer Note no 34)

## 32 DISCLOSURE PURSUANT TO IND AS 107 "FINANCIAL INSTRUMENTS: DISCLOSURES"

### Financial Risk Management

#### 32A.1. Credit Risk

Credit risk refers to risk that a counterparty 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 to group companies. 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 :**

Particulars	(₹ in Mn)	
	Year Ended March 31, 2022	Year Ended March 31, 2021
<b>Balance at the beginning of the year</b>	19.45	-
Movement in expected credit loss allowances on trade receivable	(18.81)	19.46
Others	-	(0.01)
<b>Balance at the end of the year</b>	<b>0.64</b>	<b>19.45</b>

### 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 counterparty risk.

### 32B. 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:

(₹ in Mn)

Financial liabilities	As at March 31, 2022					
	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	164.63	87.73	76.90	-	-	-
Debt securities	7,439.02	314.38	4,581.82	-	2,542.82	-
Other financial liabilities	9,034.99	-	9,034.67	0.31	-	-
<b>Total</b>	<b>16,638.64</b>	<b>402.11</b>	<b>13,693.39</b>	<b>0.31</b>	<b>2,542.82</b>	<b>-</b>

For Finance Lease Obligation maturity refer note 13

(₹ in Mn)

Financial liabilities	As at March 31, 2021					
	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	115.12	102.50	12.21	0.41	-	-
Debt securities	2,337.31	1,495.37	841.94	-	-	-
Other financial liabilities	137.28	5.46	130.30	1.52	-	-
<b>Total</b>	<b>2,589.71</b>	<b>1,603.33</b>	<b>984.45</b>	<b>1.93</b>	<b>-</b>	<b>-</b>

For Finance Lease Obligation maturity refer note 13

### 32C. 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.

#### 32C.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 2021-2022 are as below:

(₹ in Mn)

Particulars	USD	GBP	MUR	AED	Euro	CHF
Cash and Cash Equivalents	0.04	0.03	0.00#	0.00#	0.00#	0.01

Particulars	CAD	HKD	RIYAL	RMB	SGD	OMR
Cash and Cash Equivalents	0.00#	0.01	0.00#	0.01	0.01	0.00#



The carrying amount of Financial assets and liabilities subject to foreign exchange risk for FY 2020-2021 are as below:

(₹ in Mn)

Particulars	USD	GBP	MUR	AED	Euro	CHF
Cash and Cash Equivalents	0.12	0.03	0.00#	0.00#	0.00#	0.01
Trade Receivables	3.75	-	-	-	-	-
Trade Payables	-	1.66	-	-	-	-

Particulars	CAD	HKD	RIYAL	RMB	SGD	OMR
Cash and Cash Equivalents	0.00#	0.01	0.00#	0.01	0.01	0.00#
Other receivables	-	69.93	-	-	-	-

# Amount less than ₹ 10,000

Below is the sensitivity analysis for the year considering 1% appreciation/(depreciation):

	2021-22	2020-21
<b>Increase</b>		
Impact on Profit and Loss after tax	0.00#	(0.54)
Impact on Equity	0.00#	(0.54)
<b>Decrease</b>		
Impact on Profit and Loss after tax	0.00#	0.54
Impact on Equity	0.00#	0.54

# Amount less than ₹ 10,000

### 32C.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. However, there are no borrowings outstanding at floating rate as on March 31, 2022 and March 31, 2021.

### 32C3. 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 Mn)

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
<b>Financial Assets</b>		
Investments	12,105.50	1,189.36
<b>Total</b>	<b>12,105.50</b>	<b>1,189.36</b>

Sensitivity to change in prices of the above assets and liabilities are measured on the following parameters

Investments in AIFs / MFs /others	1% change in the NAV/price
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 :

	2021-22	2020-21
<b>Increase</b>		
Impact on Profit and Loss after tax	2.62	8.31
Impact on Equity	2.62	8.31
<b>Decrease</b>		
Impact on Profit and Loss after tax	(2.62)	(8.31)
Impact on Equity	(2.62)	(8.31)

### 32D.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 Group and regulatory capital requirements of its businesses and constituent entities.

### 32E. Category Wise Classification for applicable Financial Assets and Liabilities

(₹ in Mn)

Sr No.	Particulars	As at March 31, 2022				Total
		Measured at Amortised Cost	Measured at Cost	Measured At Fair Value through Profit or Loss (P/L)	Measured At Fair Value through Other Comprehensive Income (OCI)	
<b>Financial Assets</b>						
(a)	Cash and cash equivalents	652.86	-	-	-	652.86
(b)	Bank balance other than (a) above	19.48	-	-	-	19.48
(c)	Receivables					-
	(I) Trade receivables	117.29	-	-	-	117.29
	(II) Other receivables	-	-	-	-	-
(d)	Loans	5,715.30	-	-	-	5,715.30
(e)	Investments	-	19,421.91	12,105.50	-	31,527.41
(f)	Other financial assets	66.20	-	-	-	66.20
	<b>Total</b>	<b>6,571.13</b>	<b>19,421.91</b>	<b>12,105.50</b>	<b>-</b>	<b>38,098.54</b>
<b>Financial Liabilities</b>						
(a)	Payables					-
	(I) Trade payables	164.63	-	-	-	164.63
	(II) Other payables	-	-	-	-	-
(b)	Finance Lease Obligation	3.13	-	-	-	3.13
(c)	Debt securities	7,439.02	-	-	-	7,439.02
(d)	Other financial liabilities	9,034.99	-	-	-	9,034.99
	<b>Total</b>	<b>16,641.77</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,641.77</b>

(₹ in Mn)

Sr No.	Particulars	As at March 31, 2021				Total
		Measured at Amortised Cost	Measured at Cost	Measured At Fair Value through Profit or Loss(P/L)	Measured At Fair Value through Other Comprehensive Income (OCI)	
<b>Financial Assets</b>						
(a)	Cash and cash equivalents	1,370.02	-	-	-	1,370.02
(b)	Bank balance other than (a) above	14.19	-	-	-	14.19
(c)	Receivables					-
	(I) Trade receivables	588.23	-	-	-	588.23
	(II) Other receivables	69.93	-	-	-	69.93
(d)	Loans	3.61	-	-	-	3.61
(e)	Investments	-	19,232.89	1,189.36	-	20,422.25
(f)	Other financial assets	1,366.03	-	-	-	1,366.03
	<b>Total</b>	<b>3,412.01</b>	<b>19,232.89</b>	<b>1,189.36</b>	<b>-</b>	<b>23,834.26</b>
<b>Financial Liabilities</b>						
(a)	Payables					-
	(I) Trade payables	115.12	-	-	-	115.12
	(II) Other payables	-	-	-	-	-
(b)	Finance Lease Obligation	3.16	-	-	-	3.16
(c)	Debt securities	2,337.31	-	-	-	2,337.31
(c)	Other financial liabilities	137.28	-	-	-	137.28
	<b>Total</b>	<b>2,592.87</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,592.87</b>



### 32E.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.

#### 32E. 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 March 31, 2022			
	Level 1	Level 2	Level 3	Total
(₹ in Mn)				
<b>Financial Assets</b>				
Investments in Equity instruments- Others	-	9,045.50	-	9,045.50
Investments in Mutual funds	1,500.64	-	-	1,500.64
Investments in Debt securities	-	1,537.32	-	1,537.32
Investments in Alternate Investment Funds #	-	-	22.04	22.04
<b>Total Assets</b>	<b>1,500.64</b>	<b>10,582.82</b>	<b>22.04</b>	<b>12,105.50</b>

# 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 March 31, 2021			
	Level 1	Level 2	Level 3	Total
(₹ in Mn)				
<b>Financial Assets</b>				
Investments in Equity instruments- Others	0.04	-	-	0.04
Investments in Mutual funds	1,057.14	-	-	1,057.14
Investments in Debt securities	-	60.13	-	60.13
Investments in Alternate Investment Funds #	-	-	72.05	72.05
<b>Total Assets</b>	<b>1,057.18</b>	<b>60.13</b>	<b>72.05</b>	<b>1,189.36</b>

# The fair values of these investments are determined basis the NAV published by the funds.

Reconciliation of Level 3 fair value measurements

Particulars	As at	
	Mar 31, 2022	Mar 31, 2021
(₹ in Mn)		
Opening Balance	72.04	47.21
Total gains or losses		
- in profit or loss	2.11	1.23
MTM Gain / ( Loss )	(3.45)	33.65
Purchases	(29.75)	-
Disposal/ Settlements	(18.91)	(10.05)
Transfer out of Level 3	-	-
Closing Balance	22.04	72.04

### 32E. 1b Fair value of financial assets and financial liabilities measured at amortised cost

(₹ in Mn)

Financial Assets and liabilities which are measured at amortised cost for which fair values are disclosed	As at March 31, 2022		As at March 31, 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets</b>				
Cash and cash equivalents	652.86	652.86	1,370.02	1,370.02
Bank balance other than above	19.48	19.48	14.19	14.19
<b>Receivables</b>				
(I) Trade receivables	117.29	117.29	588.23	588.23
(II) Other receivables	-	-	69.93	69.93
Loans	5,715.30	5,715.30	3.61	3.61
Investments	-	-	-	-
Other financial assets	66.20	66.20	1,366.03	1,366.03
<b>Financial Liabilities</b>				
(I) Trade payables	164.63	164.63	115.12	115.12
(II) Other payables	-	-	-	-
Finance Lease Obligation	3.13	3.13	3.16	3.16
Debt securities	7,439.02	7,394.74	2,337.31	2,337.31
Other financial liabilities	9,034.99	9,034.99	137.28	137.28

#### 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, finance lease obligations and other financial liabilities are considered to be the same as their fair values due to their short term nature.

(₹ in Mn)

Financial Assets and liabilities which are measured at amortised cost for which fair values are disclosed	As at March 31, 2022			
	Level 1	Level 2	Level 3	Total
<b>Financial Liabilities</b>				
Debt securities	-	7,394.74	-	7,394.74

Financial Assets and liabilities which are measured at amortised cost for which fair values are disclosed	As at March 31, 2021			
	Level 1	Level 2	Level 3	Total
<b>Financial Liabilities</b>				
Debt securities	-	-	-	-

### 33 A

The Company i.e. IIFL Wealth Management Limited has implemented equity settled Employee Stock Options Scheme 2012 (IIFLW ESOP 2012), Employee Stock Options Scheme 2015 (IIFLW ESOP 2015), Employee Stock Options Scheme 2019 (IIFLW ESOP 2019) and Employee Stock Options Scheme 2021 (IIFLW ESOP 2021) 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.

The details of various Employee Stock Option Schemes are as under:

Particulars	IIFLW ESOP 2012	IIFLW ESOP 2015	IIFLW ESOP 2019	IIFLW ESOP 2021
No. of options granted up to March 31, 2022	2,731,935	9,242,941	3,231,106	2,516,224
	(A - 1,240,900; B - 752,550; C - 607,500; D - 117,100; E - 13,885)	(A - 4,200,000; B - 2,765,945; C - 900,000; D - 950,000; E - 121,141; F - 135,827; G - 170,028)	(A - 1,242,909; B - 1,096,000; C - 61,530; D - 20,000; E - 36,000; F - 671,000; G - 52,167; H - 25,000; I - 26,500)	(A - 2,004,000; B - 346,724; C - 82,000; D - 56,500; E - 27,000)

Particulars	IIFLW ESOP 2012	IIFLW ESOP 2015	IIFLW ESOP 2019	IIFLW ESOP 2021
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 - July 02, 2015, C - November 10, 2016 D- July 21, 2017; E - January 13, 2018; F - January 28, 2018; G - January 29, 2019	A - November 15, 2019, B - November 15, 2019, C - October 23, 2020, D - October 23, 2020, E - February 25, 2021, F - April 23, 2021, G - July 28, 2021, H - October 27, 2021, I - January 27, 2022	A - April 23, 2021, B - July 28, 2021, C - October 27, 2021, D - January 27, 2022, E - March 04, 2022
Method of accounting	Fair value	Fair value	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	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	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	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, E - ₹ 417 .00	A, B - ₹ 282.00, C - ₹ 339.00, D,E, F - ₹ 417.00, G - ₹ 1661.00	A - ₹ 861.00, B - ₹ 861.00, C - ₹ 900.00, D - ₹ 900.00, E - ₹ 1147.00, F - ₹ 1060.00, G - ₹ 1316.00, H - ₹ 1565.00, I - ₹ 1515.00	A - ₹ 1060.00, B - ₹ 1316.00, C - ₹ 1565.00, D - ₹ 1515.00, E - ₹ 1464.25
Fair value on the date of grant of option (₹ Per Share)	₹ 11.80 - ₹ 409.00	₹ 274.00 - ₹1297.00	₹ 899.45 - ₹ 1564.50	₹ 1069.55 - ₹ 1564.50

### (B) Movement of options granted:

#### As at March 31, 2022

Particulars	IIFLW ESOP 2012	IIFLW ESOP 2015	IIFLW ESOP 2019	IIFLW ESOP 2021
Options outstanding at the beginning of April 01, 2021	2,114	741,693	2,207,703	-
Granted during the year	-	-	774,667	2,516,224
Exercised during the year	554	406,888	410,901	-
Lapsed during the year	1,560	19,158	129,937	311,440
Options outstanding as at March 31, 2022	-	315,647	2,441,532	2,204,784
Exercisable at the end of the year March 31,2022	-	315,647	851,698	-
Weighted average exercise price for the options exercised during the year FY 21-22	₹ 417.00	₹ 399.73	₹ 862.83	NA
Range of exercise price for the options outstanding at the end of the year March 31, 2022	NA	₹ 282.00 to ₹ 1661.00	₹ 861.00 to ₹ 1565.00	₹ 1060.00 to ₹ 1565.00

### As at March 31, 2021

Particulars	IIFLW ESOP 2012	IIFLW ESOP 2015	IIFLW ESOP 2019	IIFLW ESOP 2021
Options outstanding at the beginning of April 01, 2020	14,245	1,320,195	2,299,326	-
Granted during the year	-	-	117,530	-
Exercised during the year	5,131	545,077	125,026	-
Lapsed during the year	7,000	33,425	84,127	-
Options outstanding as at March 31, 2021	2,114	741,693	2,207,703	-
Exercisable at the end of the year March 31, 2021	1,560	329,604	585,980	-
Weighted average exercise price for the options exercised during the year FY 20-21	₹ 80.94	₹ 358.64	₹ 861.00	-
Range of exercise price for the options outstanding at the end of the year March 31, 2021	₹ 19.00 to ₹ 417.00	₹ 282.00 to ₹ 1661.00	₹ 861.00 to ₹ 1147.00	-

#### 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:

Particulars	IIFLW ESOP 2012	IIFLW ESOP 2015	IIFLW ESOP 2019	IIFLW ESOP 2021
Risk free interest rate	6.67%-9.09%	6.19%-7.86%	4.20%-5.99%	4.90%-5.82%
Expected average life	2-5 years	2-5 years	2-6 years	2-5 years
Expected volatility of Share Price	10.00%	10.00%	12.24% - 25.16%	18.39% - 25.44%
Dividend yield	3%-23.19%	1.5% - 3%	1.95% - 5.70%	5.65% - 5.70%
Fair value on the date of the grant	₹ 11.80 - ₹ 409.00	₹ 274.00 - ₹1297.00	₹ 899.45 - ₹ 1564.50	₹ 899.45 - ₹ 1564.50

### 33B

In terms of the Composite Scheme of Arrangement (Scheme) amongst IIFL Finance Limited (formerly known as IIFL Holdings Limited), India Infoline Finance Limited, India Infoline Media and Research Services Limited ("IIFL M&R"), IIFL Securities Limited ("IIFL Securities"), the Company ("IIFL Wealth") and IIFL Wealth Distribution Services Limited (Formerly known as 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 was approved by the National Company Law Tribunal Bench at Mumbai (Tribunal) on March 07, 2019 under the applicable provisions of the Companies Act, 2013, the equity options holders of IIFL Finance Limited (formerly known as IIFL Holdings Limited) (Options holders) has been granted 1 stock option by the Company for every 7 stock options held in IIFL Finance Limited, on terms and conditions similar to the ESOP Scheme of IIFL Finance Limited. Accordingly, 1,27,912 options of IIFL Wealth Management Limited were granted on August 21, 2019.

Particulars	ESOP Scheme Pursuant to Composite Scheme of Demerger
No. of options granted up to March 31, 2022	127,912 A - 127,912
Grant dates	A - May 31, 2019 (i.e. effective date of Demerger)
Method of accounting	NA*
Vesting plan	Options granted would vest as per the vesting schedule as determined under each series of grant of IIFL Finance Limited (formerly known as IIFL Holdings Limited) after taking the effect of demerger dated May 31, 2019 and as approved by Nomination & Remuneration Committee subject to minimum period of one year from the original date of grant of such options
Exercise period	Five years from the Original date of grant
Grant price (₹ Per Share)	₹ 82.02, ₹218.71, ₹25.79, ₹26.47, ₹31.05, ₹61.40, ₹82.73
Fair value on the date of grant of option (₹ Per Share)	NA*

\* the scheme has been implemented on account of Composite Scheme of Arrangement as mentioned above in lieu of existing ESOP scheme of IIFL Finance Limited (formerly Known as IIFL Holdings Ltd.). This, being in lieu of modification of erstwhile ESOP scheme of IIFL Finance Ltd., no separate fair-valuation is required to be carried out by the Company



**(B) Movement of options granted:****As at March 31, 2022**

Particulars	ESOP Scheme Pursuant to Composite Scheme of Demerger
Options outstanding at the beginning of April 01, 2021	16,010
Granted during the year	-
Exercised during the year	6,690
Lapsed during the year	722
Options outstanding as at March 31, 2022	8,598
Exercisable at the end of the year March 31, 2022	8,598
Weighted average exercise price for the options exercised during the year FY 21-22	₹ 82.02
Range of exercise price for the options outstanding at the end of the year March 31, 2022	₹ 82.02 to ₹ 218.71

**As at March 31, 2021**

Particulars	ESOP Scheme Pursuant to Composite Scheme of Demerger
Options outstanding at the beginning of April 01, 2020	43,687
Granted during the year	-
Exercised during the year	26,494
Lapsed during the year	1,183
Options outstanding as at March 31, 2021	16,010
Exercisable at the end of the year March 31, 2021	15,324
Weighted average exercise price for the options exercised during the year FY 20-21	₹ 86.45
Range of exercise price for the options outstanding at the end of the year March 31, 2021	₹ 82.02 to ₹ 218.71

**34 RELATED PARTY DISCLOSURES**

Related party disclosures for the year ended March 31, 2022

**a) List of Related Parties:**

Nature of relationship	Name of party
<b>Director/ Key Managerial Personnel</b>	Mr. Karan Bhagat, Managing Director
	Mr. Yatin Shah, Non Executive Director
	Mr. Nirmal Jain, Non Executive Director
	Mr. Venkataraman Rajamani, Non Executive Director
	Mr. Nilesh Vikamsey, Independent Director
	Ms. Geeta Mathur, Independent Director
	Mr. Sandeep Achyut Naik, Non Executive Director
	Mr. Shantanu Rastogi, Non Executive Director
	Mr. Subbaraman Narayan, Independent Director
	Mr. Pankaj Vaish, Independent Director
	Mr. Gopalkrishnan Soundarajan, Independent Director
	Mr. Mihir Nanavati, Chief Financial Officer (upto September 1, 2021)
	Mr. Sanjay Wadhwa, Chief Financial Officer (w.e.f September 2, 2021)
	Mr. Amit Bhandari, Company Secretary (upto August 03, 2021)
Mr. Rohit Bhave, Company Secretary (w.e.f August 04, 2021)	

Nature of relationship	Name of party
<b>Subsidiaries including step down subsidiaries</b>	IIFL Wealth Prime Limited (Formerly known as IIFL Wealth Finance Limited) IIFL Asset Management Limited IIFL Investment Adviser and Trustee Services Limited IIFL Trustee Limited IIFL Wealth Portfolio Managers Limited IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services Limited) IIFL Wealth Securities IFSC Limited IIFL Wealth Capital Markets Limited (Formerly known as L & T Capital Markets Limited) IIFL Wealth Altiore Limited (Formerly known as IIFL Altiore Advisors Limited) IIFL Wealth Employee Welfare benefit Trust (upto January 11, 2022) IIFL Private Wealth Management (Dubai) Limited IIFL Inc. IIFL Asset Management (Mauritius) Limited IIFL (Asia) Pte. Limited * IIFL Capital Pte. Limited * IIFL Securities Pte. Limited * IIFL Capital (Canada) Limited IIFLW CSR Foundation
<b>Other Related Party</b>	IIFL Finance Limited IIFL Securities Limited IIFL Commodities Limited (Formerly known as India Infoline Commodities Limited) Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited w.e.f. February 22, 2022) IIFL Management Services Limited (Formerly known as India Infoline Insurance Services Limited) IIFL Wealth (UK) Limited IIFL Capital Inc. IIFL Facilities Services Limited (Formerly known as IIFL Real Estate Limited) IIFL Securities Services IFSC Limited Livlong Protection & Wellness Services Limited (Formerly known as IIFL Corporate Services Limited w.e.f. October 6, 2021) IIFL Home Finance Limited Samasta Microfinance Limited (w.e.f March 01, 2017) Meenakshi Tower LLP (Joint Venture of IIFL Management Services Limited) Shreyans Foundation LLP India Infoline Foundation 5paisa Capital Limited 5paisa Trading Limited IIFL Sales Limited Giskard Datatech Private Limited (Associate Company w.e.f. November 06, 2020 and Ceased to be Associate Company w.e.f. December 30, 2021) General Atlantic Singapore Fund Pte Limited Mrs. Shilpa Bhagat (Spouse of Mr. Karan Bhagat) Ms. Madhu Bhagat (Mother of Mr. Karan Bhagat) Mr. Kush Bhagat (Son of Mr. Karan Bhagat) Ms. Kyra Bhagat (Daughter of Mr. Karan Bhagat) Mr. Varun Bhagat (Brother of Mr. Karan Bhagat)

Nature of relationship	Name of party
	Mrs. Ami Yatin Shah (Spouse of Mr. Yatin Shah)
	Yatin Prakash Shah HUF
	Prakashchandra Chunilal Shah HUF
	Mr. Prakashchandra Shah (Father of Mr. Yatin Shah)
	Mrs. Hansadevi Shah (Mother of Mr. Yatin Shah)
	Kiaan Shah (Son of Mr. Yatin Shah)
	Naysa Shah (Daughter of Mr. Yatin Shah)
	Ms. Yasmita Sarju Vakil (Sister of Mr. Yatin Shah)
	Ms. Shefali Devani (Sister of Mr. Yatin Shah)
	Mrs. Madhu Jain (Spouse of Mr. Nirmal Jain)
	Mr. Bhanwarlal Jain (Father of Mr. Nirmal Jain)
	Ms. Sunderben Jain (Mother of Mr. Nirmal Jain)
	Mr. Bhavya Jain (Son of Mr. Nirmal Jain)
	Ms. Kalpita Jain (Daughter of Mr. Nirmal Jain)
	Ms. Harshita Jain (Daughter of Mr. Nirmal Jain)
	Mr. Mansukh Jain and Mr. Ramesh Jain (Brother of Mr. Nirmal Jain)
	Ms. Pushpa Khokhawat (Sister of Mr. Nirmal Jain)
	Ms. Aditi Athavankar (Spouse of Mr. Venkataraman Rajamani)
	Mr. Rajamani (Father of Mr. Venkataraman Rajamani)
	Ms. Syamala (Mother of Mr. Venkataraman Rajamani)
	Mr. Vihaan Venkataraman (Son of Mr. Venkataraman Rajamani)
	Mr. Varun Venkataraman (Son of Mr. Venkataraman Rajamani)
	Ms. Nandini (Sister of Mr. Venkataraman Rajamani)
	Ms. Anchal Rastogi (Spouse of Mr. Shantanu Rastogi)
	Mr. Girish Kumar Rastogi (Father of Mr. Shantanu Rastogi)
	Ms. Nisha Rastogi (Mother of Mr. Shantanu Rastogi)
	Mr. Vir Rastogi (Son of Mr. Shantanu Rastogi)
	Mr. Yug Rastogi (Son of Mr. Shantanu Rastogi)
	Mr. Shivam Rastogi (Brother of Mr. Shantanu Rastogi)
	Mrs. Bhakti Prabhu Naik (Spouse of Mr. Sandeep Naik)
	Mr. Achyut Madhushiva Naik (Father of Mr. Sandeep Naik)
	Ms. Suman Achyut Naik (Mother of Mr. Sandeep Naik)
	Mr. Naman Naik (Son of Mr. Sandeep Naik)
	Mr. Kian Naik (Son of Mr. Sandeep Naik)
	Mr. Deepak Achyut Naik (Brother of Mr. Sandeep Naik)
	Mr. Sunil Achyut Naik (Brother of Mr. Sandeep Naik)
	Ms. Prajakta Thakur (Sister of Mr. Sandeep Naik)
	Ms. Shalini Gopalakrishnan (Spouse of Mr. Gopalakrishnan Soundarajan)
	Mr. Govindarajan Soundarajan (Father of Mr. Gopalakrishnan Soundarajan)
	Ms. Sakunthla Soundarajan (Mother of Mr. Gopalakrishnan Soundarajan)
	Mr. Adidev Gopalakrishnan (Son of Mr. Gopalakrishnan Soundarajan)
	Ms. Srimathi Basra (Sister of Mr. Gopalakrishnan Soundarajan)
	Mr. Sudhir Mathur (Spouse of Mrs. Geeta Mathur)
	Sudhir Mathur HUF
	Mr. Yogeshwar Datt Sardana (Father of Mrs. Geeta Mathur)
	Mrs. Vidya Rani Sardana (Mother of Mrs. Geeta Mathur)
	Ms. Nandita Mathur, Vasudha Mathur (Daughter of Mrs. Geeta Mathur)

Nature of relationship	Name of party
	Mr. Rajeev Sardana (Brother of Mrs. Geeta Mathur)
	Dr. Archana Bajaj (Sister of Ms. Geeta Mathur)
	Mrs. Bharti Nilesh Vikamsey (Spouse of Mr. Nilesh Vikamsey)
	Mr. Jihaan Nilesh Vikamsey (Son of Mr. Nilesh Vikamsey)
	Mrs. Sharayu Jihaan Vikamsey (Son's wife of Mr. Nilesh Vikamsey)
	Mr. Hemant Shivji Vikamsey (Brother of Mr. Nilesh Vikamsey)
	Mr. Ashok Shivji Vikamsey (Brother of Mr. Nilesh Vikamsey)
	Mr. Kamlesh Shivji Vikamsey (Brother of Mr. Nilesh Vikamsey)
	Mr. Ketan Shivji Vikamsey (Brother of Mr. Nilesh Vikamsey)
	Ms. Sadhana Hiren Dand (Sister of Mr. Nilesh Vikamsey)
	Nilesh Shivji Vikamsey- HUF
	Mrs. Shanthi Narayan (Spouse Mr. Subbaraman Narayan)
	Mr. Sumant (Son of Mr. Subbaraman Narayan)
	Ms. Sweta (Son's wife of of Mr. Subbaraman Narayan)
	Ms. Suchitra (Daughter of Mr. Subbaraman Narayan)
	Mr. Sridhar (Daughter's husband of Mr. Subbaraman Narayan)
	Mrs. Jaya (Sister of Mr. Subbaraman Narayan)
	Mrs. Ruma Vaish (Spouse of Mr. Pankaj Vaish)
	Mrs Manjusha Devi Vaish (Mother of Mr. Pankaj Vaish)
	Mrs .Komal Vaish, Mrs. Kanika Vaish (Daughter of Mr. Pankaj Vaish)
	Mr. Rahul Aggarwal (Daughter's husband of Mr. Pankaj Vaish)
	Mrs Kalpana Gupta (Sister of Mr. Pankaj Vaish)
	Mrs.Bhavya Wadhwa (Spouse of Mr. Sanjay Wadhwa)
	Mr.Tulsio Wadhwa (Father of Mr. Sanjay Wadhwa)
	Mrs. Chandra Wadhwa (Mother of Mr. Sanjay Wadhwa)
	Shail Wadhwa (Son of Mr. Sanjay Wadhwa)
	Drishti Wadhwa (Daughter of Mr. Sanjay Wadhwa)
	Mr. Girish Wadhwa (Brother of Mr. Sanjay Wadhwa)
	Mamta Wadhwa (Sister of Mr. Sanjay Wadhwa)
	Dr. Akanksha Rohit Bhase (Spouse of Mr. Rohit Bhase)
	Mr. Shriniwas Raghunath Bhase (Father of Mr. Rohit Bhase)
	Mrs. Anjali Shrinivas Bhase (Mother of Mr. Rohit Bhase)
	Ms. Uma Rohit Bhase (Daughter of Mr. Rohit Bhase)
	Yatin Investments
	Kyrush Investments
	Naykia Realty Private Limited
	Trend Analytics (India) Private Limited (Formerly known as Financial advisors (India) Private Limited)
	Kyrush Trading & Investments Private Limited (Formerly known as Kyrush Realty Private Limited)
	Orpheous Trading Private Limited
	MNJ Consultants Private Limited
	Ardent Impex Private Limited
	Sunder Bhawar Ventures Private Limited
	Chintamani Properties Private Limited
	5 Paisa P2P Limited
	5 Paisa Insurance Brokers Limited

Nature of relationship	Name of party
	Kush Family Private Trust
	Kyra Family Private Trust
	Kalki Family Private Trust
	Nirmal Madhu Family Private Trust
	Naykia Family Private Trust
	Prakash Shah Family Private Trust
	Bhagat Family Private Trust
	Kyrush Family Private Trust
	Naysa Shah Family Private Trust
	Kiaan Shah Family Private Trust
	FIH Mauritius Investments Limited
	Khimji Kunverji & Co (Partner of the Chartered Accountant Firm)
	ASP Corporate Consultants LLP
	HDFC Education and Development Services Private Limited
	HDFC Sales Private Limited
	Sentiss Pharma Private Limited
	Ummeed Housing Finance Private Limited
	Meradoc Healthtech Private Limited
	Capital Foods Private Limited
	Rubicon Research Private Limited
	No Broker Technologies Solutions Private Limited
	House of Anita Dongre Private Limited
	Sorting Hat Technologies Private Limited
	Castlewood Trading Private Limited
	Rudransh Trading Private Limited
	Gati Kintetsu Express Private Limited
	Indium Software (India) Private Limited

\*IIFL (Asia) Pte. Limited, IIFL Capital Pte. Limited and IIFL Securities Pte. Ltd. have Amalgamated to become IIFL Capital Pte. Limited with effect from October 27, 2021

#### a) Significant Transactions With Related parties

Nature of Transaction	Director/Key Managerial Personnel	Subsidiaries including step down subsidiaries	Other Related Parties	(₹ in Mn)
				Total
<b>Investment</b>				
IIFL Capital Pte Limited	-	221.74	-	<b>221.74</b>
	-	(743.91)	-	<b>(743.91)</b>
<b>Amount received/ receivable on account of reimbursement of Expenses for transition period and creditors paid</b>				
IIFL Wealth Prime Limited (Formerly known as IIFL Wealth Finance Limited)	-	-	-	-
	-	(5.16)	-	<b>(5.16)</b>
<b>Amount paid / payable on account of Transfer of Revenue for transition period &amp; realisation of debtors</b>				
IIFL Wealth Prime Limited (Formerly known as IIFL Wealth Finance Limited)	-	161.61	-	<b>161.61</b>
	-	(335.83)	-	<b>(335.83)</b>
IIFL Wealth Portfolio Managers Limited	-	-	-	-
	-	(26.55)	-	<b>(26.55)</b>

(₹ in Mn)

Nature of Transaction	Director/Key Managerial Personnel	Subsidiaries including step down subsidiaries	Other Related Parties	Total
<b>Sale of Investments</b>				
IIFL Wealth Prime Limited (Formerly known as IIFL Wealth Finance Limited)	-	918.78	-	918.78
	-	(168.69)	-	(168.69)
IIFL Asset Management Limited	-	259.91	-	259.91
	-	-	-	-
<b>Purchase of Investment</b>				
IIFL Wealth Prime Limited (Formerly known as IIFL Wealth Finance Limited)	-	-	-	-
	-	(1,247.27)	-	(1,247.27)
IIFL Wealth Portfolio Managers Limited	-	660.27	-	660.27
	-	(900.97)	-	(900.97)
IIFL Asset Management Limited	-	893.74	-	893.74
	-	-	-	-
<b>Issue of NCD</b>				
IIFL Wealth Portfolio Managers Limited	-	249.51	-	249.51
	-	-	-	-
<b>ICD taken</b>				
IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services Limited)	-	1,690.29	-	1,690.29
	-	(2,495.00)	-	(2,495.00)
IIFL Asset Management Limited	-	280.00	-	280.00
	-	(9,210.00)	-	(9,210.00)
IIFL Wealth Capital Markets Limited (Formerly known as L & T Capital Markets Limited)	-	6,280.00	-	6,280.00
	-	(1,610.00)	-	(1,610.00)
IIFL Wealth Portfolio Managers Limited	-	2,270.00	-	2,270.00
	-	(10,960.00)	-	(10,960.00)
IIFL Wealth Prime Limited (Formerly known as IIFL Wealth Finance Limited)	-	27,740.00	-	27,740.00
	-	(35,236.10)	-	(35,236.10)
IIFL Investment Adviser and Trustee Services Limited	-	-	-	-
	-	(1,210.00)	-	(1,210.00)
<b>ICD Repaid</b>				
IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services Limited)	-	1,690.29	-	1,690.29
	-	(2,495.00)	-	(2,495.00)
IIFL Asset Management Limited	-	280.00	-	280.00
	-	(10,710.00)	-	(10,710.00)
IIFL Wealth Capital Markets Limited (Formerly known as L & T Capital Markets Limited)	-	6,280.00	-	6,280.00
	-	(1,610.00)	-	(1,610.00)
IIFL Wealth Portfolio Managers Limited	-	2,270.00	-	2,270.00
	-	(11,610.00)	-	(11,610.00)
IIFL Wealth Prime Limited (Formerly known as IIFL Wealth Finance Limited)	-	27,740.00	-	27,740.00
	-	(37,067.00)	-	(37,067.00)
IIFL Investment Adviser and Trustee Services Limited	-	-	-	-
	-	(1,480.00)	-	(1,480.00)



(₹ in Mn)

Nature of Transaction	Director/Key Managerial Personnel	Subsidiaries including step down subsidiaries	Other Related Parties	Total
<b>ICD Given</b>				
IIFL Investment Adviser and Trustee Services Limited	-	1,690.00	-	1,690.00
	-	(8,930.00)	-	(8,930.00)
IIFL Wealth Portfolio Managers Limited	-	34,015.00	-	34,015.00
	-	(16,610.00)	-	(16,610.00)
IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services Limited)	-	23,543.48	-	23,543.48
	-	(5,820.00)	-	(5,820.00)
IIFL Asset Management Limited	-	2,375.00	-	2,375.00
	-	(2,557.00)	-	(2,557.00)
IIFL Wealth Prime Limited (Formerly known as IIFL Wealth Finance Limited)	-	99,780.00	-	99,780.00
	-	(47,315.00)	-	(47,315.00)
IIFL Trustee Limited	-	-	-	-
	-	(45.00)	-	(45.00)
IIFL Wealth Altiore Limited (Formerly known as IIFL Altiore Advisors Limited)	-	-	-	-
	-	(5.89)	-	(5.89)
IIFL Wealth Employee Welfare Benefit Trust	-	-	-	-
	-	(10.00)	-	(10.00)
IIFL Wealth Capital Markets Limited (Formerly known as L & T Capital Markets Limited)	-	850.00	-	850.00
	-	(25.77)	-	(25.77)
<b>ICD Received back</b>				
IIFL Investment Adviser and Trustee Services Limited	-	1,690.00	-	1,690.00
	-	(8,930.00)	-	(8,930.00)
IIFL Wealth Portfolio Managers Limited	-	33,115.00	-	33,115.00
	-	(16,610.00)	-	(16,610.00)
IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services Limited)	-	19,263.48	-	19,263.48
	-	(10,070.90)	-	(10,070.90)
IIFL Trustee Limited	-	-	-	-
	-	(45.00)	-	(45.00)
IIFL Asset Management Limited	-	1,875.00	-	1,875.00
	-	(2,557.00)	-	(2,557.00)
IIFL Wealth Prime Limited (Formerly known as IIFL Wealth Finance Limited)	-	99,780.00	-	99,780.00
	-	(47,315.00)	-	(47,315.00)
IIFL Wealth Altiore Limited (Formerly known as IIFL Altiore Advisors Limited)	-	-	-	-
	-	(24.08)	-	(24.08)
IIFL Wealth Employee Welfare Benefit Trust	-	-	-	-
	-	(45.70)	-	(45.70)
IIFL Wealth Capital Markets Limited (Formerly known as L & T Capital Markets Limited)	-	850.00	-	850.00
	-	(25.77)	-	(25.77)
<b>Dividend Income</b>				
IIFL Asset Management (Mauritius) Limited	-	-	-	-
	-	(74.28)	-	(74.28)

				(₹ in Mn)
Nature of Transaction	Director/Key Managerial Personnel	Subsidiaries including step down subsidiaries	Other Related Parties	Total
IIFL Private Wealth Management Dubai Limited	-	-	-	-
	-	(90.72)	-	(90.72)
IIFL Wealth Prime Limited (Formerly known as IIFL Wealth Finance Limited)	-	290.22	-	290.22
	-	(3,207.68)	-	(3,207.68)
IIFL Trustee Limited	-	-	-	-
	-	(50.00)	-	(50.00)
IIFL Asset Management Limited	-	1,797.60	-	1,797.60
	-	(1,749.45)	-	(1,749.45)
IIFL Wealth Portfolio Managers Limited	-	349.27	-	349.27
	-	(528.90)	-	(528.90)
<b>Fees Earned For Services (including Brokerage) rendered</b>				
IIFL Securities Limited	-	-	74.13	74.13
	-	-	(46.03)	(46.03)
IIFL Wealth Capital Markets Limited (Formerly known as L & T Capital Markets Limited)	-	5.16	-	5.16
	-	(1.29)	-	(1.29)
Samasta Microfinance Limited	-	-	6.75	6.75
	-	-	(8.28)	(8.28)
IIFL Finance Limited	-	-	35.55	35.55
	-	-	(121.34)	(121.34)
IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services Limited)	-	27.18	-	27.18
	-	(27.18)	-	(27.18)
IIFL Asset Management Limited	-	27.80	-	27.80
	-	(27.80)	-	(27.80)
IIFL Investment Adviser and Trustee Services Limited	-	5.95	-	5.95
	-	(5.95)	-	(5.95)
IIFL Wealth Portfolio Managers Limited	-	9.06	-	9.06
	-	(9.06)	-	(9.06)
IIFL Wealth Prime Limited (Formerly known as IIFL Wealth Finance Limited)	-	63.76	-	63.76
	-	(63.76)	-	(63.76)
IIFL Wealth Employee Welfare Benefit Trust	-	2.39	-	2.39
	-	-	-	-
<b>Interest Income on ICD Given</b>				
IIFL Wealth Altiore Limited (Formerly known as IIFL Altiore Advisors Limited)	-	-	-	-
	-	(0.89)	-	(0.89)
IIFL Wealth Portfolio Managers Limited	-	91.92	-	91.92
	-	(22.42)	-	(22.42)
IIFL Investment Adviser and Trustee Services Limited	-	4.14	-	4.14
	-	(16.16)	-	(16.16)
IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services Limited)	-	120.00	-	120.00
	-	(145.40)	-	(145.40)
IIFL Asset Management Limited	-	9.70	-	9.70
	-	(4.20)	-	(4.20)

(₹ in Mn)

Nature of Transaction	Director/Key Managerial Personnel	Subsidiaries including step down subsidiaries	Other Related Parties	Total
IIFL Trustee Limited	-	-	-	-
	-	(0.02)	-	(0.02)
IIFL Wealth Prime Limited (Formerly known as IIFL Wealth Finance Limited)	-	124.44	-	124.44
	-	(77.15)	-	(77.15)
IIFL Wealth Securities IFSC Limited	-	0.05	-	0.05
	-	(0.05)	-	(0.05)
IIFL Wealth Employee Welfare Benefit Trust	-	-	-	-
	-	(2.96)	-	(2.96)
IIFL Wealth Capital Markets Limited (Formerly known as L & T Capital Markets Limited)	-	0.60	-	0.60
	-	(0.13)	-	(0.13)
<b>Interest Income on NCD</b>				
IIFL Wealth Prime Limited (Formerly known as IIFL Wealth Finance Limited)	-	13.77	-	13.77
	-	-	-	-
<b>Interest Expense on ICD</b>				
IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services Limited)	-	1.94	-	1.94
	-	(14.18)	-	(14.18)
IIFL Asset Management Limited	-	0.10	-	0.10
	-	(77.83)	-	(77.83)
IIFL Investment Adviser and Trustee Services Limited	-	-	-	-
	-	(12.94)	-	(12.94)
IIFL Wealth Capital Markets Limited (Formerly known as L & T Capital Markets Limited)	-	8.42	-	8.42
	-	(13.32)	-	(13.32)
IIFL Wealth Prime Limited (Formerly known as IIFL Wealth Finance Limited)	-	21.67	-	21.67
	-	(61.07)	-	(61.07)
IIFL Wealth Portfolio Managers Limited	-	1.06	-	1.06
	-	(36.33)	-	(36.33)
<b>Fees/Expenses incurred/Reimbursed For Services Procured</b>				
IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services Limited)	-	2.48	-	2.48
	-	-	-	-
<b>Corporate Social Responsibility Expenses</b>				
IIFLW CSR Foundation	-	21.20	-	21.20
	-	(37.27)	-	(37.27)
<b>Dividend Paid</b>				
Mr. Karan Bhagat	13.53	-	-	13.53
	(12.83)	-	-	(12.83)
Mr. Yatin Shah	184.61	-	-	184.61
	(233.12)	-	-	(233.12)
General Atlantic Singapore Fund Pte Ltd	-	-	1,024.08	1,024.08
	-	-	(1,303.37)	(1,303.37)
Mrs. Shilpa Bhagat	-	-	61.92	61.92
	-	-	(78.81)	(78.81)
Mrs. Aditi Athavankar	-	-	1.57	1.57
	-	-	(92.00)	(92.00)

(₹ in Mn)

Nature of Transaction	Director/Key Managerial Personnel	Subsidiaries including step down subsidiaries	Other Related Parties	Total
Mrs. Ami Yatin Shah	-	-	0.03	<b>0.03</b>
	-	-	(0.04)	<b>(0.04)</b>
Mrs. Madhu Jain	-	-	75.62	<b>75.62</b>
	-	-	(96.25)	<b>(96.25)</b>
Mr. Nirmal Jain	342.59	-	-	<b>342.59</b>
	(436.02)	-	-	<b>(436.02)</b>
Mr. Mansukhlal Jain	-	-	78.57	<b>78.57</b>
	-	-	-	<b>-</b>
Mr. Venkataraman R.	74.21	-	-	<b>74.21</b>
	(94.44)	-	-	<b>(94.44)</b>
Kalki Family Private Trust	-	-	70.71	<b>70.71</b>
	-	-	-	<b>-</b>
Ardent Impex Pvt Ltd	-	-	26.71	<b>26.71</b>
	-	-	(34.00)	<b>(34.00)</b>
Orpheus Trading Pvt Ltd	-	-	12.96	<b>12.96</b>
	-	-	(16.50)	<b>(16.50)</b>
Kyra Family Private Trust	-	-	82.50	<b>82.50</b>
	-	-	(105.00)	<b>(105.00)</b>
Kush Family Private Trust	-	-	82.50	<b>82.50</b>
	-	-	(105.00)	<b>(105.00)</b>
Nirmal Madhu Family Private Trust	-	-	-	<b>-</b>
	-	-	(100.00)	<b>(100.00)</b>
FIH Mauritius Investments Limited	-	-	665.04	<b>665.04</b>
	-	-	(846.41)	<b>(846.41)</b>
Mr. Nilesh Vikamsey	1.30	-	-	<b>1.30</b>
	(0.71)	-	-	<b>(0.71)</b>
<b>Allocation / Reimbursement of expenses Received</b>				
IIFL Asset Management Limited	-	30.02	-	<b>30.02</b>
	-	(19.97)	-	<b>(19.97)</b>
IIFL Investment Adviser and Trustee Services Limited	-	4.96	-	<b>4.96</b>
	-	(3.23)	-	<b>(3.23)</b>
IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services Limited)	-	64.11	-	<b>64.11</b>
	-	-	-	<b>-</b>
IIFL Wealth Portfolio Managers Limited	-	16.47	-	<b>16.47</b>
	-	(20.17)	-	<b>(20.17)</b>
IIFL Wealth Prime Limited (Formerly known as IIFL Wealth Finance Limited)	-	105.58	-	<b>105.58</b>
	-	(113.28)	-	<b>(113.28)</b>
IIFL Wealth Capital Markets Limited (Formerly known as L & T Capital Markets Limited)	-	8.85	-	<b>8.85</b>
	-	-	-	<b>-</b>
IIFLW CSR Foundation	-	-	-	<b>-</b>
	-	(0.29)	-	<b>(0.29)</b>
IIFL Finance Limited	-	-	-	<b>-</b>
	-	-	(4.15)	<b>(4.15)</b>
<b>Allocation / Reimbursement of expenses Paid</b>				
IIFL Securities Limited	-	-	-	<b>-</b>
	-	-	(0.03)	<b>(0.03)</b>



				(₹ in Mn)
Nature of Transaction	Director/Key Managerial Personnel	Subsidiaries including step down subsidiaries	Other Related Parties	Total
IIFL Finance Limited	-	-	-	-
	-	-	(0.18)	<b>(0.18)</b>
<b><u>Other funds received</u></b>				
IIFL Finance Limited	-	-	-	-
	-	-	(0.06)	<b>(0.06)</b>
IIFL Securities Limited	-	-	0.05	<b>0.05</b>
	-	-	(0.30)	<b>(0.30)</b>
IIFL Home Finance Limited	-	-	-	-
	-	-	(0.06)	<b>(0.06)</b>
IIFL Facilities Services Limited	-	-	0.01	<b>0.01</b>
	-	-	-	-
IIFL Trustee Limited	-	3.18	-	<b>3.18</b>
	-	(1.96)	-	<b>(1.96)</b>
IIFL Investment Adviser and Trustee Services Limited	-	2.55	-	<b>2.55</b>
	-	(1.18)	-	<b>(1.18)</b>
IIFL Wealth Portfolio Managers Limited	-	11.77	-	<b>11.77</b>
	-	(8.03)	-	<b>(8.03)</b>
IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services Limited)	-	2,860.64	-	<b>2,860.64</b>
	-	(1.06)	-	<b>(1.06)</b>
IIFL Wealth Securities IFSC Limited	-	0.83	-	<b>0.83</b>
	-	(0.83)	-	<b>(0.83)</b>
IIFL Asset Management Limited	-	114.92	-	<b>114.92</b>
	-	(235.82)	-	<b>(235.82)</b>
IIFL Wealth Prime Limited (Formerly known as IIFL Wealth Finance Limited)	-	136.46	-	<b>136.46</b>
	-	(143.73)	-	<b>(143.73)</b>
IIFL Wealth Altiore Limited (Formerly known as IIFL Altiore Advisors Limited)	-	-	-	-
	-	(0.17)	-	<b>(0.17)</b>
IIFL Wealth Capital Markets Limited (Formerly known as L & T Capital Markets Limited)	-	0.62	-	<b>0.62</b>
	-	(2.05)	-	<b>(2.05)</b>
<b><u>Other funds paid</u></b>				
IIFL Securities Limited	-	-	-	-
	-	-	(0.03)	<b>(0.03)</b>
IIFL Wealth Portfolio Managers Limited	-	-	-	-
	-	(1.83)	-	<b>(1.83)</b>
IIFL Asset Management Limited	-	-	-	-
	-	(1.04)	-	<b>(1.04)</b>
IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services Limited)	-	158.71	-	<b>158.71</b>
	-	(1.15)	-	<b>(1.15)</b>
IIFL Wealth Prime Limited (Formerly known as IIFL Wealth Finance Limited)	-	53.09	-	<b>53.09</b>
	-	(1.50)	-	<b>(1.50)</b>
IIFL Investment Adviser and Trustee Services Limited	-	-	-	-
	-	(1.64)	-	<b>(1.64)</b>

Nature of Transaction	Director/Key Managerial Personnel	Subsidiaries including step down subsidiaries	Other Related Parties	(₹ in Mn)
				Total
IIFL Wealth Capital Markets Limited (Formerly known as L & T Capital Markets Limited)	-	-	-	-
	-	(0.05)	-	(0.05)
IIFLW CSR Foundation	-	0.25	-	0.25
	-	-	-	-
IIFL Insurance Brokers Limited	-	-	-	-
	-	-	(0.02)	(0.02)

**(b) Amount due to / from related parties (Closing Balances):**

Particulars	Key Management Personnel	Subsidiary	Other Related Parties	(Amount in Rs.)
				Total
<b>Sundry payables</b>				
IIFL Wealth Prime Limited (Formerly known as IIFL Wealth Finance Limited)	-	-	-	-
	-	(121.38)	-	(121.38)
<b>Sundry receivables</b>				
IIFL Wealth Prime Limited (Formerly known as IIFL Wealth Finance Limited)	-	59.22	-	59.22
	-	-	-	-
IIFL Wealth Portfolio Managers Limited	-	16.16	-	16.16
	-	(3.89)	-	(3.89)
IIFLW CSR Foundation	-	-	-	-
	-	(0.34)	-	(0.34)
IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services Limited)	-	35.25	-	35.25
	-	(1,304.52)	-	(1,304.52)
IIFL Asset Management Limited	-	28.21	-	28.21
	-	(44.04)	-	(44.04)
IIFL Wealth Securities IFSC Limited	-	2.39	-	2.39
	-	(1.53)	-	(1.53)
IIFL Investment Adviser and Trustee Services Limited	-	3.09	-	3.09
	-	(0.19)	-	(0.19)
IIFL Finance Limited	-	-	38.44	38.44
	-	-	(1.74)	(1.74)
IIFL Wealth Capital Markets Limited (Formerly known as L & T Capital Markets Limited)	-	2.00	-	2.00
	-	(2.98)	-	(2.98)
IIFL Securities Limited	-	-	4.14	4.14
	-	-	(0.06)	(0.06)
IIFL Home Finance Limited	-	-	-	-
	-	-	(0.01)	(0.01)
Samasta Microfinance Limited	-	-	-	-
	-	-	(9.15)	(9.15)
<b>ICD Given</b>				
IIFL Wealth Securities IFSC Limited	-	0.55	-	0.55
	-	(0.55)	-	(0.55)
IIFL Wealth Portfolio Managers Limited	-	900.00	-	900.00
	-	-	-	-

(Amount in Rs.)				
Particulars	Key Management Personnel	Subsidiary	Other Related Parties	Total
IIFL Asset Management Limited	-	500.00	-	500.00
	-	-	-	-
IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services Limited)	-	4,280.00	-	4,280.00
	-	-	-	-
<b>Receivable from Broker</b>				
IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services Limited)	-	8.50	-	8.50
	-	(10.12)	-	(10.12)
<b>Investment in NCD</b>				
IIFL Wealth Prime Limited (Formerly known as IIFL Wealth Finance Limited)	-	635.17	-	635.17
	-	-	-	-

Note:

- The Company has provided a letter of undertaking-cum-indemnity to IIFL Securities Limited towards a civil suit pending against IIFL Wealth (UK) Ltd., a subsidiary of IIFL Securities Limited, inter-alia, to defend the said suit and indemnify IIFL Securities Limited and its directors against claims if any, arising from the same
- During the year ended March 31, 2022, the Company has recognised an allowance for impairment loss amounting to ₹ 32.73 Mn on the investment in IIFL Inc(USA), a wholly owned subsidiary of the Company.
- Amounts in brackets represents previous year's figures

**(c) Remuneration paid to Directors/Key Managerial Persons are given below:** (₹ in Mn)

Particulars	2021-2022	2020-2021
Salaries and other employee benefits to whole time directors and other KMPs	186.31	71.60
Commission and other benefits to non-executive /independent directors	10.55	6.98

### 35.1. Maturity analysis of assets and liabilities as at March 31, 2022

(₹ in Mn)				
SR. No.	Particulars	Within 12 months	After 12 months	Total
<b>ASSETS</b>				
<b>1</b>	<b>Financial Assets</b>			
(a)	Cash and cash equivalents	652.86	-	652.86
(b)	Bank balance other than (a) above	-	19.48	19.48
(c)	Derivative financial instruments	-	-	-
(d)	Receivables			
	(I) Trade receivables	117.29	-	117.29
	(II) Other receivables	-	-	-
(e)	Loans	5,714.97	0.33	5,715.30
(f)	Investments	12,105.50	19,421.91	31,527.41
(g)	Other financial assets	64.62	1.58	66.20
<b>2</b>	<b>Non-Financial Assets</b>			
(a)	Inventories	-	-	-
(b)	Current tax assets (net)	-	411.74	411.74
(c)	Deferred tax assets (net)	-	-	-
(d)	Property, plant and equipment	-	2,684.47	2,684.47
(e)	Capital work-in-progress	1.50	-	1.50
(f)	Other intangible assets	-	33.52	33.52
(g)	Right to use	-	3.06	3.06
(h)	Other non-financial assets	44.47	6.28	50.75
	<b>Total Assets</b>	<b>18,701.21</b>	<b>22,582.37</b>	<b>41,283.58</b>

(₹ in Mn)				
SR. No.	Particulars	Within 12 months	After 12 months	Total
<b>LIABILITIES AND EQUITY</b>				
<b>LIABILITIES</b>				
<b>1 Financial Liabilities</b>				
(a)	Derivative financial instruments	-	-	-
(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	164.63	-	164.63
	(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	-	-	-
(c)	Finance Lease Obligation	0.80	2.33	3.13
(d)	Debt securities	4,896.20	2,542.82	7,439.02
(e)	Borrowings (other than debt securities)	-	-	-
(f)	Other financial liabilities	9,034.98	-	9,034.98
<b>2 Non-Financial Liabilities</b>				
(a)	Current tax liabilities (net)	-	-	-
(b)	Provisions	3.80	-	3.80
(c)	Deferred tax liabilities (net)	310.52	20.30	330.82
(d)	Other non-financial liabilities	47.48	-	47.48
<b>3 EQUITY</b>				
(a)	Equity share capital	-	177.42	177.42
(b)	Other equity	-	24,082.29	24,082.29
<b>Total Liabilities and Equity</b>		<b>14,458.41</b>	<b>26,825.16</b>	<b>41,283.57</b>

### 35.2. Maturity analysis of assets and liabilities as at March 31, 2021

(₹ in Mn)				
SR. No.	Particulars	Within 12 months	After 12 months	Total
<b>ASSETS</b>				
<b>1 Financial Assets</b>				
(a)	Cash and cash equivalents	1,370.02	-	1,370.02
(b)	Bank balance other than (a) above	-	14.19	14.19
(c)	Derivative financial instruments	-	-	-
(d)	Receivables			
	(I) Trade receivables	588.23	-	588.23
	(II) Other receivables	69.93	-	69.93
(e)	Loans	1.97	1.64	3.61
(f)	Investments	1,189.36	19,232.89	20,422.25
(g)	Other financial assets	1,364.25	1.78	1,366.03
<b>2 Non-Financial Assets</b>				
(a)	Inventories	-	-	-
(b)	Current tax assets (net)	-	295.03	295.03
(c)	Deferred tax assets (net)	-	-	-
(d)	Property, plant and equipment	-	2,756.11	2,756.11
(e)	Capital work-in-progress	6.75	-	6.75
(f)	Other intangible assets	-	26.68	26.68
(g)	Right to use	-	2.99	2.99
(h)	Other non-financial assets	126.90	7.54	134.44
<b>Total Assets</b>		<b>4,717.41</b>	<b>22,338.85</b>	<b>27,056.26</b>

(₹ in Mn)				
SR. No.	Particulars	Within 12 months	After 12 months	Total
<b>LIABILITIES AND EQUITY</b>				
<b>LIABILITIES</b>				
<b>1</b>	<b>Financial Liabilities</b>			
(a)	Derivative financial instruments	-	-	-
(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	115.12	-	115.12
	(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	-	-	-
(c)	Finance Lease Obligation	1.36	1.80	3.16
(d)	Debt securities	2,337.31	-	2,337.31
(e)	Other financial liabilities	137.28	-	137.28
<b>2</b>	<b>Non-Financial Liabilities</b>			
(a)	Current tax liabilities (net)	-	-	-
(b)	Provisions	1.74	-	1.74
(c)	Deferred tax liabilities (net)	-	14.09	14.09
(c)	Other non-financial liabilities	150.35	-	150.35
<b>3</b>	<b>EQUITY</b>			
(a)	Equity share capital	-	175.77	175.77
(b)	Other equity	-	24,121.44	24,121.44
<b>Total Liabilities and Equity</b>		<b>2,743.16</b>	<b>24,313.10</b>	<b>27,056.26</b>

### 36 SEGMENT REPORTING

The Company's main business is Wealth Management Services comprising of, inter-alia, distribution of financial products, portfolio management services, advisory services and all other activities revolve around the same. All activities of the Company are carried out in India. As such there are no separate reportable segments as per the Indian Accounting Standard 108 (IND AS 108) on Operating Segments.

### 37 OTHER STATUTORY INFORMATION

- The Company does not hold any immovable property as on March 31, 2022 and March 31, 2021, whose title deeds are not in the favour of the Company.
- The Company has not revalued its Property, Plant and Equipment in current year and previous year.
- No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, as at March 31, 2022 and March 31, 2021.
- The Company is not a declared wilful defaulter by any bank or financial Institution or other lender, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India, during the year ended March 31, 2022 and March 31, 2021.
- The Company does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended March 31, 2022 and March 31, 2021.
- There have been no transactions which have not been recorded in the books of accounts, that have been surrendered or disclosed as income during the year ended March 31, 2022 and March 31, 2021, in the tax assessments under the Income Tax Act, 1961. There have been no previously unrecorded income and related assets which were to be properly recorded in the books of account during the year ended March 31, 2022 and March 31, 2021.
- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
8. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
9. The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended March 31, 2022 and March 31, 2021.
10. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
11. Considering that the company is in the business of wealth management , the analytical ratios related to Capital to Risk Weighted Assets Ratio (CRAR), Tier I CRAR, Tier II CRAR and Liquidity Coverage Ratios are not applicable

### **38 BUSINESS COMBINATION**

- a) During the year ended March 31, 2022, a subsidiary and a step down subsidiary of the Company, IIFL Asia Pte. Limited and IIFL Securities Pte. Limited respectively, have merged with another subsidiary of the Company, IIFL Capital Pte. Limited with effect from October 27, 2021. Pursuant to the merger, the shares held by IIFL Asia Pte. Limited in IIFL Capital Pte. Limited have been cancelled and an equivalent number of shares have been issued by IIFL Capital Pte. Limited to IIFL Wealth Management Limited. Consequently, the Company now holds the entire share capital of IIFL Capital Pte. Limited.
- b) With a view to consolidate the distribution businesses of the Company under a single wholly owned subsidiary, it is proposed to merge IIFL Wealth Capital Market Limited ("IWCML") with IIFL Wealth Prime Limited ("IWPL") and then demerge the distribution business from IIFL Wealth Prime Limited ("IWPL") to IIFL Wealth Distribution Services Limited ("IWDSL"). In this regard, the Boards of IWCML, IWPL and IWDSL have approved the demerger and consolidation of distribution business through a composite scheme of arrangement under Sections 230 to 232 of the Companies Act, 2013 ("Scheme"). Pursuant to this scheme, IWCML will stand merged with IWPL. The appointed date for the Scheme is 1st April 2021 and the scheme is subject to necessary statutory and regulatory approvals.
- c) IIFL Wealth Altiore Ltd a wholly owned subsidiary of IIFL Wealth Management Ltd is proposed to be get amalgamated with holding company. Proposed scheme has been approved by the Board of Directors of both companies and is currently under NCLT approval process.

### **39 EVENTS AFTER REPORTING PERIOD**

There were no subsequent events from the date of financial statements till the date of adoption of accounts.

- 40 The Company has taken into consideration the impact of COVID-19 on various elements of the financial statements basis the available external and internal information and is of the view that the events do not have any material implication for the Company.

### **41 APPROVAL OF FINANCIAL STATEMENTS**

The financial statements were approved for issuance by the Board of Directors on May 04, 2022.

- 42 Previous year figures are regrouped/reclassified/rearranged where ever considered necessary to confirm to current year's presentation.

**For and on behalf of the Board of Directors**

**Karan Bhagat**  
Managing Director  
(DIN: 03247753)

**Yatin Shah**  
Director  
(DIN: 03231090)

Place : Mumbai  
Dated: May 04, 2022

**Sanjay Wadhwa**  
Chief Financial Officer

**Rohit Bhase**  
Company Secretary  
ACS - 21409



# 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 March 31, 2022, 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, and based on the consideration of reports of other auditors on separate financial statements / financial information of the subsidiaries referred to in the Other Matters section below, 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 (the "Ind AS"), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, 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 the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditors' Response
1	<p><b>Expected Credit Loss (ECL) on loans and advances:</b></p> <p>As part of risk assessment, the component auditors' have determined that the allowance for ECL on loan and advances has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the financial statements.</p> <p>The key areas where the component auditors' have identified greater levels of management judgement and therefore increased levels of audit focus in the Company's estimation of ECLs are:</p> <p>Ind AS 109: Financial Instruments ("Ind AS 109") requires the Company to provide for impairment of its Loan &amp; Advances and Investments ("Financial Instrument") using the Expected Credit Losses ("ECL") approach. ECL involves an estimation of probability-weighted loss on Financial Instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions which could impact the credit quality of the Company's loans and advances and Investments.</p>	<p><b>Principal audit procedures performed:</b></p> <p>The component's auditors (being other firm of chartered accountants) have performed the following audit procedures:</p> <ul style="list-style-type: none"> <li>• Read the Company's Accounting Policies for impairment of Financial Instruments and assessing the compliance with the policies in terms of Ind AS 109: Financial Instruments;</li> <li>• Enquired with the management with respect to implementation of any resolution plan under Reserve Bank of India circular for resolution framework for COVID-19 related stress;</li> <li>• Evaluated the reasonableness of the management estimates by analysing the underlying assumptions and testing of controls around data extraction/ validation;</li> <li>• Assessed the criteria for staging of loans based on their past due status to check compliance with the requirement of Ind AS 109. For sample exposures, we tested the performing (stage 1) loans to assess whether any SICR or loss indicators were present requiring them to be classified under stage 2 or 3;</li> </ul>

Sr. No.	Key Audit Matter	Auditors' Response
	<p>In the process, a significant degree of judgement has been applied by the management for:</p> <p>(a) Defining qualitative/ quantitative thresholds for 'significant increase in credit risk' ("SIRC") and 'default'</p> <p>(b) Determining effect of less frequent past events on future probability of default</p> <p>(c) Determining macro-economic factors impacting credit quality of receivables</p> <p>(d) Data inputs – The application of ECL Model requires inputs from several data sources.</p> <p>Since the loans and advances form a major portion of the Group's assets, and due to the significance of the judgments used in classifying loans and advances into various stages as stipulated in Ind AS 109 and determining related impairment provision requirements, this is considered to be the area that had a greater focus of the overall audit of the Group and a key audit matter.</p> <p>As at March 31, 2022, the Group's gross loans and advances amounted to Rs. 39,355.42 million and the impairment provisions amounted to Rs. 193.86 million.</p> <p>Refer note 38A.1 to the Consolidated Financial Statements.</p>	<ul style="list-style-type: none"> <li>Assessed the additional considerations applied by the management to conclude that there is "Significant increase in credit risk" or that event of "Default" has occurred;</li> <li>For provision against exposures, obtained an understanding of the Group's provisioning methodology, consistency of various inputs and assumptions used for Probability of Default(PD) and Loss Given Default (LGD), the reasonableness of the underlying assumptions and the sufficiency and appropriateness of the data used by the management;</li> <li>Tested disclosures included in the Ind AS financial statements in respect of expected credit losses;</li> </ul>
2	<p><b>Information Technology and General Controls</b></p> <p>The Group is highly dependent on technology due to significant number of transactions that are processed electronically daily.</p> <p>Accordingly, our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed daily and the reliance on automated and IT dependent manual controls.</p> <p>Our areas of audit focus included Access Security (including controls over privileged access), Program Change controls and Network Operations.</p> <p>Absence of segregation of duties may result in a risk of intended or unintended manipulation of data that could have a material effect on the completeness and accuracy of the financial statements.</p> <p>Due to the pervasive nature and use of IT systems, we continued to assess the risk of a material misstatement arising from access to technology as a significant matter for the audit.</p>	<p><b>Principal audit procedures performed:</b></p> <p>For the key IT systems used to prepare accounting and financial information:</p> <ul style="list-style-type: none"> <li>We obtained an understanding of the Group's business IT environment and key changes if any, during the audit period that may be relevant to the audit. Furthermore, we conducted a risk assessment and identified IT applications, databases and operating systems that are relevant to our audits;</li> <li>We tested the design, implementation and operating effectiveness of the Group's General IT controls over the information systems that are critical to financial reporting. This included evaluation of Group's controls to ensure that access was provided / modified based on duly approved requests, access for exit cases was revoked in a timely manner and access of all users was re-certified during the period of audit. Further, controls related to program change were evaluated to verify whether the changes were approved, tested in an environment that was segregated from production and moved to production by appropriate users;</li> <li>We tested the controls to ensure that segregation of duties was monitored, and conflicting access was either removed or mapped to mitigating controls, which were documented and tested;</li> <li>We tested the controls over network segmentation, restriction of remote access to the Group's network, controls over firewall configurations and mechanisms implemented by the Group to prevent, detect and respond to network security incidents;</li> <li>We also tested automated business cycle controls and report logic for system generated reports relevant to the audit, for completeness and accuracy.</li> </ul>



### 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 Director's report including Annexures to Director's report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The Director's report including Annexures to Director's 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 we do not 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, 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. Other information so far as it relates to the subsidiaries, is traced from their financial statements audited by the other auditors.
- 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 consolidated 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/ Holding Company, 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 respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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.

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

#### Other Matters

We did not audit the financial statements / financial information of seven subsidiaries, whose financial statements / financial information reflect total assets of Rs. 77,764.30 million as at March 31, 2022, total revenues of Rs. 12,372.89 million and net cash inflows amounting to Rs. 1,718.93 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information 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.

Five subsidiaries are located outside India whose financial statements/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 the accounting principles generally accepted in their respective countries to the 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/ financial information of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:
  - a) We / the other auditors whose report we have relied upon, 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 March 31, 2022 and 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 March 31, 2022 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 and based on the auditor's reports of subsidiary companies incorporated in India, the remuneration paid by the Parent and such subsidiary companies to their respective 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. (Refer note 40 of the consolidated financial statements)
    - 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. (Refer note 6 of the consolidated financial statements)
    - 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.
    - iv) (a) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the notes to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the notes to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v) As stated in note 25 to the consolidated financial statements, the interim dividend declared and paid by the Parent during the year and until the date of this report is in compliance with Section 123 of the Act.
2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

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

**Pallavi A. Gorakshakar**

(Partner)

(Membership No.105035)

(UDIN:22105035AIJVHM4205)

Place: Mumbai

Date: May 04, 2022



## 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 IND AS consolidated financial statements of IIFL Wealth Management Limited (“the Parent”/ “the Company”) as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of IIFL Wealth Management Limited (hereinafter referred to as “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 (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (the “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 issued by the ICAI 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 company which is company incorporated in India, in terms of their report 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 report 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, 2022, 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 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 matter.

For **Deloitte Haskins & Sells LLP**

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

**Pallavi A. Gorakshakar**

(Partner)

(Membership No.105035)

(UDIN:22105035AIJVHM4205)

Place: Mumbai

Date: May 04, 2022



# Consolidated Balance Sheet as at March 31, 2022

(₹ in Mn)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>1 Financial Assets</b>			
(a) Cash and cash equivalents	4	4,885.68	4,366.49
(b) Bank balance other than (a) above	5	5,336.27	4,015.36
(c) Derivative financial instruments	6	1.29	1,664.97
(d) Receivables			
(I) Trade receivables	7	2,546.60	2,264.01
(II) Other receivables	7	2,585.19	1,157.39
(e) Loans	8	39,169.48	36,705.95
(f) Investments	9	40,723.97	25,128.59
(g) Other financial assets	10	1,884.55	1,526.52
<b>2 Non-Financial Assets</b>			
(a) Current tax assets		1,367.80	747.16
(b) Deferred tax assets	11	1.78	11.21
(c) Property, plant and equipment	12	2,777.81	2,878.70
(d) Capital work-in-progress	13	2.69	24.29
(e) Goodwill on acquisition	14	3,733.94	3,733.94
(f) Other intangible assets	15	1,499.14	1,516.09
(g) Right to use assets	16	149.12	243.12
(h) Other non-financial assets	17	729.80	1,415.86
<b>Total Assets</b>		<b>1,07,395.11</b>	<b>87,399.65</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>1 Financial Liabilities</b>			
(a) Derivative financial instruments	6	1,405.70	2,207.00
(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	1,762.56	883.38

(₹ in Mn)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
(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	4,978.06	3,032.20
(c) Finance Lease Obligation	16	174.08	268.68
(d) Debt securities	19	54,533.39	47,096.51
(e) Borrowings (other than debt securities)	20	1,000.54	1,043.90
(f) Subordinated liabilities	21	2,541.89	2,626.48
(g) Other financial liabilities	22	9,226.59	426.75
<b>2 Non-Financial Liabilities</b>			
(a) Current tax liabilities		285.79	587.86
(b) Provisions	23	75.07	118.47
(c) Deferred tax liabilities	11	954.93	341.02
(d) Other non-financial liabilities	24	480.81	489.73
<b>3 EQUITY</b>			
(a) Equity share capital	25	177.42	175.77
(b) Other equity	26	29,798.28	28,101.90
<b>Total Liabilities and Equity</b>		<b>1,07,395.11</b>	<b>87,399.65</b>

**See accompanying Notes to the Financial Statements**

In terms of our report attached

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants

**Pallavi A. Gorakshakar**  
Partner

Place : Mumbai  
Dated: May 04, 2022

**For and on behalf of the Board of Directors**

**Karan Bhagat**  
Managing Director  
(DIN: 03247753)

**Sanjay Wadhwa**  
Chief Financial Officer

**Yatin Shah**  
Director  
(DIN: 03231090)

**Rohit Bhave**  
Company Secretary  
ACS - 21409



# Consolidated Statement of Profit and Loss for the year ended March 31, 2022

(₹ in Mn)

Particulars	Note No.	2021-22	2020-21
<b>1 Revenue from operations</b>			
(a) Interest income	27	5,050.53	6,349.27
(b) Dividend & Distribution income on investments	28	125.63	77.60
(c) Fees and commission income	29	10,918.41	7,376.78
(d) Net gain on fair value changes	30	2,411.93	1,825.77
(e) Sale of products (including Excise Duty)		-	486.85
<b>Total revenue from operations</b>		<b>18,506.50</b>	<b>16,116.27</b>
<b>2 Other income</b>	31	2,271.82	473.93
<b>3 Total income (1+2)</b>		<b>20,778.32</b>	<b>16,590.20</b>
<b>Expenses</b>			
(a) Finance costs	32	3,697.77	4,135.47
(b) Fees and commission expenses		1,788.37	973.17
(c) Net loss on derecognition of financial instruments		38.27	19.78
(d) Impairment on financial instruments	33	(160.79)	185.00
(e) Purchases of Stock-in-trade		-	538.23
(f) Employee benefits expenses	34	5,903.28	4,089.61
(g) Depreciation, amortization and impairment	12,15,16	417.43	429.70
(h) Others expenses	35	1,580.99	1,370.00
<b>4 Total expenses</b>		<b>13,265.32</b>	<b>11,740.96</b>
<b>5 Profit before tax (3-4)</b>		<b>7,513.00</b>	<b>4,849.24</b>
<b>6 Tax expense:</b>			
(a) Current tax	36	1,112.16	1,239.61
(b) Deferred tax	36	623.46	(82.29)
<b>7 Profit for the year (5-6)</b>		<b>5,777.38</b>	<b>3,691.92</b>
<b>8 Other comprehensive income/(loss)</b>			
(a) (i) Items that will not be reclassified to profit or loss			
- Remeasurements of Employee Benefits		(0.45)	10.20
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.11	(2.55)
Subtotal (a)		<b>(0.34)</b>	<b>7.65</b>
(b) (i) Items that will be reclassified to profit or loss			
- Foreign currency translation reserve		40.25	(6.47)
Subtotal (b)		<b>40.25</b>	<b>(6.47)</b>
Other comprehensive income (a+b)		<b>39.91</b>	<b>1.18</b>

(₹ in Mn)

Particulars	Note No.	2021-22	2020-21
9 Total comprehensive income for the year (7+8) (Comprising profit and other comprehensive income for the year)		5,817.29	3,693.10
10 Earnings per equity share			
Basic (₹)	37	65.41	42.24
Diluted (₹)	37	64.10	41.76

**See accompanying Notes to the Financial Statements**

In terms of our report attached

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants

**Pallavi A. Gorakshakar**  
Partner

Place : Mumbai  
Dated: May 04, 2022

**For and on behalf of the Board of Directors**

**Karan Bhagat**  
Managing Director  
(DIN: 03247753)

**Sanjay Wadhwa**  
Chief Financial Officer

**Yatin Shah**  
Director  
(DIN: 03231090)

**Rohit Bhasse**  
Company Secretary  
ACS - 21409



# Consolidated Statement of Cashflows for the year ended March 31, 2022

	(₹ in Mn)	
Particulars	2021-22	2020-21
<b>A. Cash flows from operating activities</b>		
Profit before tax	7,513.00	4,849.24
Adjustments for:		
Depreciation and amortisation expenses	417.43	429.70
Provisions for Employee benefits	804.72	33.58
Non-cash employee share based payments	303.81	454.06
Net changes in fair value through Profit and loss of Investments - Realised	(2,309.37)	(3,811.88)
Net changes in fair value through Profit and loss of Investments - Unrealised	(2,467.08)	(303.52)
Net change in fair value of Derivative Financial Instruments- Unrealised	1,399.05	(425.70)
Net change in fair value of Borrowings	625.75	1,116.36
Impairment on financial instruments - Trade receivables	(16.48)	13.88
Impairment on financial instruments - Loans	(144.30)	170.96
Interest Income	(5,156.06)	(6,451.41)
Interest expenses	3,629.18	4,062.21
Interest expenses paid	(3,881.53)	(3,097.22)
Interest income received	5,252.59	7,188.13
Net (Gain) / Loss on Sale of Property, plant and equipment	(1.43)	1.56
<b>Operating profit before working capital changes</b>	<b>5,969.28</b>	<b>4,229.95</b>
Changes in working Capital :		
(Increase)/ Decrease in Financial/Non-financial Assets	(1,335.44)	2,673.58
Increase/ (Decrease) in Financial/Non-financial Liabilities	9,098.91	(559.18)
<b>Cash generated from operations</b>	<b>13,732.75</b>	<b>6,344.35</b>
Increase in Loans (net disbursed)	(2,409.90)	(557.93)
<b>Cash generated from operating activities</b>	<b>11,322.85</b>	<b>5,786.42</b>
Net income tax (paid)	(2,034.88)	(1,159.87)
<b>Net cash generated from operating activities (A)</b>	<b>9,287.97</b>	<b>4,626.55</b>
<b>B. Cash flows from investing activities</b>		
Payments for purchase of investments	(1,85,101.18)	(1,76,268.04)
Proceeds from sale of investments	1,78,798.06	2,09,294.71
Net (payments for)/proceeds from Short term investments	(4,597.69)	10,519.47
Interest income received	106.80	124.60
Payment for acquisition of subsidiary, net of cash acquired	-	(2,257.81)
Fixed Deposit (placed)/matured	(323.31)	123.13
Purchase/sale of Property, plant and equipment (includes intangible assets)	(163.82)	(252.18)
<b>Net cash (used in) / generated from investing activities (B)</b>	<b>(11,281.14)</b>	<b>41,283.88</b>

(₹ in Mn)

Particulars	2021-22	2020-21
<b>C. Cash flows from financing activities</b>		
Proceeds from issues of shares (including securities premium)	517.96	341.44
Dividends paid to company's shareholders	(4,857.83)	(6,125.89)
Net proceeds from/(repayments of) Short term borrowings	12,962.31	(23,510.85)
Proceeds from Long term borrowings	11,785.16	13,668.03
Repayments of Long term borrowings	(17,383.91)	(32,556.17)
Stamp Duty paid on issuance of shares under the Composite Scheme of Arrangement	(83.30)	-
Interest expenses paid	(428.04)	(172.72)
Shares application money received	-	(0.07)
<b>Net cash generated from / (used in ) financing activities (C)</b>	<b>2,512.36</b>	<b>(48,356.23)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>519.19</b>	<b>(2,445.69)</b>
Opening Cash & cash equivalents	4,366.49	6,812.19
<b>Closing Cash &amp; cash equivalents</b>	<b>4,885.68</b>	<b>4,366.50</b>

**See accompanying Notes to the Financial Statements**

In terms of our report attached

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants

**Pallavi A. Gorakshakar**  
Partner

Place : Mumbai  
Dated: May 04, 2022

**For and on behalf of the Board of Directors**

**Karan Bhagat**  
Managing Director  
(DIN: 03247753)

**Sanjay Wadhwa**  
Chief Financial Officer

**Yatin Shah**  
Director  
(DIN: 03231090)

**Rohit Bhase**  
Company Secretary  
ACS - 21409



# Statement of Changes in Equity Share Capital for the year ended March 31, 2022

(₹ in Mn)

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
175.77	-	175.77	1.65	177.42

## STATEMENT OF CHANGES IN EQUITY SHARE CAPITAL FOR THE YEAR ENDED MARCH 31, 2021

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
174.36	-	174.36	1.41	175.77

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Mn)

Particulars	Other Equity								
	Securities Premium Account	General Reserve	Special Reserve Pursuant to Section 45 IC of Reserve Bank of India Act, 1934	Share application money	Capital Reserve	ESOP Reserve	Retained Earnings	Foreign currency translation reserve	Total Other Equity
Balance at the beginning of the year April 01, 2021	19,215.50	196.16	1,432.11	-	111.00	638.10	6,312.76	196.27	28,101.90
Shares issued during the year	516.32	-	-	-	-	-	-	-	516.32
Share issue expenses	(83.30)	-	-	-	-	-	-	-	(83.30)
Profit for the year	-	-	-	-	-	-	5,777.38	40.25	5,817.63
Other comprehensive income	-	-	-	-	-	-	(0.34)	-	(0.34)
Dividends paid to company's shareholders	-	-	-	-	-	-	(4,857.74)	-	(4,857.74)
Transfer (to)/from other reserves	186.22	0.02	467.64	-	-	(186.24)	(467.64)	-	-
Employee share based payment	-	-	-	-	-	303.81	-	-	303.81
Balance at the end of the year March 31, 2022	19,834.74	196.18	1,899.75	-	111.00	755.67	6,764.42	236.52	29,798.28

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

(₹ in Mn)

Particulars	Other Equity								
	Securities Premium Account	General Reserve	Special Reserve Pursuant to Section 45 IC of Reserve Bank of India Act, 1934	Share application money	Capital Reserve	ESOP Reserve	Retained Earnings	Foreign currency translation reserve	Total Other Equity
Balance at the beginning of the year April 01, 2020	18,804.34	196.00	1,118.74	0.07	111.00	255.40	9,052.45	202.74	29,740.74
Shares issued during the year	304.43	-	-	-	-	-	-	-	304.43
Profit for the year	-	-	-	-	-	-	3,691.92	-	3,691.92
Other comprehensive income	-	-	-	-	-	-	7.65	(6.47)	1.18

(₹ in Mn)

Particulars	Other Equity								
	Securities Premium Account	General Reserve	Special Reserve Pursuant to Section 45 IC of Reserve Bank of India Act, 1934	Share application money	Capital Reserve	ESOP Reserve	Retained Earnings	Foreign currency translation reserve	Total Other Equity
Dividends paid to company's shareholders	-	-	-	-	-	-	(6,125.89)	-	(6,125.89)
Transfer (to)/from other reserves	71.20	0.16	313.37	(0.07)	-	(71.36)	(313.37)	-	(0.07)
Treasury stock	35.53	-	-	-	-	-	-	-	35.53
Employee share based payment	-	-	-	-	-	454.06	-	-	454.06
<b>Balance at the end of the year March 31,2021</b>	<b>19,215.50</b>	<b>196.16</b>	<b>1,432.11</b>	<b>-</b>	<b>111.00</b>	<b>638.10</b>	<b>6,312.76</b>	<b>196.27</b>	<b>28,101.90</b>

#### 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

One of the subsidiary of the Group is registered with Reserve Bank of India as Non-Banking Finance company, which is required to transfer at least 20% of its net profits each year before declaration of dividend as per Section 45-IC of the Reserve Bank of India Act, 1934.

#### 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.

#### 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.

### See accompanying Notes to the Financial Statements

In terms of our report attached

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants

**Pallavi A. Gorakshakar**  
Partner

Place : Mumbai  
Dated: May 04, 2022

**For and on behalf of the Board of Directors**

**Karan Bhagat**  
Managing Director  
(DIN: 03247753)

**Sanjay Wadhwa**  
Chief Financial Officer

**Yatin Shah**  
Director  
(DIN: 03231090)

**Rohit Bhase**  
Company Secretary  
ACS - 21409



# Notes forming part of Consolidated Financial Statements for the year ended March 31, 2022

## 1 CORPORATE INFORMATION:

The Consolidated Financial Statements of IIFL Wealth Management Limited (the Parent Company) consist of IIFL Wealth Management Limited and its subsidiaries namely: IIFL Wealth Distribution Services Limited (Formerly IIFL Distribution Services Limited), IIFL Investment Advisers and Trustee Services Limited, IIFL Wealth Portfolio Managers Limited (Formerly IIFL Alternate Asset Advisors Limited), IIFL Asset Management Limited, IIFL Trustee Limited, IIFL Wealth Prime Limited (Formerly IIFL Wealth Finance Ltd), IIFL Wealth Securities IFSC Limited, IIFL Altire Advisors Private Limited (Formerly known as Altire Advisors Private Limited), IIFL Wealth Employee Welfare Benefit Trust (up to January 11, 2022), IIFL (Asia) Pte. Ltd, IIFL Securities Pte. Ltd, IIFL Capital Pte. Ltd, IIFL Private Wealth Management (Dubai) Ltd, IIFL Inc, IIFL Capital (Canada) Ltd. and IIFL Asset Management (Mauritius) Limited (Formerly known as IIFL Private Wealth (Mauritius) Ltd) IIFL Wealth Capital Markets Limited (w.e.f. April 24, 2021) (Formerly L&T Capital Markets Limited) (the Parent 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, transaction advisory, asset management, portfolio management, lending; credit and investment, trustee services by mobilizing funds and assets of various classes of investors including High Networth Individuals.

## 2 SUMMARY STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

### a) Statement of Compliance:

The Group's financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and amendments thereof issued by Ministry of Corporate Affairs in exercise of the powers conferred by section 133 of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment. These financials statements have been approved for issuance by the Board of Directors of IIFL Wealth Management at their meeting held on May 4, 2022.

### b) Basis of Consolidation and preparation

The Consolidated Financial Statements comprise the financial statements of the Parent 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 Parent 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 Parent 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 Parent 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 Parent Company obtains control over the subsidiary and ceases when the Parent 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 Parent Company gains control until the date the Parent 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 Consolidate 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 Parent 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 recognise 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 considered as depreciable assets having regard to its infinite useful life. Leasehold land and Leasehold improvements are amortized over the period of lease. Individual assets / group of similar assets costing up to ₹ 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*	5-10
Office equipment	5
Furniture and fixtures* #	5-10
Vehicles*	5
Air conditioners*	5
Building	51

\* For this class of assets, based on internal assessment 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 life 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.

**Amortisation:**

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 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.

#### **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.



## Compensated Absences

The Group has provided "Compensated Absences" on the basis of actuarial valuation.

## 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 Parent 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:

The Group provides for gratuity, a defined benefit plan, for employees. The Group 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 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

The Group assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group considers whether (i) the contract involves the use of identified asset; (ii) the Group has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Group has right to direct the use of the asset.

#### As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. Where appropriate, the right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease liability and the right of use asset have been separately presented in the balance sheet and lease payments have been classified as financing activities.

The Group has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Group recognises the lease payments associated with these leases as an expense in statement of profit and loss over the lease term. The related cash flows are classified as operating activities.

#### **As a lessor**

Leases for which the Group is a lessor is classified as finance or operating leases. When the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. The Group recognizes income on operating leases based on the contractual arrangements.

### **Critical accounting estimate and judgement**

#### **1. Determination of lease term**

Ind AS 116 Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes assessment on the expected lease term on lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised.

#### **2. Discount rate**

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

#### **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 Parent Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group.

#### **t) Share-based Compensation**

The Group 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) **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.

### **3 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.

# Notes forming part of Consolidated Financial Statements for the year ended March 31, 2022

## 4 CASH AND CASH EQUIVALENTS

Particulars	(₹ in Mn)	
	As at March 31, 2022	As at March 31, 2021
<b>Cash and Cash Equivalents (As per Ind AS 7 Statement of Cashflows)</b>		
Cash on hand	0.41	0.47
Cheques in hand	-	0.46
Balance with banks		
- Others	3,505.69	3,865.61
CBLO	1,379.58	499.95
<b>Cash and cash equivalents (As per Ind AS 7 Statement of Cashflows)</b>	<b>4,885.68</b>	<b>4,366.49</b>

## 5 BANK BALANCE OTHER THAN 4 ABOVE:

Particulars	(₹ in Mn)	
	As at March 31, 2022	As at March 31, 2021
<b>Other Bank Balances</b>		
In Earmarked Accounts	3,033.86	2,026.75
In Deposit accounts (with original maturity of more than 3 months)	2,296.37	1,980.99
Interest accrued on fixed deposits	6.04	7.62
<b>Total</b>	<b>5,336.27</b>	<b>4,015.36</b>

### Out of the Fixed Deposits shown above:

Particulars	(₹ in Mn)	
	As at March 31, 2022	As at March 31, 2021
Lien marked against bank guarantee	1,255.71	1,321.27
Lien marked against overdraft facility	-	50.00
Collateral with exchange	1,006.05	116.05
Lien marked against derivative transactions	24.54	483.63
Other deposits	10.07	10.04
Interest accrued on fixed deposits	6.04	7.62
<b>Total</b>	<b>2,302.41</b>	<b>1,988.61</b>

## 6 DERIVATIVE FINANCIAL INSTRUMENTS (Refer Note 38)

(₹ in Mn)

Part I	As at March 31, 2022			As at March 31, 2021		
	Notional amounts	Fair value - Assets	Fair value - Liabilities	Notional amounts	Fair value - Assets	Fair value - Liabilities
(i) Interest rate derivatives						
Interest rate swaps	-	-	-	-	-	-
<b>Subtotal(i)</b>	-	-	-	-	-	-
(ii) Equity linked derivatives (Nifty Linked)						
Option premium paid	126.02	0.30	-	5,268.19	1,638.58	-
Option premium received	259.94	-	1.19	2,678.91	-	47.99
Derivative component of liabilities	-	0.99	1,404.51	-	26.39	2,159.01
<b>Subtotal(ii)</b>	<b>385.96</b>	<b>1.29</b>	<b>1,405.70</b>	<b>7,947.10</b>	<b>1,664.97</b>	<b>2,207.00</b>
<b>Total Derivative Financial Instruments (i) + (ii)</b>	<b>385.96</b>	<b>1.29</b>	<b>1,405.70</b>	<b>7,947.10</b>	<b>1,664.97</b>	<b>2,207.00</b>

(₹ in Mn)

Part II	As at March 31, 2022			As at March 31, 2021		
	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	385.96	1.29	-	7,947.10	1,664.97	2,207.00
<b>Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)</b>	<b>385.96</b>	<b>1.29</b>	<b>-</b>	<b>7,947.10</b>	<b>1,664.97</b>	<b>2,207.00</b>

## 7 RECEIVABLES (Refer Note 38)

(₹ in Mn)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Trade receivables		
Receivables considered good - Secured	-	-
Receivables considered good - Unsecured	2,546.60	2,264.01
Receivables - credit impaired	7.44	25.31
<b>Total (i)- Gross</b>	<b>2,554.04</b>	<b>2,289.32</b>
Less: Impairment loss allowance	(7.44)	(25.31)
<b>Total (i)- Net</b>	<b>2,546.60</b>	<b>2,264.01</b>
(ii) Other receivables		
Receivables considered good - Secured	2,405.63	743.93
Receivables considered good - Unsecured	179.56	413.46
Receivables which have significant increase in credit risk	-	-
Receivables - credit impaired	-	-
<b>Total (ii)- Gross</b>	<b>2,585.19</b>	<b>1,157.39</b>
Less: Impairment loss allowance	-	-
<b>Total (ii)- Net</b>	<b>2,585.19</b>	<b>1,157.39</b>

a) No trade or other receivables are due from directors or from other officers of the Group 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 March 31, 2022 and March 31, 2021.

- b) Other receivables include receivables on sale of Investments aggregating to ₹ 144.27 mn (PY - ₹ 262.67 mn)
- c) Other receivables are generally secured by margin money received from clients and/or securities held on behalf of the clients pending settlement.
- d) No trade receivables and other receivables are interest bearing.

#### Trade receivables ageing schedule for the year ended March 31, 2022

(₹ in Mn)

Particulars	Outstanding for following periods from due date of payment						Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Unbilled revenue	
(i) Undisputed Trade receivables - considered good	2,326.83	121.79	56.40	30.25	-	11.33	2,546.60
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	1.00	4.37	2.06	-	-	7.43
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Less: Impairment loss allowance		(1.00)	(4.37)	(2.06)	-	-	(7.43)
<b>Net receivable as at March 31, 2022</b>	<b>2,326.83</b>	<b>121.79</b>	<b>56.40</b>	<b>30.25</b>	<b>-</b>	<b>11.33</b>	<b>2,546.60</b>

#### Trade receivables ageing schedule for the year ended March 31, 2021

(₹ in Mn)

Particulars	Outstanding for following periods from due date of payment						Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Unbilled revenue	
(i) Undisputed Trade receivables - considered good	1,905.29	157.89	127.12	12.77	-	60.94	2,264.01
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	1.69	20.53	3.08	-	-	25.30
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Less: Impairment loss allowance		(1.69)	(20.53)	(3.08)	-	-	(25.30)
<b>Net receivable as at March 31, 2021</b>	<b>1,905.29</b>	<b>157.89</b>	<b>127.12</b>	<b>12.77</b>	<b>-</b>	<b>60.94</b>	<b>2,264.01</b>

**8 LOANS (Refer Note 38)**

(₹ in Mn)

Loans	As at March 31, 2022		As at March 31, 2021	
	Amortised cost	Total	Amortised cost	Total
<b>(A)</b>				
(i) Term loans	39,355.42	39,355.42	37,034.11	37,034.11
(ii) Inter Corporate Deposits and Interest on ICD	-	-	4.03	4.03
(iii) Others - Staff loan	7.91	7.91	10.00	10.00
<b>Total (A) -Gross</b>	<b>39,363.33</b>	<b>39,363.33</b>	<b>37,048.14</b>	<b>37,048.14</b>
Less: Impairment loss allowance	(193.86)	(193.86)	(338.16)	(338.16)
<b>Total (A) - Net</b>	<b>39,169.47</b>	<b>39,169.47</b>	<b>36,709.98</b>	<b>36,709.98</b>
<b>(B)</b>				
(i) Secured by tangible assets	37,614.95	37,614.95	35,552.45	35,552.45
(ii) Unsecured	1,748.39	1,748.39	1,491.66	1,491.66
Less: Impairment loss allowance	(193.86)	(193.86)	(338.16)	(338.16)
<b>Total (B)-Net</b>	<b>39,169.48</b>	<b>39,169.48</b>	<b>36,705.95</b>	<b>36,705.95</b>
<b>(C)</b>				
(I) Loans in India	39,363.34	39,363.34	37,043.83	37,043.83
Less: Impairment loss allowance	(193.86)	(193.86)	(338.16)	(338.16)
<b>Total(C) (I)-Net</b>	<b>39,169.48</b>	<b>39,169.48</b>	<b>36,705.67</b>	<b>36,705.67</b>
(II) Loans outside India	-	-	0.28	0.28
Less: Impairment loss allowance	-	-	-	-
<b>Total (C) (II)- Net</b>	<b>-</b>	<b>-</b>	<b>0.28</b>	<b>0.28</b>
<b>Total C(I) and C(II)</b>	<b>39,169.48</b>	<b>39,169.48</b>	<b>36,705.95</b>	<b>36,705.95</b>

Secured loan & Other Credit Facilities given to customer are secured by :-

- Pledge of Shares / Bonds / Mutual Fund & AIF Units
- Equitable/Registered Mortgage on Property
- Personal Guarantee

Type of Borrower	As at March 31, 2022		As at March 31, 2021	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans
Promoter	Nil	-	Nil	-
Directors	17.40	0.04%	Nil	-
KMPs	Nil	-	Nil	-
Related parties	Nil	-	42.37	0.12%

**9 INVESTMENTS (Refer Note 38)**

(₹ in Mn)

Investments	As at March 31, 2022						As at March 31, 2021							
	Amortised cost	At Fair value			Subtotal	Others	Total	Amortised cost	At Fair value			Subtotal	Others	Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss					Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss			
<b>(A)</b>														
Mutual funds	-	-	7,136.23	-	7,136.23	-	7,136.23	-	-	2,325.95	-	2,325.95	-	2,325.95
Debt securities	-	-	11,527.18	-	11,527.18	-	11,527.18	-	-	13,076.63	-	13,076.63	-	13,076.63
Govt securities	-	-	636.57	-	636.57	-	636.57	-	-	649.00	-	649.00	-	649.00
Equity instruments	-	-	9,049.00	-	9,049.00	-	9,049.00	-	-	252.83	-	252.83	-	252.83
Alternate investment funds	-	-	12,340.98	-	12,340.98	-	12,340.98	-	-	8,443.47	-	8,443.47	-	8,443.47
Others	-	-	34.01	-	34.01	-	34.01	-	-	380.71	-	380.71	-	380.71
<b>Total (A)</b>	-	-	<b>40,723.97</b>	-	<b>40,723.97</b>	-	<b>40,723.97</b>	-	-	<b>25,128.59</b>	-	<b>25,128.59</b>	-	<b>25,128.59</b>
<b>(B)</b>														
i) Investments outside India	-	-	495.40	-	495.40	-	495.40	-	-	209.45	-	209.45	-	209.45
ii) Investments in India	-	-	40,228.57	-	40,228.57	-	40,228.57	-	-	24,919.14	-	24,919.14	-	24,919.14
<b>Total (B)</b>	-	-	<b>40,723.97</b>	-	<b>40,723.97</b>	-	<b>40,723.97</b>	-	-	<b>25,128.59</b>	-	<b>25,128.59</b>	-	<b>25,128.59</b>
<b>(C)</b>														
Less: Allowance for impairment loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total- Net (D) = A-C</b>	-	-	<b>40,723.97</b>	-	<b>40,723.97</b>	-	<b>40,723.97</b>	-	-	<b>25,128.59</b>	-	<b>25,128.59</b>	-	<b>25,128.59</b>

**Note:**

Out of the above investments ₹ 7,616.86 mn (PY - ₹ 9,366.83 mn) are kept as collateral

Name of Investment	As at March 31, 2022			As at March 31, 2021		
	Face Value	No. of Units	Total Amount	Face Value	No. of Units	Total Amount
<b>Investment in Mutual Funds include :</b>						
ADITYA BIRLA SL CREDIT RISK DIRECT-GROWTH- Segregated Portfolio 1	10.00	35,91,505.00	0.61	10.00	35,91,505.00	1.49
ADITYA BIRLA SL MEDIUM TERM DIRECT-GROWTH- Segregated Portfolio 1	10.00	31,62,822.01	1.80	10.00	31,62,822.01	4.41
AXIS MUTUAL FUND AXIS TECHNOLOGY ETF FUND	-	-	-	100.00	1,94,160.00	50.19
DSP FMP SERIES 241-36M DIRECT-GROWTH	10.00	3,28,681.91	1,000.17	-	-	-
FRANKLIN TEMPLETON ASSET MANAGEMENT (INDIA) PRIVATE LIMITED SHORT TERM INCOME PLAN RETAIL GROWTH OPEN END	1,000.00	34.97	0.16	1,000.00	374.31	1.49
HDFC FIXED MATURITY PLAN - 1265 DAYS - OCTOBER 2018 (1) - DIRECT PLAN - GROWTH	1,000.00	5,00,000.00	6.59	-	-	-
HDFC MUTUAL FUND FMP 3360D MAR2014(1)SR30 REG QTLYDIVPY 06JU23	-	-	-	10.00	22,50,000.00	37.69
HDFC MUTUAL FUND LIQUID FUND DIRECT GROWTH OPEN ENDED	1,000.00	40,121.00	167.90	-	-	-
HDFC MUTUAL FUND LIQUID FUND RG GROWTH OPEN ENDED	-	-	-	1,000.00	61,134.00	247.32
HDFC MUTUAL FUND SHORT TERM DBT FD DIRECT GROWTH OPEN ENDED	10.00	73,38,251.00	192.40	10.00	73,38,251.00	183.07
ICICI PRUDENTIAL MUTUAL FUND FMP SR 82-1136D PL P CUM 30AP21	-	-	-	10.00	2,69,865.00	3.41
ICICI Prudential Overnight Fund Growth	10.00	3,53,270.88	40.35	-	-	-
IIFL DYNAMIC BOND FUND DIRECT PLAN - GROWTH	10.00	63,00,175.62	118.83	10.00	2,06,00,176.14	361.94
IIFL FOCUSED EQUITY FUND - DIRECT PLAN - GROWTH	10.00	8,26,539.44	26.52	10.00	8,26,539.44	21.41
IIFL LIQUID FUND - DIRECT PLAN - GROWTH	1,000.00	4,769.07	7.83	1,000.00	4,769.07	7.58
IIFL LIQUID FUND - REGULAR PLAN - GROWTH	1,000.00	8.08	0.01	1,000.00	8.08	0.01
IIFL Quant Fund - Direct Plan - Growth	10.00	4,99,975.00	5.07	-	-	-
Kotak Liquid Fund Regular Plan Growth	1,000.00	1,53,221.02	655.63	-	-	-
KOTAK MAHINDRA MUTUAL FUND MEDIUM TERM FD DIR GROWTH OP	10.00	7,22,637.87	1,000.26	-	-	-



Name of Investment	As at March 31, 2022			As at March 31, 2021		
	Face Value	No. of Units	Total Amount	Face Value	No. of Units	Total Amount
KOTAK MAHINDRA MUTUAL FUND CREDIT RISK FUND DIR GROWTH ENED	10.00	58,110.01	250.05	-	-	-
Mirae Asset Cash Management Fund - Direct Plan Growth	1,000.00	2,22,558.65	500.10	-	-	-
MIRAE ASSET OVERNIGHT FUND REG-GROWTH	1,000.00	2,25,661.35	500.14	-	-	-
SBI LIQUID DIRECT-GROWTH	1,000.00	5,000.00	16.55	-	-	-
SBI MUTUAL FUND LIQUID FD-DIRECT GROWTH	1,000.00	0.73	-	1,000.00	1,84,073.98	589.61
SBI MUTUAL FUND LIQUID FD-REGULAR PL GROWTH OPEN ENDED	1,000.00	73.98	0.24	1,000.00	2,09,201.31	673.97
SBI SAVINGS-GROWTH	-	-	-	10.00	1,00,000.88	3.26
SBI SAVINGS FUND - DIRECT PLAN - GROWTH	-	-	-	10.00	40,67,953.43	139.10
SBI MUTUAL FUND LIQUID FD-DIRECT GROWTH	1,000.00	1,00,000.00	333.31	-	-	-
SBI MUTUAL FUND LIQUID FD-REGULAR PL GROWTH OPEN ENDED	1,000.00	3,254.45	311.21	-	-	-
SBI OVERNIGHT FUND - REGULAR PLAN - GROWTH	1,000.00	3,02,121.87	1,000.26	-	-	-
Sundaram Liquid Fund (Formerly Known As Principal Cash Management Fund)	1,000.00	5,32,294.13	1,000.24	-	-	-
<b>Total</b>			<b>7,136.23</b>			<b>2,325.95</b>

**Investment in Debt Securities include :**

0.00% INDIA GRID TRUST 4-JAN-23	-	-	-	10,00,000.00	10.00	11.85
7.39% HUDCO TAX FREE BOND 15 YRS TR2IIA ANNUAL	1,000.00	13,090.00	15.62	-	-	-
7.51/8.01 HOUSING AND URBAN DEVELOPMENT CORP. LTD. 7.51/8.01 LOA 16FB28 FVRS1000_N5	1,000.00	20,000.00	22.95	-	-	-
8.30% NATIONAL HIGHWAYS AUTHORITY OF INDIA 8.3 BD 25JN27 FVRS1000_N2	-	-	-	1,000.00	6,171.00	7.61
8.55% IIFCL TRANCHE III SERIES 2A 15YRS	1,000.00	1,000.00	1.22	-	-	-
8.70% BANK OF BARODA SERIES X NCD PERPETUAL FVRS10LAC	10,00,000.00	184.00	195.44	10,00,000.00	270.00	279.36
8.75% SBI SERIES I 8.75 BD PERPETUAL FVRS10LAC	10,00,000.00	130.00	140.27	10,00,000.00	133.00	142.85
8.85% HDFC BANK BASEL III PERPETUAL BONDS SERIES 1/2017-18	-	-	-	10,00,000.00	15.00	16.51
8.90% RELIANCE HOME FINANCE LTD SR-I CAT III & IV 3YRS FV RS 1000	1,000.00	10.00	-	1,000.00	10.00	-
9.08% UNION BANK OF INDIA SR-XXIV BD PERPETUAL FVRS10LAC	-	-	-	10,00,000.00	1,094.00	1,197.56
9.37% STATE BANK OF INDIA SERIES II BD PERPETUAL FVRS10LAC	-	-	-	10,00,000.00	30.00	32.09
9.45% STATE BANK OF INDIA NCD FV10LAC 22MAR2030	-	-	-	10,00,000.00	99.00	103.29
9.56% STATE BANK OF INDIA SERIES 1 NCD PERPETUAL FVRS10LAC	-	-	-	10,00,000.00	40.00	43.13
9.90% ICICI BANK LIMITED SR DDE18AT 9.90 BD PERPETUAL FVRS10LAC	10,00,000.00	2.00	2.18	10,00,000.00	1.00	1.09
10.50% INDUSIND BANK LIMITED SERIES III-2019 NCD PERPEUAL FVRS10LAC	10,00,000.00	146.00	151.73	10,00,000.00	261.00	257.62
ICICI BANK LIMITED SR- DMR17AT 9.2 BD PERPETUAL FVRS10LAC	-	-	-	10,00,000.00	35.00	35.81
ICICI BANK LIMITED SR-DMR18AT 9.15 BD PERPETUAL FVRS10LAC	-	-	-	10,00,000.00	50.00	54.82
L&T INFRA DEBT FUND LIMITED SR E-FY 2019-20	10,00,000.00	5.00	6.15	-	-	-
PUNJAB NATIONAL BANK SR-IX9.21BDPERPETUALFVRS10LACLO AUPTO27AP17	-	-	-	10,00,000.00	1.00	1.01
RELIANCE CAPITAL LIMITED SR-B/359A TYPE III BR NCD 21OT19 FVRS1LAC	1,00,000.00	239.00	8.92	1,00,000.00	239.00	8.92
RELIANCE CAPITAL LIMITED SR-B/359A TYPE IV BR NCD 24OT19 FVRS1LAC	1,00,000.00	704.00	26.25	1,00,000.00	704.00	26.25
STATE BANK OF INDIA SR-1 9 BD PERPETUAL FVRS10LAC	-	-	-	10,00,000.00	2.00	2.12
STATE BANK OF INDIA SR-IV 8.15 BD PERPETUAL FVRS10LAC	-	-	-	10,00,000.00	610.00	650.24
0.00% HDB FINANCIAL SERVICES LIMITED SR-A/0/119 NCD 08JU21 FVRS10LAC	-	-	-	12,80,989.00	20.00	25.62
0.00% TATA CAPITAL HOUSING FINANCE 24-JAN-24	-	-	-	10,00,000.00	3.00	3.04
10.99% UNION BANK OF INDIA SR-III10.99 BDPERPETUALFVRS10LACLOAUPTO04AG16	-	-	-	10,00,000.00	42.00	45.53
11% RAJDARBAR PSORIASIS RESEARCH CENTRE PRIVATE LIMITED 11 NCD 01FB24 FVRS10LAC	-	-	-	10,00,000.00	250.00	256.90
6.6861% MINDSPACE BUSINESS PARK REIT 17-MAY-24	10,00,000.00	50.00	50.20	10,00,000.00	50.00	50.20
7.04% HUDCO TAX FREE BOND 10 YRS TR2IA ANNUAL	-	-	-	1,000.00	1,000.00	1.13
7.04% INDIAN RAILWAY FINANCE CORPORATION LIMITED SR-106 7.04 BD 03MR26 FVRS10LACLOAUPTO 05AP16	-	-	-	10,00,000.00	13.00	14.87
7.18% REC LTD TAX FREE BOND 20 YRS SR3A ANNUAL	1,000.00	458.00	0.58	1,000.00	229.00	0.30
7.35%/7.64% IRFC 22-MAR-2031	-	-	-	1,000.00	850.00	1.06
7.39/7.64 HUDCO 8-FEB-2031	-	-	-	1,000.00	500.00	0.61
8.18% NHPC LTD TAX FREE BOND 10 YRS TR-I SR1-A ANNUAL	-	-	-	1,000.00	32,210.00	37.55

Name of Investment	As at March 31, 2022			As at March 31, 2021		
	Face Value	No. of Units	Total Amount	Face Value	No. of Units	Total Amount
8.2/8.35 HOUSING AND URBAN DEVELOPMENT CORP. LTD. 8.2/8.35 LOA 05MR27 FVRS1000	-	-	-	1,000.00	4,100.00	4.86
8.23% IRFC 10YRS SRIA 18022024	-	-	-	1,000.00	19,978.00	23.44
8.35% INDIAN RAILWAY FINANCE CORPORATION LIMITED SR- 89 OP-I 8.35 LOA 21INV23 FVRS10LAC	-	-	-	10,00,000.00	1.00	1.17
8.41% INDIA INFRASTRUCTURE FINANCE COMPANY LIMITED TRCH-II SR-1A 8.41 LOA 22JN24 FVRS1000	-	-	-	1,000.00	5,000.00	5.56
8.41% NTPC LTD TAX FREE BOND 10 YRS SRIA ANNUAL_16DC23	1,000.00	1,000.00	1.10	1,000.00	37,998.00	42.44
8.50% / 8.75% NHAI BOND 05-FEB-29 (CORPORATE)	1,000.00	5,000.00	6.09	1,000.00	25,000.00	31.63
8.50% BANK OF BARODA SR XIV 8.50 BD PERPETUAL FVRS10LAC	10,00,000.00	15.00	15.71	10,00,000.00	25.00	25.71
8.50% SBI 22-NOV-24 PERP	10,00,000.00	169.00	178.34	10,00,000.00	393.00	411.43
8.75% AXIS BANK LIMITED SR-28 NCD PERPETUAL FVRS10LAC	-	-	-	10,00,000.00	370.00	398.57
BANK OF BARODA SR XII 8.25 BD PERPETUAL FVRS10LAC	-	-	-	10,00,000.00	60.00	62.89
BANK OF BARODA SRIV10.49NCDPERPETUALFVRS10LACLOAUPTO29MR17	-	-	-	10,00,000.00	97.00	99.13
BANK OF BARODA SR-IX 8.65 BD PERPETUAL FVRS10LAC	10,00,000.00	39.00	41.61	10,00,000.00	110.00	116.88
BANK OF BARODA SR-VII 9.14 BD PERPETUAL FVRS10LAC	-	-	-	10,00,000.00	15.00	15.24
EMBASSY PROPERTY DEVELOPMENTS PRIVATE LIMITED (EPDPL) - EMBASSY MLD SERIES - I - 28APRIL23	-	-	-	10,00,000.00	1,500.00	1,500.45
EMBASSY PROPERTY DEVELOPMENTS PRIVATE LIMITED BR NCD 02MR30 FVRS10LAC	-	-	-	10,00,000.00	163.00	161.16
EMBASSY PROPERTY DEVELOPMENTS PRIVATE LIMITED BR NCD 02MR30 FVRS10LAC - SERIES 2	10,00,000.00	193.00	159.28	10,00,000.00	52.00	52.28
HDB FINANCIAL SERVICES LIMITED SR 2020 A/0(ML)/4 BR NCD 09MY23 FVRS10LAC	-	-	-	10,00,000.00	14.00	15.24
ICICI BANK LIMITED SR-DOT17AT 8.55 BD PERPETUAL FVRS10LAC	10,00,000.00	93.00	97.98	10,00,000.00	148.00	156.04
IIFL HOME FINANCE LIMITED MLD-2028 SERIES C3 FVRS10LAC	-	-	-	10,00,000.00	140.00	173.03
IIFL HOME FINANCE LIMITED SERIES C12 BR NCD 25AP24 FVRS10LAC	-	-	-	10,00,000.00	78.00	92.05
KOTAK MAHINDRA PRIME LIMITED NCD 19JN24 FVRS10LAC	-	-	-	10,00,000.00	76.00	65.41
MINDSPACE BUSINESS PARKS REIT- MLD SERIES 2	10,00,000.00	52.00	57.41	10,00,000.00	650.00	655.14
MINDSPACE BUSINESS PARKS REIT SR 2 BR NCD 17MY24 FVRS10LAC	10,00,000.00	6.00	6.44	10,00,000.00	51.00	51.91
PRIUS COMMERCIAL PROJECTS PRIVATE LIMITED 12 NCD 02MR36 FVRS1000	-	-	-	1,000.00	6,33,400.00	633.40
PRIUS COMMERCIAL PROJECTS PRIVATE LIMITED SR 2 NCD 02MR41 FVRS1000	-	-	-	1,000.00	8,81,489.00	70.60
PUNJAB NATIONAL BANK SR-VIII8.95 BDPERPETUALFVRS10LACLOAUPTO02API7	-	-	-	10,00,000.00	53.00	53.65
RAJDARBAR NINE VENTURES PRIVATE LIMITED 11 NCD 18DC23 FVRS10LAC	-	-	-	10,00,000.00	1,350.00	1,375.99
REDDY VEERANNA INVESTMENTS PRIVATE LIMITED SR A NCD 30SP22 FVRS10LAC	-	-	-	10,00,000.00	63.00	31.74
REDDY VEERANNA INVESTMENTS PRIVATE LIMITED SR. 1 NCD 30SP22 FVRS10LAC	10,00,000.00	26.00	26.43	10,00,000.00	1,626.00	1,629.40
REDDY VEERANNA INVESTMENTS PRIVATE LIMITED SR. 1 NCD 30SP22 FVRS10LAC	-	-	-	10,00,000.00	60.00	60.13
REDDY VEERANNA INVESTMENTS PRIVATE LIMITED SR-A NCD 30SP22 FVRS10LAC	-	-	-	10,00,000.00	105.00	60.33
SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	1,00,000.00	267.00	288.28	1,00,000.00	69.00	8.94
0% BAJAJ FINANCE LIMITED NCD 05AP22 FVRS10LAC	10,00,000.00	23.00	30.87	-	-	-
0.00% LONE FURROW 26-DEC-24	10,00,000.00	1,200.00	1,241.76	-	-	-
0.00% SUNDARAM FINANCE LIMITED SR-R-6 NCD 10JU22 FVRS10LAC	10,00,000.00	16.00	15.87	-	-	-
10% ZUARI GLOBAL LTD 29/06/2021 FV 10 LAKHS	10,00,000.00	468.00	479.67	-	-	-
10% ZUARI INVESTMENTS LIMITED 10 LOA 29JU24 FVRS10LAC	10,00,000.00	400.00	409.97	-	-	-
6.75%PIRAMAL CAPITAL & HOUSING FINANCE LIMITED 26SP31 FVRS1000	1,000.00	17,68,548.00	1,430.27	-	-	-
7.25% IRFC LTD TAX FREE BOND 20 YRS SR3A ANNUAL	1,000.00	1,798.00	2.29	-	-	-
7.28% IRFC LTD TAX FREE BOND 15 YRS SR2A ANNUAL	1,000.00	6,000.00	7.26	-	-	-
7.28/7.53% IRFC 21-DEC-2030 (CORPORATE)	1,000.00	396.00	0.48	-	-	-
7.35% / 7.64% NABARD TAX FREE 23-MAR-2031 (CORPORATE)	1,000.00	13,000.00	15.39	-	-	-
7.35% NHAI LTD TAX FREE BOND 15 YRS SR2A ANNUAL	1,000.00	27,853.00	33.79	-	-	-
7.37% NTPC LTD TAX FREE BOND 20 YRS SR3A ANNUAL	1,000.00	1,234.00	1.59	-	-	-
7.43% REC LTD TAX FREE BOND 20 YRS SR3B ANNUAL	1,000.00	429.00	0.57	-	-	-
7.72% STATE BANK OF INDIA SR II 7.72 BD PERPETUAL FVRS1CR	1,00,00,000.00	7.00	72.83	-	-	-



Name of Investment	As at March 31, 2022			As at March 31, 2021		
	Face Value	No. of Units	Total Amount	Face Value	No. of Units	Total Amount
7.95% BANK OF BARODA SR XVII 7.95 BD PERPETUAL FVRSICR	1,00,00,000.00	1.00	10.32	-	-	-
8.01/ 8.26 REC 24-SEP-23 (CORPORATE)	1,000.00	1,000.00	1.08	-	-	-
8.16% IIFCL TRANCHE III SERIES 1A 10YRS	1,000.00	10,000.00	10.77	-	-	-
8.25% BOB 17-JULY-25 PERP	10,00,000.00	1.00	1.06	-	-	-
8.35% TATA CAPITAL FINANCIAL SERVICES LIMITED 3 YEARS CORPORATE	1,000.00	1,000.00	1.05	-	-	-
8.40/8.65% IRFC 15YRS SR2B 18022029 CORPORATE	1,000.00	360.00	0.46	-	-	-
8.48% / 8.73% IIFCL BOND 22-JAN-29 (CORPORATE)	1,000.00	600.00	0.74	-	-	-
8.50% CANARA BANK PERPETUAL FVRS10LAC	10,00,000.00	1.00	1.02	-	-	-
8.76% NATIONAL HOUSING BANK TRCH-I SR-3A 8.76 LOA 13JN34 FVRS5000	5,000.00	300.00	2.05	-	-	-
AXIS FINANCE LIMITED SR 02 19 20 OPT A NCD 03AG22 FVRS10LAC	10,00,000.00	14.00	17.47	-	-	-
AXIS FINANCE LIMITED SR 02/2020-21 BR NCD 05JU23 FVRS10LAC	10,00,000.00	7.00	8.07	-	-	-
CANARA BANK SR II TR II 8.05 LOA PERPETUAL FVRSICR	1,00,00,000.00	2.00	20.45	-	-	-
CCDs of Digital Succession Solutions Private Limited,	100.00	1,87,500.00	18.75	-	-	-
CHAYADEEP PROPERTIES PRIVATE LIMITED SR-1 NCD 27FB25 FVRS10LAC	10,00,000.00	1,000.00	1,008.77	-	-	-
HDB FINANCIAL SERVICES LIMITED SR A0(ZC)163 NCD 26AP24 FVRS10LAC	10,00,000.00	71.00	74.81	-	-	-
INDIA INFRASTRUCTURE TRUST INDIA INFRASTRUCTURE TRUST / INVIT	100.00	1,38,00,000.00	1,352.40	-	-	-
NATIONAL HIGHWAYS INFRA TRUST NATIONAL HIGHWAYS INFRA TRUST	100.00	27,00,000.00	313.47	-	-	-
PIRAMAL ENTERPRISES LIMITED BR NCD 02SP24 FVRS10LAC	10,00,000.00	45.00	45.21	-	-	-
SHRIRAM TRANSPORT FINANCE COMPANY LIMITED SR 03 BR NCD 18NV23 FVRS10LAC	10,00,000.00	3.00	3.31	-	-	-
STATE BANK OF INDIA SR II 7.73 BD PERPETUAL FVRS10LAC	10,00,000.00	20.00	20.50	-	-	-
TATA CAPITAL FINANCIAL SERVICES LIMITED TR A 2018-19 TR III BR NCD 14AP22 FVRS10LAC	10,00,000.00	20.00	25.88	-	-	-
VIDYA TRUST 2021 SERIES II SERIES II PTC 26MAR21 (THINK & LEARN PVT LTD PTC 9.55% IRR 15MAR2022)	-	-	-	10,000.00	1,67,770.00	1,681.85
VIDYA TRUST 2021 SERIES V	10,000.00	1,06,821.00	1,074.18	-	-	-
VIDYA TRUST 2021 SERIES IV	10,000.00	26,114.00	263.42	-	-	-
VIDYA TRUST SERIES VI 2021	10,000.00	2,00,000.00	2,009.15	-	-	-
			<b>11,527.18</b>			<b>13,076.63</b>

**Investment in Government Securities include :**

07.32% GOVERNMENT OF INDIA FVRS100 28JAN2024	100.00	10,00,000.00	105.30	100.00	10,00,000.00	107.48
07.35% GOVT. STOCK 2024	100.00	50,00,000.00	531.27	100.00	50,00,000.00	541.52
			<b>636.57</b>			<b>649.00</b>

**Investment in Equity Instrument include :**

FINEWORTHY SOFTWARE SOLUTION PRIVATE LIMITED	10.00	10,000.00	2.29	10.00	4,89,904.00	112.19
AMC Repo Clearing Limited	10.00	61,500.00	0.61	-	-	-
MF UTILITIES INDIA PRIVATE LIMITED	1.00	5,00,000.00	0.50	1.00	5,00,000.00	0.50
PRIUS COMMERCIAL PROJECTS PRIVATE LIMITED EQ NEW FV RS. 10/-	-	-	-	10.00	1,40,00,000.00	140.00
StoveKraft	-	-	-	-	82.00	0.04
STATE BANK OF INDIA	1.00	1.00	-	-	-	-
NATIONAL STOCK EXCHANGE OF INDIA	1.00	28,33,927.00	9,045.50	-	-	-
IIFLW CSR FOUNDATION	10.00	10,000.00	0.10	10.00	-	0.10
			<b>9,049.00</b>			<b>252.83</b>

**Investment in Alternate investment funds include :**

ABAKKUS EMERGING OPPORTUNITIES FUND - 1 - CLASS E	1,000.00	10,000.00	29.08	1,000.00	10,000.00	19.05
ABAKKUS GROWTH FUND - 1 - CLASS E	1,000.00	10,000.00	22.48	1,000.00	10,000.00	16.44
ASK SELECT FOCUS FUND - CLASS E	1,000.00	10,597.22	17.33	1,000.00	10,597.22	14.71
BLUME VENTURES (OPPORTUNITIES) FUND IIA	100.00	3,75,780.75	81.69	100.00	6,99,068.07	129.77
BLUME VENTURES FUND	10,000.00	1.79	0.07	10,000.00	1.79	0.06
Boothbay Fund	-	-	189.15	-	-	183.32
BOV CAPITAL FUND	1 USD	3,70,708.00	22.73	1 USD	3,85,432.00	24.98
CERRACAP II LP FUND	-	-	90.48	-	-	75.33
Dallas Venture Capital (DVC) India Fund I	10.00	750.00	7.50	-	-	-

Name of Investment	As at March 31, 2022			As at March 31, 2021		
	Face Value	No. of Units	Total Amount	Face Value	No. of Units	Total Amount
HIGH CONVICTION FUND - SERIES 1 - CLASS S	10.00	25,00,000.00	37.76	10.00	25,00,000.00	31.67
IA ALL CAP FUND - CLASS S	10.00	1,03,56,188.09	129.34	10.00	1,03,56,188.09	104.54
IA BLENDED FUND - SERIES 2 - CLASS A	-	-	-	10.00	1,43,68,578.45	121.51
IA BLENDED FUND - SERIES 2 - CLASS S	-	-	-	10.00	50,96,412.67	42.99
IA DIVERSIFIED FUND - CLASS S2	-	-	-	10.00	93,70,981.20	110.35
IA OPPORTUNITIES FUND - SERIES 1 - CLASS S1	10.00	30,53,032.26	52.94	10.00	29,90,919.72	43.81
IA OPPORTUNITIES FUND - SERIES 1 - CLASS S2	10.00	15,08,481.70	25.79	10.00	10,15,710.31	14.27
IA OPPORTUNITIES FUND - SERIES 1 - CLASS S5	-	-	-	10.00	3,11,276.14	8.60
IA OPPORTUNITIES FUND - SERIES 2 - CLASS S1	-	-	-	10.00	40,94,149.34	55.46
IA OPPORTUNITIES FUND - SERIES 4 - CLASS S2	-	-	-	10.00	1,92,925.37	2.23
IA OPPORTUNITIES FUND - SERIES 4 - CLASS S4	-	-	-	10.00	7,14,520.61	8.20
IA OPPORTUNITIES FUND - SERIES 4 - CLASS S5	-	-	-	10.00	1,92,879.77	2.35
IA OPPORTUNITIES FUND - SERIES 8 - CLASS S1	10.00	1,47,651.32	2.41	10.00	1,47,651.32	2.04
IA OPPORTUNITIES FUND - SERIES 8 - CLASS S4	10.00	14,97,712.99	21.14	10.00	12,86,010.34	16.23
IA Opportunities Fund – Series 8	10.00	3,31,454.41	4.74	-	-	-
IA Opportunities Fund - Series 8   Sponsor Contribution	10.00	21,268.74	0.35	-	-	-
IA OPPORTUNITIES FUND - SERIES 9 - CLASS S4	-	-	-	10.00	24,64,149.07	29.15
IA VALUE FUND - SERIES A - CLASS S4	-	-	-	7.41	16,97,585.10	8.89
ICICI PRUDENTIAL LONG SHORT FUND - SERIES I Class B33/A33	100.00	4,99,975.01	51.29	-	-	-
ICICI PRUDENTIAL REAL ESTATE AIF II - CLASS A	100.00	5,84,540.76	37.84	100.00	6,39,428.06	53.56
IIFL ASIA OPPORTUNITIES FEEDER FUND	10 USD	2,500.00	193.04	10 USD	2,500.00	184.47
IIFL Alternatives VCC	-	-	0.06	-	-	-
IIFL BLENDED FUND - SERIES A - CLASS S1	10.00	22,38,190.16	26.15	10.00	22,38,190.16	22.95
IIFL BLENDED FUND - SERIES A - CLASS S2	10.00	20,14,489.69	30.37	10.00	20,14,489.69	26.48
IIFL BLENDED FUND - SERIES A - CLASS S3	10.00	19,62,115.86	30.81	10.00	19,62,115.86	26.72
IIFL BLENDED FUND - SERIES A - CLASS S4	10.00	19,93,820.26	32.27	10.00	19,93,820.26	28.31
IIFL BLENDED FUND - SERIES A - CLASS S5	10.00	20,51,947.16	35.83	10.00	20,51,947.16	30.97
IIFL BLENDED FUND - SERIES B - CLASS S	10.00	32,23,489.50	47.44	10.00	32,23,489.50	41.04
IIFL BLENDED FUND - SERIES C - CLASS B	10.00	10.13	0.04	10.00	2,500.00	0.03
IIFL BLENDED FUND - SERIES C - CLASS S	10.00	31,93,222.93	45.58	10.00	31,93,222.93	39.68
IIFL Commercial Yield Fund CAT 2 Non-Sponsor A1	10.00	49,99,750.01	55.26	-	-	-
IIFL Commercial Yield Fund CAT 2 Sponsor S	10.00	2,49,987.50	2.78	-	-	-
IIFL EQUITY OPPORTUNITIES FUND - CLASS A	10.00	15,90,955.25	20.58	10.00	1,40,90,830.26	142.34
IIFL EQUITY OPPORTUNITIES FUND - CLASS S	10.00	64,74,482.85	86.03	10.00	64,74,482.85	66.43
IIFL HIGH GROWTH COMPANIES FUND - CLASS S	10.00	93,70,389.59	181.33	10.00	93,70,389.59	149.09
IIFL Income Opportunities Fund - Series 3 Class S	10.00	17,49,912.50	18.08	-	-	-
IIFL Income Opportunities Fund Series 2	10.00	27,50,150.71	32.61	-	-	-
IIFL INCOME OPPORTUNITIES FUND SERIES - SPECIAL SITUATIONS - CARRY	-	-	-	4.00	673.84	-
IIFL INCOME OPPORTUNITIES FUND SERIES - SPECIAL SITUATIONS - CLASS B	-	-	-	4.00	28,32,165.24	3.84
IIFL INCOME OPPORTUNITIES FUND SERIES 2 - Class A1	10.00	3,48,26,218.83	412.65	10.00	1,16,66,764.59	133.58
IIFL INCOME OPPORTUNITIES FUND SERIES 2 - CLASS A3	-	-	-	10.00	14,15,065.24	16.27
IIFL INCOME OPPORTUNITIES FUND SERIES 2 - CLASS S	10.00	2,23,58,172.56	268.67	10.00	1,86,07,307.71	215.19
IIFL INCOME OPPORTUNITIES FUND SERIES SPECIAL SITUATIONS - CARRY	-	-	-	4.00	1,010.77	-
IIFL INCOME OPPORTUNITIES FUND SERIES SPECIAL SITUATIONS - CLASS B	-	-	-	4.00	57,09,898.84	7.75
IIFL INDIA PE FUND SERIES 1A - CLASS S	3.85	49,99,750.01	52.90	10.00	49,99,750.01	66.12
IIFL India Private Equity Fund	10.00	2,85,33,027.69	366.53	-	-	-
IIFL INDIA PRIVATE EQUITY FUND - CLASS A	10.00	63,47,151.62	79.43	10.00	57,26,134.67	56.79
IIFL INDIA PRIVATE EQUITY FUND - CLASS B	10.00	5,49,81,408.14	695.15	10.00	1,84,78,882.92	184.40
IIFL INDIA PRIVATE EQUITY FUND - CLASS S	10.00	49,00,598.63	65.42	10.00	23,73,032.77	24.53
IIFL MONOPLASTIC MARKET INTERMEDIARIES FUND	10.00	17,49,912.50	19.67	-	-	-
IIFL Monopolistic Market Opportunities Fund Class A4	10.00	7,26,70,785.07	813.64	-	-	-
IIFL MULTI-STRATEGY FUND - CLASS S	10.00	7,90,76,948.07	955.23	10.00	1,00,00,000.00	146.94
IIFL One Opportunities FoF - Series 1 Class S	9.21	4,99,975.00	5.99	10.00	9,99,950.00	10.00
IIFL One Opportunities FOF - Series 1 Class A	10.00	1,50,00,000.00	150.00	-	-	-
IIFL One Opportunities FOF - Series 1 Class C	10.00	1,50,00,000.00	150.00	-	-	-
IIFL ONE OPPORTUNITIES FUND - SERIES 20 - CLASS A	9.21	6,36,97,209.00	958.87	-	-	-
IIFL ONE OPPORTUNITIES FUND - SERIES 20 - CLASS S	9.21	83,73,754.43	157.54	10.00	66,57,179.88	74.46
IIFL One Value Fund - Series B	10.00	12,49,937.50	13.05	-	-	-



Name of Investment	As at March 31, 2022			As at March 31, 2021		
	Face Value	No. of Units	Total Amount	Face Value	No. of Units	Total Amount
IIFL REAL ESTATE FUND (DOMESTIC) - SERIES 2 - CARRY	4.03	2,064.00	0.02	4.81	2,064.00	0.02
IIFL REAL ESTATE FUND (DOMESTIC) - SERIES 2 - CLASS A	4.03	80,86,078.81	29.51	4.81	80,86,078.81	38.07
IIFL REAL ESTATE FUND (DOMESTIC) - SERIES 2 - CLASS B	4.03	64,80,489.66	23.17	4.81	64,80,489.66	29.93
IIFL REAL ESTATE FUND (DOMESTIC) - SERIES 3 - CLASS B	7.49	2,67,12,466.05	132.83	7.49	2,77,00,742.21	149.87
IIFL REAL ESTATE FUND (DOMESTIC) - SERIES 3 - CLASS C	3.47	46,64,552.37	11.44	7.49	36,80,000.00	10.56
IIFL REAL ESTATE FUND (DOMESTIC) - SERIES 3 - CLASS S	7.49	2,50,00,000.00	131.30	7.49	2,50,00,000.00	141.89
IIFL REAL ESTATE FUND (DOMESTIC) - SERIES 3 class B2	7.49	9,88,276.16	4.91	-	-	-
IIFL REAL ESTATE FUND (DOMESTIC) - SERIES 4 - CARRY	7.46	2,375.00	0.02	8.74	2,375.00	0.02
IIFL REAL ESTATE FUND (DOMESTIC) - SERIES 4 - CLASS A	7.46	3,36,61,718.26	191.22	8.74	3,36,61,718.26	231.88
IIFL REAL ESTATE FUND (DOMESTIC) - SERIES 4 - CLASS B	7.46	34,86,147.57	19.65	8.74	34,86,147.57	23.87
IIFL REAL ESTATE FUND (DOMESTIC) - SERIES 4 - CLASS S	7.46	1,00,00,000.00	56.93	8.74	1,00,00,000.00	68.89
IIFL SEED VENTURE FUND - KOGTA CO-INVESTMENT	10.00	2,499.88	0.03	10.00	2,499.88	0.03
IIFL SEED VENTURES FUND - SERIES 2	10.00	58,40,251.73	79.27	10.00	50,00,000.00	57.05
IIFL SEED VENTURES FUND 1 - CARRY	7.69	1,500.00	0.01	7.69	1,500.00	0.01
IIFL SEED VENTURES FUND 1	6.94	1,93,76,993.53	691.60	7.69	72,58,512.54	166.67
IIFL SEED VENTURES FUND 1	6.94	64,66,012.70	212.75	7.69	1,85,84,493.69	442.78
IIFL SELECT EQUITY FUND - CLASS S	4.95	21,45,072.08	23.15	4.95	20,11,941.36	21.57
IIFL SELECT EQUITY FUND - CLASS S1	4.95	31,14,757.65	32.78	4.95	29,82,721.17	31.05
IIFL SELECT SERIES I - CLASS S	-	-	-	2.62	16,80,799.34	8.96
IIFL SELECT SERIES II - CLASS S	10.00	93,29,693.78	155.49	10.00	93,29,693.78	132.60
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 1 - CARRY	4.84	2,500.00	0.01	7.61	2,500.00	0.02
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 1 - CLASS A2	4.84	9,34,180.94	9.20	7.61	9,34,180.94	10.88
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 1 - CLASS S	4.84	43,45,070.33	45.27	7.61	43,45,070.33	52.11
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 1 - CO INVESTMENT - CAPACITE INFRAPROJECTS LIMITED - CLASS S	-	-	-	10.00	47,643.75	0.36
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 1 - CO INVESTMENT - INDIA ENERGY EXCHANGE LTD - CLASS S	-	-	-	-	-	-
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 1 - CO INVESTMENT - NATIONAL STOCK EXCHANGE OF INDIA LIMITED - CLASS S	10.00	28,055.35	0.83	10.00	1,35,116.11	2.32
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 1 - CO INVESTMENT - NAZARA TECHNOLOGIES LIMITED - CLASS S	-	-	-	10.00	67,559.79	0.30
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 1 - CO INVESTMENT - NSDL E-GOVERNANCE INFRASTRUCTURE - CLASS S	10.00	4,85,026.05	7.19	10.00	4,85,026.05	5.27
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 1 - CO INVESTMENT - RELIANCE NIPPON LIFE ASSET MANAGEMENT LIMITED - CLASS S	-	-	-	5.19	4,04,782.25	4.05
IIFL Special Opportunities Fund - Series 10 Non-Sponsor A1	10.00	1,74,99,125.04	174.82	-	-	-
IIFL Special Opportunities Fund - Series 10 Sponsor S	10.00	24,99,875.01	25.11	-	-	-
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 2 - CARRY	4.87	2,500.00	0.01	7.72	2,500.00	0.02
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 2 - CLASS A1	4.87	9,37,063.46	9.79	7.72	24,91,298.29	29.07
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 2 - CLASS S	4.87	45,06,593.49	46.80	7.72	45,06,593.49	52.01
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 2 - CO INVESTMENT - CAPACITE INFRAPROJECTS LIMITED - CLASS S	-	-	-	10.00	47,643.75	0.37
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 2 - CO INVESTMENT - NSDL E-GOVERNANCE INFRASTRUCTURE - CLASS S	10.00	4,85,026.05	7.19	10.00	4,85,026.05	5.27
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 2 - CO INVESTMENT - RELIANCE NIPPON LIFE ASSET MANAGEMENT LIMITED - CLASS S	-	-	-	5.19	4,04,782.25	4.05
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 3 - CARRY	4.78	2,500.00	0.01	7.89	2,500.00	0.02
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 3 - CLASS S	4.78	45,91,092.16	52.88	7.89	45,91,092.16	51.23
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 3 - CO INVESTMENT - BIKAJI FOODS INTERNATIONAL LIMITED - CLASS S	10.00	11,880.01	0.26	10.00	11,880.01	0.19
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 3 - CO INVESTMENT - CAPACITE INFRAPROJECTS LIMITED - CLASS S	-	-	-	10.00	1,83,867.75	1.34
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 3 - CO INVESTMENT - NATIONAL STOCK EXCHANGE OF INDIA LIMITED - CLASS S	10.00	18,96,638.97	37.17	-	-	-
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 3 - CO INVESTMENT - NAZARA TECHNOLOGIES LIMITED - CLASS S	-	-	-	10.00	4,889.20	0.05
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 3 - CO INVESTMENT - NORTHERN ARC CAPITAL LTD - CLASS S	10.00	1,09,267.29	1.58	10.00	1,09,267.29	1.48
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 3 - CO INVESTMENT - NSDL E-GOVERNANCE INFRASTRUCTURE - CLASS S	10.00	12,12,517.62	11.17	10.00	12,12,517.62	13.19
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 3 - CO INVESTMENT - RELIANCE NIPPON LIFE ASSET MANAGEMENT LIMITED - CLASS S	-	-	-	10.00	15,62,426.40	15.62
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 4 - CARRY	4.89	2,500.00	0.01	8.45	2,500.00	0.02
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 4 - CLASS S	4.89	49,89,314.11	51.81	8.45	49,89,314.11	56.34
IIFL Special Opportunities Fund - Series 4 - CLASS S - NSE	10.00	8,90,061.60	30.99	-	-	-

Name of Investment	As at March 31, 2022			As at March 31, 2021		
	Face Value	No. of Units	Total Amount	Face Value	No. of Units	Total Amount
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 4 - CO INVESTMENT - NATIONAL STOCK EXCHANGE OF INDIA LIMITED - CLASS A2	10.00	2,24,996.60	7.67	10.00	2,24,996.60	4.13
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 4 - CO INVESTMENT - NATIONAL STOCK EXCHANGE OF INDIA LIMITED - CLASS S	10.00	24,463.48	0.48	10.00	8,90,061.60	16.51
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 4 - CO INVESTMENT - NAZARA TECHNOLOGIES LIMITED - CLASS S	-	-	-	10.00	17,73,127.21	21.71
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 4 - CO INVESTMENT - NSDL E-GOVERNANCE INFRASTRUCTURE - CLASS S	10.00	4,85,026.05	7.19	10.00	4,85,026.05	5.27
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 5 - CARRY	4.67	2,500.00	0.01	8.52	2,500.00	0.02
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 5 - CLASS A1	4.67	41,18,123.72	39.04	8.52	22,50,628.87	24.55
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 5 - CLASS S	4.67	50,61,683.74	50.06	8.52	50,61,683.74	56.92
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 5 - CO INVESTMENT - NATIONAL STOCK EXCHANGE OF INDIA LIMITED - CLASS S	1,010.00	8,90,654.40	30.99	10.00	8,90,654.40	16.51
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 5 - CO INVESTMENT - NAZARA TECHNOLOGIES LIMITED - CLASS S	-	-	-	10.00	5,34,033.05	5.32
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 5 - CO INVESTMENT - NSDL E-GOVERNANCE INFRASTRUCTURE - CLASS S	1,010.00	4,85,026.05	7.19	10.00	4,85,026.05	5.27
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 6 - CLASS S	5.05	50,00,000.00	54.30	5.05	50,00,000.00	37.09
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 7 - CARRY	10.00	2,500.00	0.03	10.00	2,500.00	0.03
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 7 - CLASS S	10.00	50,00,000.00	97.39	10.00	50,00,000.00	70.13
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 7 - CO INVESTMENT - NATIONAL STOCK EXCHANGE OF INDIA LIMITED - CLASS S	10.00	1,07,060.75	3.62	10.00	10,91,070.31	16.93
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 8 - CLASS S	10.00	37,49,812.51	49.05	10.00	12,49,937.50	12.53
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 8 - CLASS S	10.00	23,40,006.64	29.56	-	-	-
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 8 - CLASS A1	10.00	10,49,947.50	13.20	-	-	-
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 9	10.00	9,99,950.00	10.00	-	-	-
IIFL Special Opportunities Fund - Series 9 Sponsor S	10.00	17,49,912.50	17.54	-	-	-
IIFL YIELD ENHANCER FUND - CARRY	1.49	2,375.00	-	2.01	2,375.00	-
IIFL YIELD ENHANCER FUND - CLASS A	1.49	2,10,89,660.17	28.58	2.01	2,10,89,660.16	35.68
IIFL YIELD ENHANCER FUND - CLASS B	1.49	1,25,95,649.67	16.08	2.01	96,41,771.15	15.63
IIFL YIELD ENHANCER FUND - CLASS S	1.49	4,74,73,236.91	70.01	2.01	4,74,73,236.91	85.39
IIFL-ONE CORE SOLUTIONS AGGRESSIVE	10.00	95,32,149.91	117.55	10.00	95,32,149.91	103.31
IIFL-ONE CORE SOLUTIONS BALANCED	10.00	93,76,351.56	112.21	10.00	58,20,136.79	62.14
IIFL-ONE CORE SOLUTIONS CONSERVATIVE	10.00	19,99,900.01	23.07	10.00	19,99,900.01	20.85
INDIA ALTERNATIVES PRIVATE EQUITY FUND II	1,00,000.00	239.92	28.69	1,00,000.00	3,717.92	348.78
India Housing Fund	7.77	46,70,348.89	46.67	-	-	-
INDIA HOUSING FUND - CARRY	7.77	2,500.00	0.02	9.66	2,500.00	0.02
INDIA HOUSING FUND - CLASS A	7.77	32,85,635.65	32.63	9.66	32,85,635.65	38.60
INDIA HOUSING FUND - CLASS B	7.77	65,09,282.48	64.73	9.66	65,09,282.48	76.53
INDIA HOUSING FUND - CLASS C	7.77	13,53,147.68	13.47	9.66	14,32,141.08	16.85
INDIA HOUSING FUND - CLASS E	7.77	96,25,469.79	96.18	9.66	4,53,39,033.16	534.64
INDIA HOUSING FUND - CLASS S	7.77	50,00,000.00	51.94	9.66	50,00,000.00	60.84
INDIA HOUSING FUND - SERIES 2 - CLASS A	-	-	-	5.42	4,00,80,258.90	181.59
INDIA HOUSING FUND - SERIES 2 - CLASS B	-	-	-	5.42	6,44,62,965.46	293.15
INDIA HOUSING FUND - SERIES 2 - CLASS I	-	-	-	5.42	4,74,70,456.00	210.23
INDIA HOUSING FUND - SERIES 2 - CLASS E	7.77	4,53,39,033.16	453.05	-	-	-
INDIA HOUSING FUND - SERIES 2 - CLASS S	4.73	89,32,914.99	47.71	5.42	69,99,966.32	57.88
INDIA HOUSING FUND - SERIES 3	10.00	3,07,43,487.11	382.07	-	-	-
INDIA HOUSING FUND - SERIES 3 - Class A	10.00	3,63,18,363.66	449.98	-	-	-
INDIA HOUSING FUND - SERIES 3 - Class C	10.00	49,99,750.01	62.65	-	-	-
INDIAREIT APARTMENT FUND - CLASS B	1,00,000.00	96.22	11.33	1,00,000.00	96.22	15.23
IRON PILLAR INDIA FUND1 - CLASS A	-	-	-	100.00	23,80,985.25	380.96
KAE CAPITAL FUND II A - CLASS B	-	-	-	1,00,000.00	2,100.00	225.98
MALABAR VALUE FUND	100.00	4,08,687.19	90.68	100.00	8,55,837.93	165.16
Orios Venture Partners Fund II	1,00,000.00	300.00	30.00	-	-	-
PEGASUS INDIA EVOLVING OPPORTUNITIES FUND	1,00,000.00	500.00	48.45	1,00,000.00	500.00	49.46
PIRAMAL INDIAREIT FUND V	1,00,000.00	40.88	4.65	1,00,000.00	40.88	4.68
PRELUDE STRUCTURED ALTERNATIVES MASTER FUND, LP	-	-	259.54	-	-	235.40
SUNDARAM ALTERNATIVE OPPORTUNITIES FUND NANO CAP SERIES 1 - CLASS E	-	-	-	1,00,000.00	147.02	14.31
SUNDARAM ALTERNATIVE OPPORTUNITIES FUND NANO CAP SERIES II - CLASS E	-	-	-	1,00,000.00	153.83	14.15
SUNDARAM ALTERNATIVE OPPORTUNITIES FUND NANO CAP SERIES II - CLASS I	-	-	-	1,00,000.00	0.91	0.08



Name of Investment	As at March 31, 2022			As at March 31, 2021		
	Face Value	No. of Units	Total Amount	Face Value	No. of Units	Total Amount
Turnaround Opportunities Fund	10.00	24,99,875.01	27.61	-	-	-
WHITE OAK INDIA EQUITY FUND - CLASS A	-	-	-	10.00	29,00,564.69	50.07
WHITE OAK INDIA EQUITY FUND - CLASS I	-	-	-	10.00	12,93,392.79	24.02
WHITE OAK INDIA EQUITY FUND II - CLASS J	10.00	10,00,000.00	21.10	10.00	10,00,000.00	17.59
WHITE OAK INDIA SELECT EQUITY FUND - CLASS J1	10.00	20,00,000.00	30.20	10.00	10,00,000.00	17.40
XPONENTIA OPPORTUNITIES FUND I - CLASS B2	1,00,000.00	1,740.00	167.52	1,00,000.00	970.00	114.76
YOURNEST ANGEL FUND – SCHEME 1 - CARRY	1.00	1,575.00	-	1.00	1,575.00	-
			<b>12,340.98</b>			<b>8,443.47</b>
<b>Investment in Gold PTC include :</b>						
LIQUID GOLD SERIES 2 - NOV 2020	-	-	-	1,00,000.00	49.00	4.94
LIQUID GOLD SERIES 3 - DEC 2020	1,00,000.00	39.00	3.91	1,00,000.00	301.00	30.18
LIQUID GOLD SERIES 4 - FEB 2021	1,00,000.00	190.00	19.06	1,00,000.00	43.00	4.32
LIQUID GOLD SERIES 3 - DEC 2023	-	-	-	1,00,000.00	30.00	3.24
LIQUID GOLD PTC SERIES I OCT 20	1,00,000.00	11.00	11.04	-	-	-
			<b>34.01</b>			<b>42.68</b>
<b>Investment in Others include :</b>						
EMBASSY OFFICE PARKS REAL ESTATE INV TRUST	-	-	-	10.00	10,14,400.00	330.13
BROOKFIELD INDIA REAL ESTATE TRUST	-	-	-	10.00	35,400.00	7.90
			-			<b>338.03</b>
<b>Total</b>			<b>40,723.97</b>			<b>25,128.59</b>

## 10 OTHER FINANCIAL ASSETS

Particulars	(₹ in Mn)	
	As at March 31, 2022	As at March 31, 2021
Deposit with exchange	1,387.32	880.82
Deposit with Clearing Corporation of India Limited (CCIL)	64.10	64.10
Other deposits	75.07	86.10
Income accrued & due	343.08	352.33
Advances to group company	0.18	1.01
Receivable from Employees	-	0.77
Others*	14.80	141.39
<b>Total</b>	<b>1,884.55</b>	<b>1,526.52</b>

\* Includes Broker balances and subscription amount paid for purchase of Investments pending allotment

## 11 DEFERRED TAXES

Significant components of deferred tax assets and liabilities for the year ended March 31, 2022 are as follows:

	(₹ in Mn)					
	Opening balance	Addition on acquisition/ merger	Recognised in profit or loss	Foreign exchange difference	Recognised in/reclassified from OCI	Closing balance
<b>Deferred tax assets:</b>						
Difference between book base and tax base of property, plant & equipment and intangible assets	1.26	-	-	-	-	1.26
Carried forward tax losses	0.02	-	0.80	-	-	0.82
Impairment of Assets	91.08	-	0.53	-	-	91.61
Retirement benefits for employees	23.71	-	(1.64)	-	0.04	22.11
Impact of IndAS 116	5.83	-	(0.01)	-	-	5.82
Unutilised MAT credit	(0.01)	-	-	-	-	(0.01)
<b>Total deferred tax assets</b>	<b>121.89</b>	<b>-</b>	<b>(0.32)</b>	<b>-</b>	<b>0.04</b>	<b>121.61</b>

(₹ in Mn)

	Opening balance	Addition on acquisition/merger	Recognised in profit or loss	Foreign exchange difference	Recognised in/reclassified from OCI	Closing balance
Offsetting of deferred tax (assets) with deferred tax liabilities	(119.83)	-	-	-	-	(119.83)
<b>Net Deferred tax assets (A)</b>	<b>2.06</b>	<b>-</b>	<b>(0.32)</b>	<b>-</b>	<b>0.04</b>	<b>1.78</b>
Difference between book base and tax base of property, plant & equipment, investment property and intangible assets	-	-	311.57	-	-	311.57
Unrealised profit on investments etc.	141.93	-	265.99	-	-	407.92
Impairment of Financial Assets	-	-	4.73	-	-	4.73
Goodwill on acquisition	309.77	-	(21.20)	-	-	288.57
<b>Total deferred tax liabilities</b>	<b>451.70</b>	<b>-</b>	<b>561.09</b>	<b>-</b>	<b>-</b>	<b>1,012.79</b>
Offsetting of deferred tax liabilities with deferred tax (assets)	(57.86)	-	-	-	-	(57.86)
<b>Net Deferred tax liabilities (B)</b>	<b>393.84</b>	<b>-</b>	<b>561.09</b>	<b>-</b>	<b>-</b>	<b>954.93</b>
<b>Deferred tax liabilities (A - B)</b>	<b>391.78</b>	<b>-</b>	<b>561.41</b>	<b>-</b>	<b>(0.04)</b>	<b>953.15</b>

Significant components of deferred tax assets and liabilities for the year ended March 31, 2021 are as follows:

(₹ in Mn)

	Opening balance	Addition on acquisition/merger	Recognised in profit or loss	Foreign exchange difference	Recognised in/reclassified from OCI	Closing balance
<b>Deferred tax assets:</b>						
Difference between book base and tax base of property, plant & equipment and intangible assets	30.56	0.86	(30.16)	-	-	1.26
Carried forward tax losses	5.09	-	(4.92)	(0.15)	-	0.02
Impairment of Assets	42.84	-	48.24	-	-	91.08
Retirement benefits for employees	22.37	2.86	1.05	-	(2.57)	23.71
Impact of IndAS 116	3.95	-	1.88	-	-	5.83
Unutilised MAT credit	(0.01)	-	-	-	-	(0.01)
Provision for expenses	3.91	-	(3.91)	-	-	-
<b>Total deferred tax assets</b>	<b>108.71</b>	<b>3.72</b>	<b>12.18</b>	<b>(0.15)</b>	<b>(2.57)</b>	<b>121.89</b>
Offsetting of deferred tax (assets) with deferred tax liabilities	(55.79)	-	-	-	-	(110.68)
<b>Net Deferred tax assets (A)</b>	<b>52.92</b>	<b>3.72</b>	<b>12.18</b>	<b>(0.15)</b>	<b>(2.57)</b>	<b>11.21</b>
Unrealised profit on investments etc.	191.31	-	(49.38)	-	-	141.93
Goodwill on acquisition	187.45	143.05	(20.73)	-	-	309.77
<b>Total deferred tax liabilities (B)</b>	<b>378.76</b>	<b>143.05</b>	<b>(70.11)</b>	<b>-</b>	<b>-</b>	<b>451.70</b>
Offsetting of deferred tax liabilities with deferred tax (assets)	(55.79)	-	-	-	-	(110.68)
<b>Net Deferred tax liabilities (B)</b>	<b>322.97</b>	<b>143.05</b>	<b>(70.11)</b>	<b>-</b>	<b>-</b>	<b>341.02</b>
<b>Deferred tax liabilities (A - B)</b>	<b>(270.05)</b>	<b>(139.33)</b>	<b>82.29</b>	<b>(0.15)</b>	<b>(2.57)</b>	<b>(329.81)</b>



## 12 PROPERTY PLANT AND EQUIPMENT

(₹ in Mn)

Particulars	Furniture Fixture	Vehicles	Office Equipment	Air Conditioner	Computers	Electrical Equipment	Land	Building	Total
Gross Block as on April 01, 2021	736.86	55.01	60.94	28.90	119.01	30.41	1,488.51	897.63	3,417.27
Additions	6.50	2.15	25.94	-	8.35	0.95	-	-	43.89
Deductions/ adjustments during the year	4.08	-	2.68	-	0.15	0.51	-	-	7.42
Foreign Currency translation	(0.25)	(0.03)	(0.05)	-	-	-	-	-	(0.33)
As at March 31, 2022	739.53	57.19	84.25	28.90	127.21	30.85	1,488.51	897.63	3,454.07
<b>Depreciation</b>									
Upto April 01, 2021	319.40	9.49	37.90	15.29	111.91	13.53	-	31.05	538.57
Depreciation for the year	82.79	16.42	9.78	0.15	11.98	3.42	-	17.63	142.17
Deductions/Adjustments during the year	1.60	-	2.68	-	-	0.40	-	-	4.68
Foreign Currency translation	(0.14)	(0.03)	(0.03)	-	-	-	-	-	(0.20)
Upto March 31, 2022	400.73	25.94	45.03	15.44	123.89	16.55	-	48.68	676.26
Net Block as at March 31, 2022	338.80	31.25	39.22	13.46	3.32	14.30	1,488.51	848.95	2,777.81

(₹ in Mn)

Particulars	Furniture Fixture	Vehicles	Office Equipment	Air Conditioner	Computers	Electrical Equipment	Land	Building	Total
Gross Block as on April 01, 2020	732.81	26.36	61.82	28.85	119.06	30.41	1,488.51	897.63	3,385.45
Additions	8.88	36.06	2.00	0.05	2.48	-	-	-	49.47
Addition related to acquisition	-	3.96	-	-	-	-	-	-	3.96
Deductions/ adjustments during the year	4.93	11.37	2.97	-	2.52	-	-	-	21.79
Foreign Currency translation	(0.10)	-	(0.09)	-	0.01	-	-	-	(0.18)
As at March 31, 2021	736.86	55.01	60.94	28.90	119.01	30.41	1,488.51	897.63	3,417.27
<b>Depreciation</b>									
Upto April 01, 2020	233.35	4.21	27.69	9.35	100.09	9.28	-	13.45	397.42
Depreciation for the year	89.45	7.01	11.60	5.94	14.01	4.25	-	17.60	149.86
Deductions/Adjustments during the year	3.42	1.73	1.41	-	2.18	-	-	-	8.74
Foreign Currency translation	(0.02)	-	(0.02)	-	0.01	-	-	-	(0.03)
Upto March 31, 2021	319.40	9.49	37.90	15.29	111.91	13.53	-	31.05	538.57
Net Block as at March 31, 2021	417.46	45.52	23.04	13.61	7.10	16.88	1,488.51	866.58	2,878.70

## 13 CAPITAL WORK-IN-PROGRESS

As at March 31, 2022

(₹ in Mn)

Particulars	As at March 31, 2022
As at April 01, 2021	24.29
Additions	649.12
Deductions	670.72
As at March 31, 2022	2.69

As at March 31, 2021		(₹ in Mn)
Particulars		As at March 31, 2021
As at April 01, 2020		11.00
Additions		213.77
Deductions		200.48
<b>As at March 31, 2021</b>		<b>24.29</b>

Capital Work-in-Progress ageing schedule for the year ended March 31, 2022					(₹ in Mn)
CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1.69	1.00	-	-	2.69
Projects temporarily suspended	-	-	-	-	-

Capital Work-in-Progress completion schedule for the year ended March 31, 2022					(₹ in Mn)
CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 1	1.49	-	-	-	1.49
Project 2	1.20	-	-	-	1.20
<b>Total</b>	<b>2.69</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.69</b>

Capital Work-in-Progress ageing schedule for the year ended March 31, 2021					(₹ in Mn)
CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	24.29	-	-	-	24.29
Projects temporarily suspended	-	-	-	-	-

Capital Work-in-Progress completion schedule for the year ended March 31, 2021					(₹ in Mn)
CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 1	5.73	-	-	-	5.73
Project 2	1.00	-	-	-	1.00
Project 3	7.40	-	-	-	7.40
Project 4	10.16	-	-	-	10.16
<b>Total</b>	<b>24.29</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24.29</b>

## 14 GOODWILL ON ACQUISITION

A summary of changes in the carrying amount of goodwill is as follows:		(₹ in Mn)
Particulars		As at March 31, 2022
Carrying value at the beginning of the year		3,733.94
Goodwill on business acquisition		-
<b>Carrying value at the end of the year</b>		<b>3,733.94</b>

		(₹ in Mn)
Particulars		As at March 31, 2021
Carrying value at the beginning of the year		1,878.51
Goodwill on business acquisition		1,855.43
<b>Carrying value at the end of the year</b>		<b>3,733.94</b>

**15 OTHER INTANGIBLE ASSETS**

(₹ in Mn)				
Particulars	Software	Customer Relations	Asset Management Rights	Total
<b>Softwares/Customer Relations/Asset management rights acquired</b>				
Gross Block as on April 01, 2021	369.51	1,317.20	179.90	1,866.61
Additions	46.40	-	92.96	139.36
Deductions/ Adjustments during the year	-	-	-	-
Foreign Currency translation	-	-	(6.75)	(6.75)
<b>As at March 31, 2022</b>	<b>415.91</b>	<b>1,317.20</b>	<b>279.61</b>	<b>2,012.72</b>
<b>Amortisation</b>				
Upto April 01, 2021	226.54	113.48	(0.04)	350.52
Amortisation for the year	73.23	36.41	53.74	163.38
Deductions/Adjustments during the year	0.99	-	-	0.99
Foreign Currency translation	-	-	(0.67)	(0.67)
<b>Upto March 31, 2022</b>	<b>298.78</b>	<b>149.89</b>	<b>54.37</b>	<b>513.58</b>
<b>Net Block as at March 31, 2022</b>	<b>117.13</b>	<b>1,167.31</b>	<b>225.24</b>	<b>1,499.14</b>

(₹ in Mn)				
Particulars	Software	Customer Relations	Asset Management Rights	Total
<b>Softwares/Customer Relations/Asset management rights acquired</b>				
Gross Block as on April 01, 2020	334.03	728.20	25.05	1,087.28
Additions	36.37	-	180.89	217.26
Additions related to acquisitions	4.71	589.00	-	593.71
Deductions/ Adjustments during the year	5.63	-	25.86	31.49
Foreign Currency translation	(0.03)	-	0.18	0.15
<b>As at March 31, 2021</b>	<b>369.51</b>	<b>1,317.20</b>	<b>179.90</b>	<b>1,866.61</b>
<b>Amortisation</b>				
Upto April 01, 2020	157.78	49.48	3.13	210.39
Amortisation for the year	70.46	36.41	12.28	119.15
Add. Depreciation on Acquisition - Customer Relations		27.59	-	27.59
Deductions/Adjustments during the year	1.74	-	4.95	6.69
Foreign Currency translation	(0.04)	-	(0.04)	(0.08)
<b>Upto March 31, 2021</b>	<b>226.54</b>	<b>113.48</b>	<b>(0.04)</b>	<b>350.52</b>
<b>Net Block as at March 31, 2021</b>	<b>142.97</b>	<b>1,203.72</b>	<b>179.94</b>	<b>1,516.09</b>

**16 DISCLOSURE PURSUANT TO IND AS 116 "LEASES"**

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2022:

(₹ in Mn)			
Particulars	Premises	Vehicles	Total
Balance as at April 01, 2021	218.31	24.81	243.12
Additions during the year	31.42	37.38	68.80
Depreciation charge for the year	(94.66)	(17.94)	(112.60)
Deletions during the year	(39.12)	(10.92)	(50.04)
Foreign Currency Translation Reserve	(0.16)	-	(0.16)
<b>Balance as at March 31, 2022</b>	<b>115.79</b>	<b>33.33</b>	<b>149.12</b>

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2021:

Particulars	(₹ in Mn)		
	Premises	Vehicles	Total
Balance as at April 01, 2020	292.06	46.13	338.20
Additions during the year	38.50	6.96	45.46
Depreciation charge for the year	(111.88)	(22.05)	(133.93)
Deletions during the year	(0.05)	(6.23)	(6.28)
Foreign Currency Translation Reserve	(0.33)	-	(0.33)
<b>Balance as at March 31, 2021</b>	<b>218.31</b>	<b>24.81</b>	<b>243.12</b>

The following is the movement in lease liabilities during the year ended March 31, 2022:

Particulars	(₹ in Mn)		
	Premises	Vehicles	Total
Balance as at April 01, 2021	241.12	27.56	268.68
Additions	31.43	37.38	68.81
Deletion	(43.27)	(11.41)	(54.68)
Finance cost accrued during the period	15.37	2.74	18.11
Payment of lease liabilities	(105.61)	(21.23)	(126.84)
Foreign Currency Translation Reserve	-	-	-
<b>Balance as at March 31, 2022</b>	<b>139.04</b>	<b>35.04</b>	<b>174.08</b>

The following is the movement in lease liabilities during the year ended March 31, 2021:

Particulars	(₹ in Mn)		
	Premises	Vehicles	Total
Balance as at April 01, 2020	305.47	48.92	354.39
Additions	38.51	6.96	45.47
Deletion	(0.07)	(6.78)	(6.85)
Finance cost accrued during the period	22.38	3.45	25.83
Payment of lease liabilities	(124.79)	(24.99)	(149.78)
Foreign Currency Translation Reserve	(0.38)	-	(0.38)
<b>Balance as at March 31, 2022</b>	<b>241.12</b>	<b>27.56</b>	<b>268.68</b>

Following is the break up value of the Current and Non - Current Lease Liabilities for the year ended March 31, 2022:

Particulars	(₹ in Mn)	
	As at March 31, 2022	As at March 31, 2021
Current lease liabilities	84.98	118.92
Non-current lease liabilities	89.10	149.76
<b>Total</b>	<b>174.08</b>	<b>268.68</b>

Maturity analysis – contractual undiscounted cash flows

Particulars	(₹ in Mn)		
	Premises	Vehicles	Total
Less than one year	79.10	16.37	95.46
One to five years	71.59	23.60	95.19
More than five years	3.35	-	3.35
<b>Total undiscounted lease liabilities at March 31, 2022</b>	<b>154.04</b>	<b>39.96</b>	<b>194.00</b>
<b>Lease liabilities included in the statement of financial position at March 31, 2022</b>	<b>139.04</b>	<b>35.04</b>	<b>174.08</b>

Particulars	Premises	Vehicles	Total
Less than one year	117.70	17.99	135.69
One to five years	146.51	12.18	158.69
More than five years	5.70	-	5.70
<b>Total undiscounted lease liabilities at March 31, 2021</b>	<b>269.90</b>	<b>30.17</b>	<b>300.08</b>
<b>Lease liabilities included in the statement of financial position at March 31, 2021</b>	<b>241.12</b>	<b>27.56</b>	<b>268.68</b>

#### Amounts recognised in profit or loss

Particulars	(₹ in Mn)	
	As at March 31, 2022	As at March 31, 2021
Interest on lease liabilities	18.11	26.09
Expenses relating to short-term leases	142.84	149.29
Depreciation relating to leases	112.60	133.93
<b>Total</b>	<b>273.55</b>	<b>309.31</b>

#### Amounts recognised in the statement of cash flows

Particulars	(₹ in Mn)	
	As at March 31, 2022	As at March 31, 2021
Total cash outflow for leases	126.84	149.78

### 17 OTHER NON FINANCIAL ASSETS

Particulars	(₹ in Mn)	
	As at Mar 31, 2022	As at Mar 31, 2021
<b>Unsecured</b>		
Prepaid expenses	652.58	1,358.71
Advances recoverable in cash or in kind or for value to be received – Unsecured	56.52	24.28
Employee advance against expenses	1.60	1.80
Prepaid gratuity	0.97	-
Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.) - Receivable	0.67	4.97
Others	17.46	26.10
<b>Total</b>	<b>729.80</b>	<b>1,415.86</b>

### 18 PAYABLES

Particulars	(₹ in Mn)	
	As at Mar 31, 2022	As at Mar 31, 2021
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	1,762.56	883.38
<b>Total</b>	<b>1,762.56</b>	<b>883.38</b>
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	4,978.06	3,032.20
<b>Total</b>	<b>4,978.06</b>	<b>3,032.20</b>

### 18.1. Disclosure under The Micro, Small and Medium Enterprises Development Act, 2006

The following disclosure is made as per the requirement under the 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:

Particulars	(₹ in Mn)	
	2021-22	2020-21
(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.

### 18.2. Trade payables ageing schedule

Particulars	Outstanding for following periods from due date of payment					Total
	(₹ in Mn)					
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Provision and unbilled	
(i) MSME	-	-	-	-	-	-
(ii) Others	420.01	111.30	12.64	0.47	222.59	767.01
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iii) Disputed dues - others	-	-	-	-	-	-
Provision and unbilled	919.16	-	-	-	76.39	995.55
<b>Total trade payables as at March 31, 2022</b>	<b>1,339.17</b>	<b>111.30</b>	<b>12.64</b>	<b>0.47</b>	<b>298.98</b>	<b>1,762.56</b>
Particulars	Outstanding for following periods from due date of payment					Total
	(₹ in Mn)					
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Provision and unbilled	
(i) MSME	-	-	-	-	-	-
(ii) Others	427.71	48.68	0.23	8.41	105.00	590.03
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iii) Disputed dues - others	-	-	-	-	-	-
Provision and unbilled	278.23	-	-	-	15.12	293.35
<b>Total trade payables as at March 31, 2021</b>	<b>705.94</b>	<b>48.68</b>	<b>0.23</b>	<b>8.41</b>	<b>120.12</b>	<b>883.38</b>

(₹ in Mn)

Particulars	As at March 31, 2022				As at March 31, 2021			
	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
Liability component of compound financial instruments	4,675.03	-	-	4,675.03	9,271.89	-	-	9,271.89
Bonds/ Debentures	27,212.78	5,495.33	-	32,708.11	25,735.50	7,776.84	-	33,512.34
Commercial papers	17,354.00	-	-	17,354.00	4,350.00	-	-	4,350.00
Less: Prepaid Discount	(203.75)	-	-	(203.75)	(37.72)	-	-	(37.72)
<b>Total</b>	<b>49,038.06</b>	<b>5,495.33</b>	<b>-</b>	<b>54,533.39</b>	<b>39,319.67</b>	<b>7,776.84</b>	<b>-</b>	<b>47,096.51</b>
Debt securities in India	49,038.06	5,495.33	-	54,533.39	39,319.67	7,776.84	-	47,096.51
Debt securities outside India	-	-	-	-	-	-	-	-
<b>Total</b>	<b>49,038.06</b>	<b>5,495.33</b>	<b>-</b>	<b>54,533.39</b>	<b>39,319.67</b>	<b>7,776.84</b>	<b>-</b>	<b>47,096.51</b>

(₹ in Mn)

Residual maturity	As at March 31, 2022		As at March 31, 2021		
	At Amortised cost	Balance outstanding	Interest rate % (p.a)*	Balance outstanding	Interest rate % (p.a)*
Less than 1 year		34,181.66	5.10% - 10.00%	18,575.22	5.85% - 10.00%
1-5 years		12,810.58	6.50% - 9.00%	16,502.20	6.75% - 10.25%
Above 5 years		2,045.82	4.95% - 10.25%	4,242.25	6.10% - 9.25%
		<b>49,038.06</b>		<b>39,319.67</b>	
<b>At Fair value through profit or loss</b>					
Less than 1 year		-	Market linked	-	Market linked
1-5 years		5,240.35	Market linked	4,315.07	Market linked
Above 5 years		254.98	Market linked	3,461.77	Market linked
		<b>5,495.33</b>		<b>7,776.84</b>	

\* Indicates Effective Interest Rate

The 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.

The funds called for through issue of debt securities during the year have been utilised by the Company for the purposes called for.

Commercial papers are unsecured short term papers issued at discount. The cost on outstanding commercial papers is 4.95 - 6.60% p.a. (P.Y. 5.85 - 6.10% p.a)

Particulars	(₹ in Mn)
<b>Debentures include :</b>	<b>As at March 31, 2022 (Issue price)</b>
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 01-01-2025	985.23
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 02-08-2022	9,720.13
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 05-04-2029	254.98
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 05-05-2022	709.89
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 08-08-2023	890.30
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 10-04-2024	2,569.99

Particulars	(₹ in Mn)
<b>Debentures include :</b>	<b>As at March 31, 2022 (Issue price)</b>
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 10-11-2022	478.98
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 11-07-2022	1,300.97
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 11-12-2028	74.86
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 12-03-2026	1,956.76
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 12-04-2026	1,458.96
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 12-07-2023	41.36
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 14-02-2024	784.12
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 15-03-2030	1,139.52
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 15-05-2024	2,669.30
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 20-10-2022	378.68
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 22-01-2029	481.03
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 27-04-2026	1,040.51
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 27-05-2022	916.41
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 27-09-2022	145.25
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 28-02-2024	2,695.02
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 29-03-2030	182.24
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 30-03-2023	3,965.83
Market Linked Non Convertible Debenture of Face Value ₹ 10,00,000 Each Redeemable on 15-05-2025	2,542.82
	<b>37,383.14</b>

		(₹ in Mn)
Commercial Papers include	Interest rate	As at March 31, 2022
Commercial Paper of Face Value ₹ 5,00,000 Each Redeemable on 01-06-2022	4.95% to 5.15%	2,750.00
Commercial Paper of Face Value ₹ 5,00,000 Each Redeemable on 01-09-2022	5.65%	1,100.00
Commercial Paper of Face Value ₹ 5,00,000 Each Redeemable on 02-01-2023	5.75%	250.00
Commercial Paper of Face Value ₹ 5,00,000 Each Redeemable on 03-05-2022	6.25% to 6.60%	1,160.00
Commercial Paper of Face Value ₹ 5,00,000 Each Redeemable on 04-07-2022	5.40%	80.00
Commercial Paper of Face Value ₹ 5,00,000 Each Redeemable on 05-09-2022	5.65%	250.00
Commercial Paper of Face Value ₹ 5,00,000 Each Redeemable on 08-06-2022	5.15%	2,500.00
Commercial Paper of Face Value ₹ 5,00,000 Each Redeemable on 14-06-2022	5.10%	1,250.00
Commercial Paper of Face Value ₹ 5,00,000 Each Redeemable on 14-07-2022	5.40%	50.00
Commercial Paper of Face Value ₹ 5,00,000 Each Redeemable on 20-05-2022	4.95%	750.00
Commercial Paper of Face Value ₹ 5,00,000 Each Redeemable on 29-04-2022	4.95%	250.00
Commercial Paper of Face Value ₹ 5,00,000 Each Redeemable on 29-07-2022	5.30% to 5.40%	499.00
Commercial Paper of Face Value ₹ 5,00,000 Each Redeemable on 30-05-2022	4.95%	1,500.00
Commercial Paper of Face Value ₹ 5,00,000 Each Redeemable on 13-04-2022	6.60%	265.00
Commercial Paper of Face Value ₹ 5,00,000 Each Redeemable on 13-04-2022	4.95%	50.00
Commercial Paper of Face Value ₹ 5,00,000 Each Redeemable on 09-06-2022	4.95%	250.00
Commercial Paper of Face Value ₹ 5,00,000 Each Redeemable on 09-06-2022	5.15%	1,500.00
Commercial Paper of Face Value ₹ 5,00,000 Each Redeemable on 14-06-2022	5.10%	1,250.00
Commercial Paper of Face Value ₹ 5,00,000 Each Redeemable on 01-09-2022	5.65%	500.00
Commercial Paper of Face Value ₹ 5,00,000 Each Redeemable on 05-09-2022	5.65%	1,150.00
		<b>17,354.00</b>

Debentures include :	As at March 31, 2021	
	(Issue price)	
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 02-08-2022		9,267.84
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 05-04-2029		428.66
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 05-05-2022		1,296.26
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 06-09-2021		303.00
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 09-08-2021		477.50
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 10-01-2022		327.58
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 10-04-2024		1,550.70
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 10-11-2022		445.22
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 11-12-2028		502.83
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 12-03-2026		3,155.71
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 12-04-2026		1,779.46
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 12-07-2023		37.94
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 14-02-2022		1,831.23
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 14-02-2024		1,159.35
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 14-05-2021		6,469.69
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 15-03-2030		1,148.53
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 15-05-2024		1,400.73
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 15-06-2021		4,730.35
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 20-10-2022		356.61
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 22-01-2029		871.40
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 22-03-2029		1,167.82
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 25-10-2021		242.97
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 27-03-2029		387.88
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 27-04-2026		1,253.65
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 27-05-2022		1,534.46
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 29-03-2030		163.78
Market Linked Non Convertible Debenture of Face Value ₹ 1,00,000 Each Redeemable on 30-03-2023		493.08
		<b>42,784.23</b>

(₹ in Mn)

Commercial Papers include	Interest rate	As at March 31, 2021
Commercial Paper of Face Value ₹ 5,00,000 Each Redeemable on 16-06-2021	6.10%	1,000.00
Commercial Paper of Face Value ₹ 5,00,000 Each Redeemable on 16-06-2021	6.10%	1,000.00
Commercial Paper of Face Value ₹ 5,00,000 Each Redeemable on 20-04-2021	6.00%	1,500.00
Commercial Paper of Face Value ₹ 5,00,000 Each Redeemable on 31-05-2021	5.85%	850.00
		<b>4,350.00</b>

20 BORROWINGS (OTHER THAN DEBT SECURITIES)

(₹ in Mn)

Particulars	As at March 31, 2022				As at March 31, 2021			
	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
(a) Loans repayable on demand	-	-	-	-	-	-	-	-
- (i) from banks	500.68	-	-	500.68	502.34	-	-	502.34
(b) Borrowings from Collateralized Borrowing and Lending Obligation (CBLO)	500.00	-	-	500.00	541.76	-	-	541.76
Less: Prepaid Discount	(0.14)	-	-	(0.14)	(0.20)	-	-	(0.20)
<b>Total</b>	<b>1,000.54</b>	<b>-</b>	<b>-</b>	<b>1,000.54</b>	<b>1,043.90</b>	<b>-</b>	<b>-</b>	<b>1,043.90</b>

(₹ in Mn)

Residual maturity At Amortised cost	As at March 31, 2022		As at March 31, 2021	
	Balance outstanding	Interest rate % (p.a)	Balance outstanding	Interest rate % (p.a)
Less than 1 year	1,000.54	3.37% to 5.50%	1,043.90	3.50% to 5.9%
1-5 years	-	-	-	-
Above 5 years	-	-	-	-

- Loans repayable on demand from banks- The loans are secured by way of pari passu charge on specific receivables. The interest rates on these loans are linked to Marginal Cost of funds based Lending Rate (MCLR) of the lending bank + Spread.
- Borrowings from CBLO are secured against Investments in Government Securities.

**Explanatory Notes**

(₹ in Mn)

Particulars	As at March 31, 2022
Working Capital Demand Loan Repayable on 19/09/2022	500.68
CBLO repayable on 04/04/2022	499.86
	<b>1,000.54</b>

Particulars	As at March 31, 2021
Working Capital Demand Loan Repayable on 02/06/2021	502.34
CBLO repayable on 05/04/2021	541.56
	<b>1,043.90</b>



21 SUBORDINATED LIABILITIES

(₹ in Mn)

Particulars	As at March 31, 2022				As at March 31, 2021			
	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
<b>(A)</b>								
Perpetual Debt Instruments to the extent that do not qualify as equity (Unsecured)	154.24	-	-	154.24	169.49	-	-	169.49
Subordinated debt	2,387.65	-	-	2,387.65	2,456.99	-	-	2,456.99
<b>Total (A)</b>	<b>2,541.89</b>	<b>-</b>	<b>-</b>	<b>2,541.89</b>	<b>2,626.48</b>	<b>-</b>	<b>-</b>	<b>2,626.48</b>
<b>(B)</b>								
Subordinated liabilities in India	2,541.89	-	-	2,541.89	2,626.48	-	-	2,626.48
Subordinated liabilities outside India	-	-	-	-	-	-	-	-
<b>Total (B)</b>	<b>2,541.89</b>	<b>-</b>	<b>-</b>	<b>2,541.89</b>	<b>2,626.48</b>	<b>-</b>	<b>-</b>	<b>2,626.48</b>

Residual maturity	As at March 31, 2022		As at March 31, 2021		
	At Amortised cost	Balance outstanding	Interest rate % (p.a)*	Balance outstanding	Interest rate % (p.a)*
Less than 1 year		1,741.19	9.10 % to 9.36%	-	-
1-5 years		800.70	8.80 % to 10.00%	2,456.99	8.80 % to 9.36%
Above 5 years		-	-	169.49	10.00 %
<b>Total</b>		<b>2,541.89</b>		<b>2,626.48</b>	

\* Indicates Effective Interest Rate

(₹ in Mn)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Perpetual Debt Instruments include	<b>Issue price</b>	<b>Issue price</b>
10.00% Subordinated Perpetual Debt of Face Value ₹ 5,00,000 Each Redeemable on 02/03/2027	105.29	165.34
10.00% Subordinated Perpetual Debt of Face Value ₹ 5,00,000 Each Redeemable on 22/02/2027	48.95	4.15
	<b>154.24</b>	<b>169.49</b>
(ii) Subordinated debt include		
8.80% Subordinated Debt of Face Value ₹ 10,00,000 Each Redeemable on 02-05-2023	133.85	123.02
9.00% Subordinated Debt of Face Value ₹ 10,00,000 Each Redeemable on 02-05-2023	473.22	498.13
9.00% Subordinated Debt of Face Value ₹ 10,00,000 Each Redeemable on 10-01-2024	13.98	12.83
9.00% Subordinated Debt of Face Value ₹ 10,00,000 Each Redeemable on 19-07-2023	25.41	25.41

(₹ in Mn)

Particulars	As at March 31, 2022	As at March 31, 2021
9.10% Subordinated Debt of Face Value ₹ 10,00,000 Each Redeemable on 12-07-2022	10.00	10.00
9.10% Subordinated Debt of Face Value ₹ 10,00,000 Each Redeemable on 22-07-2022	130.00	130.00
9.10% Subordinated Debt of Face Value ₹ 10,00,000 Each Redeemable on 24-06-2022	100.02	100.02
9.15% Subordinated Debt of Face Value ₹ 10,00,000 Each Redeemable on 02-05-2023	-	92.32
9.36% Subordinated Debt of Face Value ₹ 10,00,000 Each Redeemable on 06-06-2022	947.71	922.47
9.36% Subordinated Debt of Face Value ₹ 10,00,000 Each Redeemable on 13-06-2022	464.19	461.16
9.36% Subordinated Debt of Face Value ₹ 10,00,000 Each Redeemable on 24-06-2022	42.32	38.69
9.36% Subordinated Debt of Face Value ₹ 10,00,000 Each Redeemable on 30-06-2022	46.95	42.94
	<b>2,387.65</b>	<b>2,456.99</b>
<b>Total</b>	<b>2,541.89</b>	<b>2,626.48</b>

**22 OTHER FINANCIAL LIABILITIES**

(₹ in Mn)

Particulars	As at March 31, 2022	As at March 31, 2021
Interest accrued but not due	1.20	0.49
Payable on account of purchase of investments	-	10.82
Payable to companies under common control and other related parties (Refer note 42)	-	0.03
Security deposit	0.34	0.55
Deposits from customers	9,030.56	5.46
Others	194.49	409.40
<b>Total</b>	<b>9,226.59</b>	<b>426.75</b>

**22.1 No amount was required to be transferred in Investor Education and Protection fund account as per Section 125 of Companies Act, 2013 on account of unclaimed dividend and unclaimed dues on account of NCDs.**

**23 PROVISIONS**

(₹ in Mn)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits		
- Gratuity (Refer note 34.1)	72.54	118.47
- Compensated absences	2.53	-
<b>Total</b>	<b>75.07</b>	<b>118.47</b>



## 24 OTHER NON FINANCIAL LIABILITIES

Particulars	(₹ in Mn)	
	As at March 31, 2022	As at March 31, 2021
Revenue received in advance	2.93	1.06
Statutory remittances	398.45	485.44
Others	79.43	3.23
<b>Total</b>	<b>480.81</b>	<b>489.73</b>

## 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:

Authorised :	As at March 31, 2022	As at March 31, 2021
132,650,000 (PY - 132,650,000) Equity shares of ₹ 2/- each with voting rights	265.30	265.30
<b>Issued, Subscribed and Paid Up:</b> 88,707,803 (PY - 87,882,770) Equity shares of ₹ 2/- each fully paid-up with voting rights	177.42	175.77
<b>Total</b>	<b>177.42</b>	<b>175.77</b>

(b) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	₹ in Mn	No. of shares	₹ in Mn
At the beginning of the year	8,78,82,770	175.77	8,71,81,042	174.36
Add: Issued during the year	8,25,033	1.65	7,01,728	1.41
<b>Outstanding at the end of the year</b>	<b>8,87,07,803</b>	<b>177.42</b>	<b>8,78,82,770</b>	<b>175.77</b>

(c) 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 Company declares and pays dividend in Indian Rupees. During the year ended March 31, 2022, a special dividend of ₹Nil (P.Y. ₹40/-) and an interim dividend of ₹55/- (P.Y. ₹30/-) 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.

(d) Details of shareholders holding more than 5% shares:

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% holding	No. of shares	% holding
General Atlantic Singapore Fund Pte Ltd	1,86,19,550	21.0%	1,86,19,550	21.2%
FIH Mauritius Investments Ltd	1,20,91,635	13.6%	1,20,91,635	13.8%
Nirmal Jain	62,28,856	7.0%	62,28,856	7.1%

(e) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Holding company (please refer note 39)

(f) During the period of 5 years immediately preceding the Balance Sheet date, the Holding company has not issued any equity shares without payment being received in cash, bonus shares and has not bought back any equity shares other than those issued under the composite scheme of arrangement.

## Shareholding of promoters

Shares held by promoters at the end of the year				% Change during the year
S. No	Promoter name	No of shares as at 31-03-2022	% of total shares 31-03-2022	
1	Nirmal Bhanwarlal Jain	62,28,856	7.0%	-0.1%
2	Yatin Shah	33,56,490	3.8%	0.0%
3	Kyra Family Private Trust (trustee being IIFL Investment Adviser and Trustee Services Ltd)	15,00,000	1.7%	0.0%
4	Kush Family Private Trust (trustee being IIFL Investment Adviser and Trustee Services Ltd)	15,00,000	1.7%	0.0%
5	Nirmal Madhu Family Private Trust (trustee being Mansukhlal Jain and Harshita Nirmal Jain)	14,28,571	1.6%	0.0%
6	Madhu N Jain	13,74,999	1.6%	0.0%
7	Venkataraman Rajamani	13,49,204	1.5%	0.0%
8	Kalki Family Private Trust (trustee being Aditi Avinash Athavankar)	12,85,714	1.4%	-0.1%
9	Shilpa Bhagat	11,25,821	1.3%	0.0%
10	Karan Bhagat	2,45,911	0.3%	0.0%
11	Aditi Athavankar	28,571	0.0%	0.0%
12	Ami Yatin Shah	571	0.0%	0.0%
13	Kyrush Investments (Karan Bhagat being Partner)	3,78,268	0.4%	0.4%
14	Ardent Impex Pvt Ltd	4,85,714	0.5%	-0.1%
15	Orpheus Trading Pvt Ltd	2,35,714	0.3%	0.0%
<b>Total</b>		<b>2,05,24,404</b>	<b>23.1%</b>	

Shares held by promoters at the end of the year				% Change during the year
S. No	Promoter name	No of shares as at 31-03-2021	% of total shares 31-03-2021	
1	Nirmal Bhanwarlal Jain	62,28,856	7.1%	0.1%
2	Yatin Shah	33,56,490	3.8%	0.0%
3	Kyra Family Private Trust (trustee being IIFL Investment Adviser and Trustee Services Ltd)	15,00,000	1.7%	0.0%
4	Kush Family Private Trust (trustee being IIFL Investment Adviser and Trustee Services Ltd)	15,00,000	1.7%	0.0%
5	Nirmal Madhu Family Private Trust (trustee being Mansukhlal Jain and Harshita Nirmal Jain)	14,28,571	1.6%	0.0%
6	Madhu N Jain	13,74,999	1.6%	0.0%
7	Venkataraman Rajamani	13,49,204	1.5%	0.0%
8	Kalki Family Private Trust (trustee being Aditi Avinash Athavankar)	12,85,714	1.5%	0.0%
9	Shilpa Bhagat	11,25,821	1.3%	0.0%
10	Karan Bhagat	2,45,911	0.3%	-0.1%
11	Aditi Athavankar	28,571	0.0%	0.0%
12	Ami Yatin Shah	571	0.0%	0.0%
13	Ardent Impex Pvt Ltd	4,85,714	0.6%	0.0%
14	Orpheus Trading Pvt Ltd	2,35,714	0.3%	0.0%
<b>Total</b>		<b>2,01,46,136</b>	<b>22.9%</b>	



## 26 OTHER EQUITY

(₹ in Mn)

Particulars	As at March 31, 2022	As at March 31, 2021
Securities premium	19,834.74	19,215.50
General reserve	196.18	196.16
Special reserve pursuant to section 45 IC of Reserve Bank of India Act, 1934	1,899.75	1,432.11
Capital reserve	111.00	111.00
ESOP Reserve	755.67	638.10
Retained earnings	6,764.42	6,312.76
Foreign exchange fluctuation reserve	236.52	196.27
<b>Total</b>	<b>29,798.28</b>	<b>28,101.90</b>

## 27 INTEREST INCOME

(₹ in Mn)

Particulars	2021-22				2020-21			
	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	-	4,027.94	-	4,027.94	-	3,596.18	-	3,596.18
Interest income from investments	-	-	942.18	942.18	-	-	2,641.52	2,641.52
Interest on deposits with banks	-	55.57	-	55.57	-	84.41	-	84.41
Other interest income	-	-	24.84	24.84	-	-	27.16	27.16
<b>Total</b>	-	<b>4,083.51</b>	<b>967.02</b>	<b>5,050.53</b>	-	<b>3,680.59</b>	<b>2,668.68</b>	<b>6,349.27</b>

## 28 DIVIDEND & DISTRIBUTION INCOME ON INVESTMENTS

(₹ in Mn)

Particulars	2021-22	2020-21
Dividend Income	64.23	27.96
Distribution income on investments	61.40	49.64
<b>TOTAL</b>	<b>125.63</b>	<b>77.60</b>

## 29 FEES 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.

Particulars	(₹ in Mn)	
	2021-22	2020-21
Distribution fees and other fees	5,134.92	3,339.44
Commission Income	222.56	605.90
Investment / Fund Management Fees	1,061.43	837.72
Management fees from Mutual fund	144.95	95.22
Management fees from AIF and VCF	3,577.10	1,554.72
Management fees from clients	530.41	842.03
Referral fee income	3.24	-
Advisory fees	108.53	1.13
Trustee fees	113.59	89.58
Marketing supporting income	4.71	8.90
Performance, upfront and setup fees	16.97	2.14
<b>TOTAL</b>	<b>10,918.41</b>	<b>7,376.78</b>

## 30 NET GAIN/LOSS ON FAIR VALUE CHANGE

Particulars	(₹ in Mn)	
	2021-22	2020-21
(A) Net gain/ (loss) on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments	3,051.18	3,811.89
- Derivatives	137.70	(960.22)
- Borrowings	(776.95)	(1,025.90)
(ii) On financial instruments designated at fair value through profit or loss		
(B) Others		
<b>Total net gain/(loss) on fair value changes</b>	<b>2,411.93</b>	<b>1,825.77</b>
Fair value changes:		
- Realised	2,685.64	7.41
- Unrealised	(273.71)	1,818.36
<b>Total net gain/(loss) on fair value changes</b>	<b>2,411.93</b>	<b>1,825.77</b>

## 31 OTHER INCOME

Particulars	(₹ in Mn)	
	2021-22	2020-21
Profit on cancellation of lease	0.13	0.09
Rent income	46.03	46.03
Interest Income	105.61	122.41
Change in fair value of investments - realised	532.16	251.72
Change in fair value of investments - unrealised	1,227.66	51.80
Dividend Income	-	1.00
Distribution income	346.31	-
Miscellaneous income	11.22	0.88
Profit on sale of assets	2.70	-
<b>Total</b>	<b>2,271.82</b>	<b>473.93</b>



### 32 FINANCE COST

(₹ in Mn)

Particulars	2021-22			2020-21		
	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	-	842.46	842.46	-	756.70	756.70
Interest on debt securities	-	2,367.93	2,367.93	-	2,827.55	2,827.55
Interest on subordinated liabilities	-	418.79	418.79	-	477.95	477.95
Other finance Costs	-	68.59	68.59	-	73.27	73.27
<b>Total</b>	-	<b>3,697.77</b>	<b>3,697.77</b>	-	<b>4,135.47</b>	<b>4,135.47</b>

### 33 IMPAIRMENT ON FINANCIAL INSTRUMENTS (REFER NOTE 38)

(₹ in Mn)

Particulars	2021-22		2020-21	
	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		(144.30)	-	170.96
On financial assets		(16.49)	-	14.04
<b>Total</b>	-	<b>(160.79)</b>	-	<b>185.00</b>

### 34 EMPLOYEE BENEFIT EXPENSES

(₹ in Mn)

Particulars	2021-22	2020-21
Salaries and wages	5,373.95	3,436.61
Contribution to provident and other funds	106.74	95.43
Share based payments to employees	303.75	453.58
Staff welfare expenses	80.53	69.70
Gratuity expense (Refer Note 34.1)	35.78	34.29
Leave encashment	2.53	-
<b>Total</b>	<b>5,903.28</b>	<b>4,089.61</b>

#### 34.1. Gratuity Abridged Disclosure Statement as Per Indian Accounting Standard 19 (Ind AS 19) For the year ended March 31, 2022

Particulars	2021-22	2020-21
Type of benefit	Gratuity	Gratuity
Country	India /Dubai	India /Dubai
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-21	01-Apr-20
Date of reporting	31-Mar-22	31-Mar-21
	12 Months	12 Months

Particulars	2021-22	2020-21
<b>Assumptions</b>		
Expected return on plan assets	6.90% / 6.96%	6.33% / 6.57%
Rate of discounting	6.90% / 6.96%	6.33% / 6.57%
Rate of salary increase	7.50%	7.50%
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 2012-14 (Urban)	Indian Assured Lives Mortality (2006-08) Ultimate

Particulars	2021-22	2020-21
<b>Table showing change in the present value of projected benefit obligation</b>		
Present value of benefit obligation at the beginning of the period	244.11	217.41
Interest cost	15.27	14.33
Current service cost	28.46	31.77
Past service cost	-	(4.32)
Liability transferred in/ acquisitions	16.44	38.36
(Liability transferred out/ divestments)	(16.44)	(15.40)
(Gains)/ losses on curtailment	-	-
(Liabilities extinguished on settlement)	-	-
(Benefit paid directly by the employer)	(23.08)	(21.24)
(Benefit paid from the fund)	(22.28)	(7.68)
The effect of changes in foreign exchange rates	0.16	(0.11)
Actuarial (gains)/losses on obligations - due to change in demographic assumptions	(0.16)	0.75
Actuarial (gains)/losses on obligations - due to change in financial assumptions	(11.20)	(6.92)
Actuarial (gains)/losses on obligations - due to experience	14.51	(2.84)
Present value of benefit obligation at the end of the period	245.79	244.11
<b>Table showing change in the fair value of plan assets</b>		
Fair value of plan assets at the beginning of the period	125.64	124.64
Interest income	7.95	7.53
Contributions by the employer	60.25	-
(Benefit paid from the fund)	(22.28)	(7.68)
Return on plan assets, excluding interest income	2.70	1.15
Fair value of plan assets at the end of the period	174.26	125.64
<b>Amount recognized in the balance sheet</b>		
(Present value of benefit obligation at the end of the period)	(245.79)	(244.11)
Fair value of plan assets at the end of the period	174.26	125.64
Funded status (surplus/ (deficit))	(71.53)	(118.47)
Net (liability)/asset recognized in the balance sheet	(71.53)	(118.47)
<b>Net interest cost for current period</b>		
Interest cost	15.27	14.33
(Interest income)	(7.95)	(7.53)
Net interest cost for current period	7.32	6.80
<b>Expenses recognized in the statement of profit or loss for current period</b>		
Current service cost	28.46	31.81
Net interest cost	7.32	6.80
Past service cost	-	(4.32)
Expenses recognized	35.78	34.29

Particulars	2021-22	2020-21
<b>Expenses recognized in the other comprehensive income (OCI) for current period</b>		
Actuarial (gains)/losses on obligation for the period	3.15	(9.05)
Return on plan assets, excluding interest income	(2.70)	(1.15)
Net (income)/expense for the period recognized in OCI	0.45	(10.20)
<b>Balance sheet reconciliation</b>		
Opening net liability	118.47	92.77
Expenses recognized in statement of profit or loss	35.78	34.25
Expenses recognized in OCI	0.45	(10.16)
Net liability/(asset) transfer in	16.44	(0.11)
Net (liability)/asset transfer out	(16.44)	38.36
(Benefit paid directly by the employer)	(23.08)	(15.40)
(Employer's contribution)	(60.25)	(21.24)
The Effect Of Changes in Foreign Exchange Rates	0.16	-
Net liability/(asset) recognized in the balance sheet	71.53	118.47
<b>Category of assets</b>		
Government of India assets	-	-
State government securities	-	-
Special deposits scheme	-	-
Debt instruments	-	-
Corporate bonds	-	-
Cash and cash equivalents	-	-
Insurance fund	174.26	125.64
Asset-backed securities	-	-
Structured debt	-	-
Other	-	-
Total	174.26	125.64
<b>Other details</b>		
Weighted average duration of pbo	8 & 9	9
Average expected future service	8 & 9	9
Projected benefit obligation (pbo)	245.79	244.11
Prescribed contribution for next year (12 months)	64.23	57.84
<b>Net Interest Cost for Next Year</b>		
Interest Cost	15.27	14.33
(Interest Income)	(7.95)	(7.53)
Net Interest Cost for Next Year	7.32	6.80
<b>Expenses Recognized in the Statement of Profit or Loss for Next Year</b>		
Current Service Cost	28.46	31.77
Net Interest Cost	7.32	6.80
Past service cost	-	(4.32)
Expenses Recognized	35.78	34.25
<b>Maturity analysis of the benefit payments</b>		
1st following year	20.94	23.03
2nd following year	20.28	18.39
3rd following year	20.51	19.55
4th following year	22.26	18.90
5th following year	21.66	20.35
Sum of years 6 to 10	98.87	92.26
Sum of years 11 and above	251.14	246.15

Particulars	2021-22	2020-21
Sensitivity analysis		
PBO on current assumptions	245.79	244.11
Delta effect of +1% change in rate of discounting	(16.84)	(17.49)
Delta effect of -1% change in rate of discounting	19.20	20.07
Delta effect of +1% change in rate of salary increase	10.00	10.81
Delta effect of -1% change in rate of salary increase	(9.96)	(10.74)
Delta effect of +1% change in rate of employee turnover	2.62	1.42
Delta effect of -1% change in rate of employee turnover	(2.98)	(1.68)

The above mentioned plans are valued by independent actuaries using the projected unit credit method.

### 34.2 Defined Contribution Plans:

The Group has recognised the following amounts as an expense and included in the Employee Benefit Expenses. (₹ in Mn)

Particulars	2021-22	2020-21
Contribution to provident fund	106.65	95.37
Contribution to ESIC	0.08	0.06
Contribution to labour welfare fund	0.01	-
<b>Total</b>	<b>106.74</b>	<b>95.43</b>

### 35 OTHER EXPENSES

Particulars	2021-22	2020-21
Operations and fund management expenses	156.82	247.81
Rent and energy cost	34.91	38.31
Insurance	17.67	10.73
Repairs & maintenance	42.12	25.22
Marketing, advertisement and business promotion expenses	292.42	81.99
Travelling & conveyance	98.70	70.72
Legal & professional fees	446.45	418.49
Communication	29.25	31.20
Software charges / Technology cost	202.80	187.13
Office & other expenses	116.94	107.72
Directors' fees and commission	25.44	17.66
Remuneration to Auditors :		
Audit fees	20.83	18.20
Certification expenses	1.27	1.89
Out Of pocket expenses	0.32	0.59
Corporate social responsibility expenses & donation (Refer Note 44)	93.77	88.41
Loss on sale of assets	1.28	23.93
<b>Total</b>	<b>1,580.99</b>	<b>1,370.00</b>

## 36 INCOME TAXES

Disclosure pursuant to Ind AS 12 "Income Taxes"

### (a) Major components of tax expense/ (income)

		(₹ in Mn)	
Sr. No.	Particulars	2021-22	2020-21
	Consolidated statement of Profit and Loss:		
(a)	Profit and Loss section:		
	(i) Current Income tax :		
	Current income tax expense	1,112.16	1,238.19
	Tax expense in respect of earlier years	-	1.42
		1,112.16	1,239.61
	(ii) Deferred Tax:		
	Tax expense on origination and reversal of temporary differences	623.46	(82.24)
	Effect on deferred tax balances due to the change in income tax rate	-	(0.05)
		623.46	(82.29)
	<b>Income tax expense reported in the consolidated statement of profit or loss [(i)+(ii)]</b>	<b>1,735.62</b>	<b>1,157.32</b>
(b)	Other Comprehensive Income (OCI) Section:		
	(i) Items not to be reclassified to profit or loss in subsequent periods:		
	(A) Current tax expense/(income):		
	On re-measurement of defined benefit plans	-	-
	(B) Deferred tax expense/(income):		
	On re-measurement of defined benefit plans	0.11	(2.55)
	<b>Income tax expense reported in the other comprehensive income [(i)+(ii)]</b>	<b>0.11</b>	<b>(2.55)</b>

### (b) Reconciliation of Income tax expense and accounting profit multiplied by domestic tax rate applicable in India:

		(₹ in Mn)	
Sr. No.	Particulars	2021-22	2020-21
(a)	<b>Profit/(loss) before tax</b>	7,513.00	4,849.24
(b)	Income tax expense at tax rates applicable to individual entities	2,540.71	2,720.53
(c)	(i) Tax on income subject to lower tax rate		
	(A) Gains on investments (including fair valuation)	(111.21)	(161.60)
(d)	(ii) Tax on Income exempt from Tax		
	(A) Income from Investments (Including tax suffered income on investment in AIF)	(743.68)	(23.72)
	(iii) Tax on expense not tax deductible		
	(A) Expenses not allowable as tax deductible as per tax laws	28.11	26.70
	(iv) Dividend Income exempt due to applicability of provisions of Sec 80M	-	(1,434.84)
	(v) Tax expense in respect of earlier years	-	1.42
	(vi) Tax effect on various other items	21.69	28.83
	<b>Total effect of tax adjustments [(i) to (vi)]</b>	<b>(805.09)</b>	<b>(1,563.21)</b>
(e)	Tax expense recognised during the year	<b>1,735.62</b>	<b>1,157.32</b>

### 37 EARNINGS PER SHARE:

Basic and diluted earnings per share ["EPS"] computed in accordance with INDAS 33 "Earnings per share".

Particulars		2021-22	2020-21
Face value of equity shares in ₹ fully paid up		2.00	2.00
<b>BASIC</b>			
Profit after tax as per consolidated statement of profit and loss before Other Comprehensive Income (₹ in Mn)	A	5,777.38	3,691.92
Weighted average number of shares subscribed	B	8,83,26,249	8,74,27,094
Face value of equity shares (in ₹) fully paid		2.00	2.00
Basic EPS (₹)	A/B	65.41	42.24
<b>DILUTED</b>			
Profit after tax as per consolidated statement of profit and loss before Other Comprehensive Income (₹ in Mn)	A	5,777.38	3,691.92
Weighted average number of shares subscribed	B	8,83,26,249	8,74,27,094
Add: Potential equity shares on account of conversion of employee stock option	C	18,09,929	10,07,730
Weighted average number of shares outstanding	D=B+C	9,01,36,178	8,84,34,824
Diluted EPS (₹)	A/D	64.10	41.76

### 38 DISCLOSURE PURSUANT TO IND AS 107 "FINANCIAL INSTRUMENTS: DISCLOSURES"

#### Financial Risk Management

##### 38A.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 Group sanctions and monitors the loan based on underlying security offered by borrower. The Group has not implemented the system for credit grading of borrowers since most of its lendings are against liquid collaterals. In order to manage credit risk, Loan to Value (LTV) ratio is decided/re-adjusted at the time of sanction and on ongoing basis at the time of monitoring of loan.

The carrying amount of Loans arising from lending business which may be subject to credit risk are as per table below:

(₹ in Mn)					
Loans to customers		Apr 2021- Mar 2022			
Particulars	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Purchased or originated credit-impaired financial assets (POCI)	Total
Loans*	38,578.12	777.30	-	-	39,355.42
<b>Total gross carrying amount</b>	38,578.12	777.30	-	-	39,355.42
Loss allowance	(193.56)	(0.30)	-	-	(193.86)
Carrying amount	38,384.56	777.00	-	-	39,161.56

\* Excluding Staff Loan and Loan to CBLO

Loans to customers	Apr 2020- Mar 2021				
	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)
Loans*	36,228.02	802.06	-	-	37,030.08
<b>Total gross carrying amount</b>	<b>36,228.02</b>	<b>802.06</b>	<b>-</b>	<b>-</b>	<b>37,030.08</b>
Loss allowance	(176.86)	(161.30)	-	-	(338.16)
Carrying amount	36,051.16	640.75	-	-	36,691.91

\* Excluding Staff Loan and Loan to CBLO

Reconciliation of Expected Credit Loss/ Impairment Loss allowance with regards to lending operations for F.Y 21-22 is as follows

(₹ in Mn)

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
<b>Loss allowance as at April 01, 2021</b>	<b>176.86</b>	<b>161.30</b>	<b>-</b>	<b>-</b>	<b>338.16</b>
Provision on loans originated during the year	42.55	-	-	-	42.55
Net change in provision on continuing loans	(161.71)	-	-	-	(161.71)
Provision on loans derecognised during the year	136.16	(161.30)	-	-	(25.14)
<b>Loss allowance as at March 31, 2022</b>	<b>193.86</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>193.86</b>

Reconciliation of Expected Credit Loss/ Impairment Loss allowance with regards to lending operations for F.Y 20-21 is as follows

(₹ in Mn)

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
<b>Loss allowance as at April 01, 2020</b>	<b>160.24</b>	<b>6.96</b>	<b>-</b>	<b>-</b>	<b>167.20</b>
Provision on loans originated during the year	79.55	-	-	-	79.55
Net change in provision on continuing loans	91.00	154.35	-	-	245.34
Provision on loans derecognised during the year	(153.93)	-	-	-	(153.93)
<b>Loss allowance as at March 31, 2021</b>	<b>176.86</b>	<b>161.30</b>	<b>-</b>	<b>-</b>	<b>338.16</b>

In addition to loans from lending business, 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.

For financial assets, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that the modification does not result in cash flows that are substantially different (thereby not resulting into derecognition), the modification gain /loss based on discounted cash flows on it is as below:

Particulars	As at March 31, 2022	As at March 31, 2021
Value of modified assets at the time of modification	-	792.93
Value of modified assets outstanding at end of year	-	802.06
Modification gain/ loss- Considered as ECL Provision	-	85.13

#### 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 Group 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 receivables, Other receivables and Other Financial Assets

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.

**Movement in the Expected Credit Loss/ Impairment Loss allowance with regards to trade receivables is as follows:**

Particulars	2021-22	2020-21
Balance at the beginning of the year	25.30	10.49
Movement in expected credit loss allowances on trade receivable	(17.86)	13.88
Foreign Currency Translation	-	0.93
Balance at the end of the year	7.44	25.30

#### 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 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 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 counter parties 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 Receivables and Other Financial assets is considered very low as the counterpart is mainly stock exchanges.

#### 38B. 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 Mn)

Financial liabilities	As at March 31, 2022					
	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	1,405.70	-	1,026.81	170.17	-	208.72
Trade Payables	1,762.56	1,369.72	392.55	0.09	0.20	-
Other Payables	4,978.06	-	4,978.06	-	-	-
Debt Securities	54,533.39	563.45	29,186.49	5,063.20	17,587.62	2,132.63
Borrowings (Other than Debt Securities)	1,000.54	499.86	500.68	-	-	-
Subordinated Liabilities	2,541.89	-	1,740.96	-	800.93	-
Other financial liabilities	9,226.59	45.24	9,015.89	3.08	(0.20)	162.58
<b>Total</b>	<b>75,448.73</b>	<b>2,478.27</b>	<b>46,841.44</b>	<b>5,236.54</b>	<b>18,388.55</b>	<b>2,503.93</b>

(₹ in Mn)

Financial liabilities	As at March 31, 2021					
	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	2,207.00	-	245.60	40.21	1,528.32	392.87
Trade Payables	883.38	595.12	220.82	1.44	66.00	-
Other Payables	3,032.20	3,032.20	-	-	-	-
Debt Securities	47,096.51	1,495.38	14,797.45	2,406.25	20,693.41	7,704.02
Borrowings (Other than Debt Securities)	1,043.90	541.56	502.34	-	-	-
Subordinated Liabilities	2,626.48	-	-	-	2,456.99	169.49
Other financial liabilities	426.75	104.67	(81.14)	91.97	0.47	310.78
<b>Total</b>	<b>57,316.22</b>	<b>5,768.93</b>	<b>15,685.07</b>	<b>2,539.87</b>	<b>24,745.19</b>	<b>8,577.16</b>

For Finance Lease Obligation maturity (refer note 16)

### 38C. 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.

#### 38C.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 2021-2022 are as below:

(₹ in Mn)

Particulars	USD	MUR	INR	Euro	GBP	AED	CHF
Cash and cash equivalents	0.05	0.00#	-	0.00#	0.03	0.00#	0.03
Trade receivables	170.73	-	-	-	-	-	-
Trade payables	70.21	-	-	-	24.74	-	-
Investments	754.95	-	-	-	-	-	-
Other financial assets	244.16	-	-	-	-	-	-
Other receivables	27.15	-	-	-	-	-	-
Other financial liab	1.20	-	-	-	-	-	-

Particulars	CAD	RIYAL	SGD	HKD	RMB	OMR
Cash and Cash Equivalents	0.00#	0.00#	-	0.02	0.03	0.03

# Amount less than ₹ 10,000

The carrying amount of Financial assets and liabilities subject to foreign exchange risk for FY 2020-2021 are as below:

(₹ in Mn)							
Particulars	USD	MUR	INR	Euro	HKD	GBP	CAD
Cash and Cash Equivalents	10.97	0.23	-	0.00#	0.03	0.03	0.01
Investments	703.50	-	-	-	-	-	-
Other Financial Assets	0.37	-	-	-	-	-	-
Other Receivables	59.22	-	-	-	69.95	0.50	-
Trade Payables	156.71	-	-	-	-	41.26	7.06
Trade Receivables	71.72	-	20.63	-	-	-	-

Particulars	AED	CHF	RIYAL	RMB	SGD	OMR
Cash and Cash Equivalents	0.00#	0.03	0.00#	0.03	0.02	0.09

# Amount less than ₹ 10,000

Below is the sensitivity analysis for the year considering 1% appreciation/(depreciation):

	2021-22	2020-21
<b>Increase</b>		
Impact on Profit and Loss after tax	12.93	11.42
Impact on Equity	12.93	11.42
<b>Decrease</b>		
Impact on Profit and Loss after tax	(12.93)	(11.42)
Impact on Equity	(12.93)	(11.42)

### 38C.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 Mn)		
Particulars	As at March 31, 2022	As at March 31, 2021
Floating Rate Liabilities (Debt Securities and Borrowings)	2,943.24	6,450.25

A hypothetical 0.25% shift in underlying benchmark rates will have the below impact :

Impact on Profit and Loss after tax and equity	2021-22	2020-21
Increase of 0.25%	(5.51)	(12.07)
Decrease of 0.25%	5.51	12.07

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 Mn)		
Particulars	As at March 31, 2022	As at March 31, 2021
Loans	38,578.12	36,228.02

(₹ in Mn)		
Impact on Profit and Loss after tax and equity	2021-22	2020-21
Increase of 0.25%	72.17	67.78
Decrease of 0.25%	(72.17)	(67.78)

### 38C3. Other Price Risk

Other price risk is related to the change in market reference price of the derivative financial instruments, investments and debt securities which are fair valued and exposes the Group to price risks.

The carrying amount of financial assets and liabilities subject to price risk is as below:

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Financial Assets</b>		
Derivative financial instruments	1.29	1,664.97
Investments	40,723.97	25,128.59
	<b>40,725.26</b>	<b>26,793.56</b>
<b>Financial Liabilities</b>		
Derivative financial instruments	1,405.70	2,207.00
Debt securities	5,495.33	7,776.84
	<b>6,901.03</b>	<b>9,983.84</b>

Sensitivity to change in prices of the above assets and liabilities are measured on the following parameters

Investments in AIFs / MFs /others	1% change in the NAV/price
Financial assets and liabilities including derivative assets and liabilities linked to equity index/ others	1% change in the underlying index or in value of the instruments as the case may be
Investments in Debt securities and Government Securities, Debt Securities issued (Liabilities), and interest rate derivatives linked to underlying interest/price movements in the interest bearing securities	0.25% change in yield over duration of the instruments considering PV(0,1) as a measure of change in value

Below is the sensitivity analysis for the year :

	(₹ in Mn)	
	2021-22	2020-21
<b>Increase</b>		
Impact on Profit and Loss after tax	121.69	80.87
Impact on Equity	121.69	80.87
<b>Decrease</b>		
Impact on Profit and Loss after tax	(121.69)	(80.87)
Impact on Equity	(121.69)	(80.87)

### 38D.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.

### 38E. Category Wise Classification for applicable Financial Assets and Liabilities

Sr No.	Particulars	As at March 31, 2022			
		Measured at Amortised Cost	Measured At Fair Value through Profit or Loss (P/L)	Measured At Fair Value through Other Comprehensive Income (OCI)	Total
	<b>Financial Assets</b>				
(a)	Cash and cash equivalents	4,885.68	-	-	4,885.68
(b)	Bank balance other than (a) above	5,336.27	-	-	5,336.27
(c)	Derivative financial instruments	-	1.29	-	1.29
(d)	Receivables				-
	(I) Trade receivables	2,546.60	-	-	2,546.60
	(II) Other receivables	2,585.19	-	-	2,585.19
(e)	Loans	39,169.48			39,169.48
(f)	Investments	-	40,723.97	-	40,723.97
(g)	Other financial assets	1,884.55	-	-	1,884.55
	<b>Total</b>	<b>56,407.77</b>	<b>40,725.26</b>	<b>-</b>	<b>97,133.03</b>

(₹ in Mn)

Sr No.	Particulars	As at March 31, 2022			Total
		Measured at Amortised Cost	Measured At Fair Value through Profit or Loss (P/L)	Measured At Fair Value through Other Comprehensive Income (OCI)	
<b>Financial Liabilities</b>					
(a)	Derivative financial instruments	-	1,405.70	-	1,405.70
(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	1,762.56	-	-	1,762.56
	(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	4,978.06	-	-	4,978.06
(c)	Finance Lease Obligations	174.08			174.08
(d)	Debt securities	49,038.06	5,495.33	-	54,533.39
(e)	Borrowings (other than debt securities)	1,000.54	-	-	1,000.54
(f)	Subordinated liabilities	2,541.89	-	-	2,541.89
(g)	Other financial liabilities	9,226.59	-	-	9,226.59
	<b>Total</b>	<b>68,721.78</b>	<b>6,901.03</b>	<b>-</b>	<b>75,622.81</b>

(₹ in Mn)

Sr No.	Particulars	As at March 31, 2021			Total
		Measured at Amortised Cost	Measured At Fair Value through Profit or Loss(P/L)	Measured At Fair Value through Other Comprehensive Income (OCI)	
<b>Financial Assets</b>					
(a)	Cash and cash equivalents	4,366.49	-	-	4,366.49
(b)	Bank balance other than (a) above	4,015.36	-	-	4,015.36
(c)	Derivative financial instruments	-	1,664.97	-	1,664.97
(d)	Receivables				
	(I) Trade receivables	2,264.01	-	-	2,264.01
	(II) Other receivables	1,157.39	-	-	1,157.39
(e)	Loans	36,705.95			36,705.95
(f)	Investments	-	25,128.59	-	25,128.59
(g)	Other financial assets	1,526.52	-	-	1,526.52
	<b>Total</b>	<b>50,035.72</b>	<b>26,793.56</b>	<b>-</b>	<b>76,829.28</b>
<b>Financial Liabilities</b>					
(a)	Derivative financial instruments	-	2,207.00	-	2,207.00
(b)	Payables				-
	(I) Trade payables				-



(₹ in Mn)

Sr No.	Particulars	As at March 31, 2021			Total
		Measured at Amortised Cost	Measured At Fair Value through Profit or Loss(P/L)	Measured At Fair Value through Other Comprehensive Income (OCI)	
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	883.38	-	-	883.38
	(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	3,032.20	-	-	3,032.20
(c)	Finance Lease Obligations	268.68			268.68
(d)	Debt securities	39,319.67	7,776.84	-	47,096.51
(e)	Borrowings (other than debt securities)	1,043.90	-	-	1,043.90
(f)	Subordinated liabilities	2,626.48	-	-	2,626.48
(g)	Other financial liabilities	426.75	-	-	426.75
	<b>Total</b>	<b>47,601.06</b>	<b>9,983.84</b>	<b>-</b>	<b>57,584.90</b>

### 38E.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.

#### 38E.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 Mn)

Financial instruments measured at fair value	Recurring fair value measurements at March 31, 2022			
	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investments in Mutual funds	7,136.23	-	-	7,136.23
Investments in Debt securities	-	11,527.18	-	11,527.18
Investments in Government Securities	-	636.57	-	636.57
Investments in Equity Shares *	-	9,045.50	3.50	9,049.00
Investments in Alternate Investment Funds #	-	-	12,340.98	12,340.98
Investments in Others	-	34.01	-	34.01
Derivative financial Assets	-	1.29	-	1.29
<b>Total Assets</b>	<b>7,136.23</b>	<b>21,244.55</b>	<b>12,344.48</b>	<b>40,725.26</b>
<b>Financial Liabilities measured at Fair values</b>				
Bonds/ Debentures	-	5,495.33	-	5,495.33
Derivative financial liabilities	-	1,405.70	-	1,405.70
<b>Total Liabilities</b>	<b>-</b>	<b>6,901.03</b>	<b>-</b>	<b>6,901.03</b>

\* The fair values of unlisted equity are determined basis the independent third party valuations.

# The fair values of these investments are determined basis the NAV published by the funds.

(₹ in Mn)

Financial instruments measured at fair value	Recurring fair value measurements at March 31, 2021			
	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investments in Mutual funds	2,325.95	-	-	2,325.95
Investments in Debt securities	-	13,076.63	-	13,076.63
Investments in Government Securities	-	649.00	-	649.00
Investments in Equity Shares *	-	-	252.83	252.83
Investments in Alternate Investment Funds #	-	-	8,443.47	8,443.47
Investments in Others	-	380.71	-	380.71
Derivative financial Assets	-	1,664.97	-	1,664.97
<b>Total Assets</b>	<b>2,325.95</b>	<b>15,771.31</b>	<b>8,696.30</b>	<b>26,793.56</b>
<b>Financial Liabilities measured at Fair values</b>				
Bonds/ Debentures	-	7,776.84	-	7,776.84
Derivative financial liabilities	-	2,207.00	-	2,207.00
<b>Total Liabilities</b>	<b>-</b>	<b>9,983.84</b>	<b>-</b>	<b>9,983.84</b>

\* The fair values of unlisted equity are determined basis the independent third party valuations.

# The fair values of these investments are determined basis the NAV published by the funds.

Reconciliation of Level 3 fair value measurements

(₹ in Mn)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Opening Balance</b>	<b>8,696.30</b>	<b>7,807.41</b>
Total gains or losses		
- in profit or loss	844.50	248.88
MTM Gain / ( Loss )	1,306.12	1,152.49
Purchases	13,512.14	8,285.03
Disposal/ Settlements	(12,014.58)	(8,797.51)
<b>Closing Balance</b>	<b>12,344.48</b>	<b>8,696.30</b>



### 38E. 1b Fair value of financial assets and financial liabilities measured at amortised cost

(₹ in Mn)

Financial Assets and liabilities which are measured at amortised cost for which fair values are disclosed	As at March 31, 2022		As at March 31, 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets</b>				
Cash and cash equivalents	4,885.68	4,885.68	4,366.49	4,366.49
Bank balance other than above	5,336.27	5,336.27	4,015.36	4,015.36
<b>Receivables</b>				
(I) Trade receivables	2,546.60	2,546.60	2,264.01	2,264.01
(II) Other receivables	2,585.19	2,585.19	1,157.39	1,157.39
Loans	39,169.48	39,169.48	36,705.95	36,705.95
Other financial assets	1,884.55	1,884.55	1,526.52	1,526.52
<b>Financial Liabilities</b>				
<b>(I) Trade payables</b>				
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,762.56	1,762.56	883.38	883.38
<b>(II) Other payables</b>				
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	4,978.06	4,978.06	3,032.20	3,032.20
Finance Lease Obligations	174.08	174.08	268.68	268.68
Debt securities	49,038.06	46,030.11	39,319.67	34,018.92
Borrowings (other than debt securities)	1,000.54	1,000.54	1,043.90	1,043.90
Subordinated liabilities	2,541.89	1,794.92	2,626.48	1,995.58
Other financial liabilities	9,226.59	9,226.59	426.75	426.75

#### 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 nature of assets.

#### 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 nature of liabilities. The carrying amounts of borrowings with floating rate of interest are considered to be close to the fair value.

Other financial liabilities includes those nature of liabilities whose fair value approx to amortised cost

(₹ in Mn)

Financial Assets and liabilities which are measured at amortised cost for which fair values are disclosed	As at March 31, 2022			
	Level 1	Level 2	Level 3	Total
<b>Financial Liabilities</b>				
Debt securities		46,030.11		46,030.11
Subordinated liabilities		1,794.92		1,794.92
<b>As at March 31, 2021</b>				
Financial Assets and liabilities which are measured at amortised cost for which fair values are disclosed	Level 1	Level 2	Level 3	Total
<b>Financial Liabilities</b>				
Debt securities		34,018.92		34,018.92
Subordinated liabilities		1,995.58		1,995.58

### Note 39A

The Company i.e. IIFL Wealth Management Limited has implemented equity settled Employee Stock Options Scheme 2012 (IIFLW ESOP 2012), Employee Stock Options Scheme 2015 ( IIFLW ESOP 2015), Employee Stock Options Scheme 2019 (IIFLW ESOP 2019) and Employee Stock Options Scheme 2021 (IIFLW ESOP 2021) 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.

The details of various Employee Stock Option Schemes are as under:

Particulars	IIFLW ESOP 2012	IIFLW ESOP 2015	IIFLW ESOP 2019	IIFLW ESOP 2021
No. of options granted up to March 31,2022	27,31,935	92,42,941	32,31,106	25,16,224
	(A - 1,240,900; B - 752,550; C - 607,500; D - 117,100; E - 13,885)	(A - 4,200,000; B - 2,765,945; C - 900,000; D - 950,000; E - 121,141; F - 135,827; G - 170,028)	(A - 1,242,909; B - 1,096,000; C - 61,530; D - 20,000; E - 36,000; F - 671,000; G - 52,167; H - 25,000; I - 26,500)	(A - 2,004,000; B - 346,724; C - 82,000; D - 56,500; E - 27,000)
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 - July 02, 2015, C - November 10, 2016 D- July 21, 2017; E - January 13, 2018; F - January 28, 2018; G - January 29, 2019	A - November 15, 2019, B - November 15, 2019, C - October 23, 2020, D - October 23, 2020, E - February 25, 2021, F - April 23, 2021, G - July 28, 2021, H - October 27, 2021, I - January 27, 2022	A - April 23, 2021, B - July 28, 2021, C - October 27, 2021, D - January 27, 2022, E - March 04, 2022
Method of accounting	Fair value	Fair value	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	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	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	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, E - ₹ 417 .00	A, B - ₹ 282.00, C - ₹ 339.00, D,E, F - ₹ 417.00, G - ₹ 1661.00	A - ₹ 861.00, B - ₹ 861.00, C - ₹ 900.00, D - ₹ 900.00, E - ₹ 1147.00, F - ₹ 1060.00, G - ₹ 1316.00, H - ₹ 1565.00, I - ₹ 1515.00	A - ₹ 1060.00, B - ₹ 1316.00, C - ₹ 1565.00, D - ₹ 1515.00, E - ₹ 1464.25
Fair value on the date of grant of option (₹ Per Share)	₹ 11.80 - ₹ 409.00	₹ 274.00 - ₹1297.00	₹ 899.45 - ₹ 1564.50	₹ 1069.55 - ₹ 1564.50

**(B) Movement of options granted:****As at March 31, 2022**

Particulars	IIFLW ESOP 2012	IIFLW ESOP 2015	IIFLW ESOP 2019	IIFLW ESOP 2021
Options outstanding at the beginning of April 01, 2021	2,114	7,41,693	22,07,703	-
Granted during the year	-	-	7,74,667	25,16,224
Exercised during the year	554	4,06,888	4,10,901	-
Lapsed during the year	1,560	19,158	1,29,937	3,11,440
Options outstanding as at March 31, 2022	-	3,15,647	24,41,532	22,04,784
Exercisable at the end of the year March 31,2022	-	3,15,647	8,51,698	-
Weighted average exercise price for the options exercised during the year FY 21-22	₹ 417.00	₹ 399.73	₹ 862.83	NA
Range of exercise price for the options outstanding at the end of the year March 31, 2022	NA	₹ 282.00 to ₹ 1661.00	₹ 861.00 to ₹ 1565.00	₹ 1060.00 to ₹ 1565.00

**As at March 31, 2021**

Particulars	IIFLW ESOP 2012	IIFLW ESOP 2015	IIFLW ESOP 2019	IIFLW ESOP 2021
Options outstanding at the beginning of April 01, 2020	14,245	13,20,195	22,99,326	-
Granted during the year	-	-	1,17,530	-
Exercised during the year	5,131	5,45,077	1,25,026	-
Lapsed during the year	7,000	33,425	84,127	-
Options outstanding as at March 31, 2021	2,114	7,41,693	22,07,703	-
Exercisable at the end of the year March 31,2021	1,560	3,29,604	5,85,980	-
Weighted average exercise price for the options exercised during the year FY 20-21	₹ 80.94	₹ 358.64	₹ 861.00	-
Range of exercise price for the options outstanding at the end of the year March 31, 2021	₹ 19.00 to ₹ 417.00	₹ 282.00 to ₹ 1661.00	₹ 861.00 to ₹ 1147.00	-

**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:

Particulars	IIFLW ESOP 2012	IIFLW ESOP 2015	IIFLW ESOP 2019	IIFLW ESOP 2021
Risk free interest rate	6.67%-9.09%	6.19%-7.86%	4.20%-5.99%	4.90%-5.82%
Expected average life	2-5 years	2-5 years	2-6 years	2-5 years
Expected volatility of Share Price	10.00%	10.00%	12.24% - 25.16%	18.39% - 25.44%
Dividend yield	3%-23.19%	1.5% - 3%	1.95% - 5.70%	5.65% - 5.70%
Fair value on the date of the grant	₹ 11.80 - ₹ 409.00	₹ 274.00 - ₹ 1297.00	₹ 899.45 - ₹ 1564.50	₹ 899.45 - ₹ 1564.50

**Note 39B**

In terms of the Composite Scheme of Arrangement (Scheme) amongst IIFL Finance Limited (formerly known as IIFL Holdings Limited), India Infoline Finance Limited, India Infoline Media and Research Services Limited ("IIFL M&R"), IIFL Securities Limited ("IIFL Securities"), the Company ("IIFL Wealth") and IIFL Wealth Distribution Services Limited (Formerly known as 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 was approved by the National Company Law Tribunal Bench at Mumbai (Tribunal) on March 07, 2019 under the applicable provisions of the Companies Act, 2013, the equity options holders of IIFL Finance Limited (formerly known as IIFL Holdings

Limited) (Options holders) has been granted 1 stock option by the Company for every 7 stock options held in IIFL Finance Limited, on terms and conditions similar to the ESOP Scheme of IIFL Finance Limited. Accordingly, 1,27,912 options of IIFL Wealth Management Limited were granted on August 21, 2019.

Particulars	ESOP Scheme Pursuant to Composite Scheme of Demerger
No. of options granted up to March 31,2022	1,27,912 A - 127,912
Grant dates	A – 31st May 2019 (i.e. effective date of Demerger)
Method of accounting	NA*
Vesting plan	Options granted would vest as per the vesting schedule as determined under each series of grant of IIFL Finance Limited (formerly known as IIFL Holdings Limited) after taking the effect of demerger dated May 31, 2019 and as approved by Nomination & Remuneration Committee subject to minimum period of one year from the original date of grant of such options
Exercise period	Five years from the Original date of grant
Grant price (₹ Per Share)	₹ 82.02, ₹218.71, ₹25.79, ₹26.47, ₹31.05, ₹61.40, ₹82.73
Fair value on the date of grant of option (₹ Per Share)	NA*

\* the scheme has been implemented on account of Composite Scheme of Arrangement as mentioned above in lieu of existing ESOP scheme of IIFL Finance Limited (formerly Known as IIFL Holdings Ltd.). This, being in lieu of modification of erstwhile ESOP scheme of IIFL Finance Ltd., no separate fair valuation is required to be carried out by the Company

**(B) Movement of options granted:**

**As at March 31, 2022**

Particulars	ESOP Scheme Pursuant to Composite Scheme of Demerger
Options outstanding at the beginning of April 01, 2021	16,010
Granted during the year	-
Exercised during the year	6,690
Lapsed during the year	722
Options outstanding as at March 31, 2022	8,598
Exercisable at the end of the year March 31,2022	8,598
Weighted average exercise price for the options exercised during the year FY 21-22	₹ 82.02
Range of exercise price for the options outstanding at the end of the year March 31, 2022	₹ 82.02 to ₹ 218.71

**As at March 31, 2021**

Particulars	ESOP Scheme Pursuant to Composite Scheme of Demerger
Options outstanding at the beginning of April 01, 2020	43,687
Granted during the year	-
Exercised during the year	26,494
Lapsed during the year	1,183
Options outstanding as at March 31, 2021	16,010
Exercisable at the end of the year March 31,2021	15,324
Weighted average exercise price for the options exercised during the year FY 20-21	₹ 86.45
Range of exercise price for the options outstanding at the end of the year March 31, 2021	₹ 82.02 to ₹ 218.71



## 40 CAPITAL, OTHER COMMITMENTS AND CONTINGENT LIABILITIES AT BALANCE SHEET DATE:

### Capital and Other Commitments

Particulars	(₹ in Mn)	
	As at March 31, 2022	As at March 31, 2021
Commitments to contribute funds for the acquisition of property, plant and equipment and intangible assets	6.95	17.85
Commitments on investments	1,669.71	1,811.46
<b>Total</b>	<b>1,676.66</b>	<b>1,829.31</b>

### Contingent Liabilities

Particulars	(₹ in Mn)	
	As at March 31, 2022	As at March 31, 2021
Bank guarantees (refer note 40.1)	2,369.40	2,499.44
Disputed income tax demand (refer note 40.2)	450.94	436.68
Legal matters (refer note 40.3)	166.67	-
<b>Total</b>	<b>2,987.01</b>	<b>2,936.12</b>

40.1 Fixed Deposits (excluding accrued interest) amounting to ₹ 1255.71 mn (P.Y. ₹ 1458.70 mn) are pledged against this.

40.2 Amount paid under protest with respect to income tax demand ₹ 144.67 mn (P.Y ₹ 64.14 mn)

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.

40.3 The Parent Company has received demand towards stamp duty on account of the Composite Scheme of Arrangement. The demand has been raised for a sum of ₹ 750.00 mn. As per the scheme document any incidental expenses will be borne by the resulting companies i.e IIFL Finance Limited, IIFL Securities Limited and IIFL Wealth Management Limited equally. The Parent Company has appealed against the same and paid ₹ 83.33 mn under protest towards its share of the liability and shown ₹ 166.67 as contingent liability.

## 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.

Particulars	2021-22		2020-21	
	Segment Revenue	Segment Results	Segment Revenue	Segment Results
Wealth Management	16,136.04	5,291.82	13,781.11	3,946.81
Asset Management	4,642.21	2,221.11	2,788.82	882.15
Unallocated	0.08	0.08	20.27	20.28
<b>Total</b>	<b>20,778.33</b>	<b>7,513.01</b>	<b>16,590.20</b>	<b>4,849.24</b>

The accounting policies of the reportable segments are the same as the group's accounting policies. Segment profit represents the profit before tax earned by each segment post allocation of all identifiable other income, direct expenses, finance cost and other cost.

#### 41.3 Segment assets and liabilities

(₹ in Mn)		
Segment assets	As at March 31, 2022	
Wealth Management	1,02,059.02	83,864.72
Asset Management	3,966.51	2,781.80
<b>Total segment assets</b>	<b>1,06,025.53</b>	<b>86,646.52</b>
Unallocated assets	1,369.58	753.14
<b>Consolidated total assets</b>	<b>1,07,395.11</b>	<b>87,399.66</b>

(₹ in Mn)		
Segment assets	As at March 31, 2022	
Wealth Management	75,558.74	57,581.75
Asset Management	619.96	616.59
<b>Total segment liabilities</b>	<b>76,178.70</b>	<b>58,198.34</b>
Unallocated liabilities	1,240.71	923.65
<b>Consolidated total liabilities</b>	<b>77,419.41</b>	<b>59,121.99</b>

For the purpose of monitoring segment performance and allocating resources between segments:

- All assets are allocated to reportable segments other than tax assets.
- All liabilities are allocated to reportable segments other than tax liabilities.

#### 41.4 Other segment information

(₹ in Mn)		
Depreciation and amortisation	2021-22	2020-21
Wealth Management	372.84	389.43
Asset Management	44.59	40.28
<b>Total</b>	<b>417.43</b>	<b>429.71</b>

(₹ in Mn)		
Interest Income included in segment revenue	2021-22	2020-21
Wealth Management	5,155.30	6,459.13
Asset Management	0.84	12.55
<b>Total</b>	<b>5,156.14</b>	<b>6,471.68</b>

(₹ in Mn)		
Finance Cost	2021-22	2020-21
Wealth Management	3,696.32	4,134.24
Asset Management	1.44	1.23
<b>Total</b>	<b>3,697.76</b>	<b>4,135.47</b>

#### 41.5 Geographical information

(₹ in Mn)		
	2021-22	2020-21
	Segment Revenue	Segment Revenue
India	20,468.23	16,348.30
Mauritius	21.29	18.84
Singapore	288.42	221.74
Others	0.39	1.32
<b>Total</b>	<b>20,778.33</b>	<b>16,590.20</b>

**42 RELATED PARTY DISCLOSURES:**

a) List of Related Parties:

Nature of relationship	Name of party
Director/ Key Managerial Personnel	Mr. Karan Bhagat, Managing Director
	Mr. Yatin Shah, Non Executive Director
	Mr. Nirmal Jain, Non Executive Director
	Mr. Venkataraman Rajamani, Non Executive Director
	Mr. Nilesh Vikamsey, Independent Director
	Ms. Geeta Mathur, Independent Director
	Mr. Sandeep Achyut Naik, Non Executive
	Mr. Shantanu Rastogi, Non Executive
	Mr. Subbaraman Narayan, Independent Director
	Mr. Pankaj Vaish, Independent Director
	Mr. Gopalkrishnan Soundarajan, Independent Director
	Mr. Mihir Nanavati, Chief Financial Officer (Upto September 1, 2021)
	Mr. Sanjay Wadhwa, Chief Financial Officer (w.e.f September 2, 2021)
	Mr. Amit Bhandari, Company Secretary, (Upto August 3, 2021)
Mr. Rohit Bhave, Company Secretary (w.e.f August 4, 2021)	
Subsidiaries including step down subsidiaries	IIFL Wealth Prime Limited (Formerly known as IIFL Wealth Finance Limited)
	IIFL Asset Management Limited
	IIFL Investment Adviser and Trustee Services Limited
	IIFL Trustee Limited
	IIFL Wealth Portfolio Managers Limited
	IIFL Wealth Distribution Services Limited ( Formerly known as IIFL Distribution Services Limited)
	IIFL Wealth Securities IFSC Limited
	IIFL Wealth Capital Markets Limited (Formerly known as L & T Capital Markets Limited)
	IIFL Wealth Altiore Limited (Formerly known as IIFL Altiore Advisors Limited)
	IIFL Wealth Employee Welfare benefit Trust (up to January 11, 2022)
	IIFL Private Wealth Management (Dubai) Limited
	IIFL Inc.
	IIFL Asset Management (Mauritius) Limited
	IIFL (Asia) Pte. Limited *
	IIFL Capital Pte. Limited *
IIFL Securities Pte. Limited *	
IIFL Capital (Canada) Limited	
IIFLW CSR Foundation	
Other Related Party	IIFL Finance Limited (Formerly known as IIFL Holdings Limited)
	IIFL Securities Limited (Formerly known as India Infoline Limited)
	IIFL Commodities Limited (Formerly known as India Infoline Commodities Limited)
	Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited w.e.f. February 22, 2022)
	IIFL Management Services Limited (Formerly known as India Infoline Insurance 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
	IIFL Securities Services IFSC Limited
	Livlong Protection & Wellness Services Limited (Formerly known as IIFL Corporate Services Limited w.e.f. October 6, 2021)
	IIFL Home Finance Limited
	Samasta Microfinance Limited (w.e.f March 01, 2017)
	Meenakshi Tower LLP (Joint Venture of IIFL Management Services Limited)
	Shreyans Foundation LLP
	India Infoline Foundation
	5paisa Capital Limited
	5paisa Trading Limited
	IIFL Sales Limited
	Giskard Datatech Private Limited (Associate Company w.e.f. November 06, 2020 and Ceased to be Associate Company w.e.f. December 30, 2021)
	General Atlantic Singapore Fund Pte Limited
	Mrs. Shilpa Bhagat (Spouse of Mr. Karan Bhagat)
	Ms. Madhu Bhagat (Mother of Mr. Karan Bhagat)
	Mr. Kush Bhagat (Son of Mr. Karan Bhagat)
	Ms. Kyra Bhagat (Daughter of Mr. Karan Bhagat)
	Mr. Varun Bhagat (Brother of Mr. Karan Bhagat)
	Mrs. Ami Yatin Shah (Spouse of Mr. Yatin Shah)
	Yatin Prakash Shah HUF
	Prakashchandra Chunilal Shah HUF
	Mr. Prakashchandra Shah (Father of Mr. Yatin Shah)
	Mrs. Hansadevi Shah (Mother of Mr. Yatin Shah)
	Mr. Kiaan Shah (Son of Mr. Yatin Shah)
	Ms. Naysa Shah (Daughter of Mr. Yatin Shah)
	Ms. Yasmita Sarju Vakil (Sister of Mr. Yatin Shah)
	Ms. Shefali Devani (Sister of Mr. Yatin Shah)
	Mrs. Madhu Jain (Spouse of Mr. Nirmal Jain)
	Mr. Bhanwarlal Jain (Father of Mr. Nirmal Jain)
	Ms. Sunderben Jain (Mother of Mr. Nirmal Jain)
	Mr. Bhavya Jain (Son of Mr. Nirmal Jain)
	Ms. Kalpita Jain (Daughter of Mr. Nirmal Jain)
	Ms. Harshita Jain (Daughter of Mr. Nirmal Jain)
	Mr. Mansukh Jain and Mr. Ramesh Jain (Brother of Mr. Nirmal Jain)
	Ms. Pushpa Khokhawati (Sister of Mr. Nirmal Jain)
	Ms. Aditi Athavankar (Spouse of Mr. Venkataraman Rajamani)
	Mr. Rajamani (Father of Mr. Venkataraman Rajamani)
	Ms. Syamala (Mother of Mr. Venkataraman Rajamani)
	Mr. Vihaan Venkataraman (Son of Mr. Venkataraman Rajamani)
	Mr. Varun Venkataraman (Son of Mr. Venkataraman Rajamani)
	Ms. Nandini (Sister of Mr. Venkataraman Rajamani)
	Ms. Anchal Rastogi (Spouse of Mr. Shantanu Rastogi)
	Mr. Girish Kumar Rastogi (Father of Mr. Shantanu Rastogi)
	Ms. Nisha Rastogi (Mother of Mr. Shantanu Rastogi)
	Mr. Vir Rastogi (Son of Mr. Shantanu Rastogi)
	Mr. Yug Rastogi (Son of Mr. Shantanu Rastogi)

Nature of relationship	Name of party
	Mr. Shivam Rastogi (Brother of Mr. Shantanu Rastogi)
	Mrs. Bhakti Prabhu Naik (Spouse of Mr. Sandeep Naik)
	Mr. Achyut Madhushiva Naik (Father of Mr. Sandeep Naik)
	Ms. Suman Achyut Naik (Mother of Mr. Sandeep Naik)
	Mr. Naman Naik (Son of Mr. Sandeep Naik)
	Mr. Kian Naik (Son of Mr. Sandeep Naik)
	Mr. Deepak Achyut Naik (Brother of Mr. Sandeep Naik)
	Mr. Sunil Achyut Naik (Brother of Mr. Sandeep Naik)
	Ms. Prajakta Thakur (Sister of Mr. Sandeep Naik)
	Ms. Shalini Gopalakrishnan (Spouse of Mr. Gopalakrishnan Soundarajan)
	Mr. Govindarajan Soundarajan (Father of Mr. Gopalakrishnan Soundarajan)
	Ms. Sakunthla Soundarajan (Mother of Mr. Gopalakrishnan Soundarajan)
	Mr. Adidev Gopalakrishnan (Son of Mr. Gopalakrishnan Soundarajan)
	Ms. Srimathi Basra (Sister of Mr. Gopalakrishnan Soundarajan)
	Mr. Sudhir Mathur (Spouse of Mrs. Geeta Mathur)
	Sudhir Mathur HUF
	Mr. Yogeshwar Datt Sardana (Father of Mrs. Geeta Mathur)
	Mrs. Vidya Rani Sardana (Mother of Mrs. Geeta Mathur)
	Ms. Nandita Mathur, Vasudha Mathur (Daughter of Mrs. Geeta Mathur)
	Mr. Rajeev Sardana (Brother of Mrs. Geeta Mathur)
	Dr. Archana Bajaj (Sister of Ms. Geeta Mathur)
	Mrs. Bharti Nilesh Vikamsey (Spouse of Mr. Nilesh Vikamsey)
	Mr. Jihaan Nilesh Vikamsey (Son of Mr. Nilesh Vikamsey)
	Mrs. Sharayu Jihaan Vikamsey (Son's wife of Mr. Nilesh Vikamsey)
	Mr. Hemant Shivji Vikamsey (Brother of Mr. Nilesh Vikamsey)
	Mr. Ashok Shivji Vikamsey (Brother of Mr. Nilesh Vikamsey)
	Mr. Kamlesh Shivji Vikamsey (Brother of Mr. Nilesh Vikamsey)
	Mr. Ketan Shivji Vikamsey (Brother of Mr. Nilesh Vikamsey)
	Ms. Sadhana Hiren Dand (Sister of Mr. Nilesh Vikamsey)
	Nilesh Shivji Vikamsey- HUF
	Mrs. Shanthi Narayan (Spouse of Mr. Subbaraman Narayan)
	Mr. Sumant (Son of Mr. Subbaraman Narayan)
	Ms. Sweta (Son's wife of Mr. Subbaraman Narayan)
	Ms. Suchitra (Daughter of Mr. Subbaraman Narayan)
	Mr. Sridhar (Daughter's husband of Mr. Subbaraman Narayan)
	Mrs. Jaya (Sister of Mr. Subbaraman Narayan)
	Mrs. Ruma Vaish (Spouse of Mr. Pankaj Vaish)
	Mrs. Manjusha Devi Vaish (Mother of Mr. Pankaj Vaish)
	Mrs. Komal Vaish, Mrs. Kanika Vaish (Daughter of Mr. Pankaj Vaish)
	Mr. Rahul Aggarwal (Daughter's husband of Mr. Pankaj Vaish)
	Mrs. Kalpana Gupta (Sister of Mr. Pankaj Vaish)
	Mrs. Bhavya Wadhwa (Spouse of Mr. Sanjay Wadhwa)
	Mr. Tulsio Wadhwa (Father of Mr. Sanjay Wadhwa)
	Mrs. Chandra Wadhwa (Mother of Mr. Sanjay Wadhwa)
	Mr. Shail Wadhwa (Son of Mr. Sanjay Wadhwa)
	Ms. Drishti Wadhwa (Daughter of Mr. Sanjay Wadhwa)
	Mr. Girish Wadhwa (Brother of Mr. Sanjay Wadhwa)

Nature of relationship	Name of party
	Mamta Wadhwa (Sister of Mr. Sanjay Wadhwa)
	Dr. Akanksha Rohit Bhasse (Spouse of Mr. Rohit Bhasse)
	Mr. Shrinivas Raghunath Bhasse (Father of Mr. Rohit Bhasse)
	Mrs. Anjali Shrinivas Bhasse (Mother of Mr. Rohit Bhasse)
	Ms. Uma Rohit Bhasse (Daughter of Mr. Rohit Bhasse)
	Yatin Investments
	Kyrush Investments
	Naykia Realty Private Limited
	Trend Analytics (India) Private Limited (Formerly known as Financial advisors (India) Private Limited)
	Kyrush Trading & Investments Private Limited (Formerly known as Kyrush Realty Private Limited)
	Orpheous Trading Private Limited
	MNJ Consultants Private Limited
	Ardent Impex Private Limited
	Sunder Bhawar Ventures Private Limited
	Chintamani Properties Private Limited
	5 Paisa P2P Limited
	5 Paisa Insurance Brokers Limited
	Kush Family Private Trust
	Kyra Family Private Trust
	Kalki Family Private Trust
	Nirmal Madhu Family Private Trust
	Naykia Family Private Trust
	Prakash Shah Family Private Trust
	Bhagat Family Private Trust
	Kyrush Family Private Trust
	Naysa Shah Family Private Trust
	Kiaan Shah Family Private Trust
	FIH Mauritius Investments Limited
	Khimji Kunverji & Co (Partner of the Chartered Accountant Firm)
	ASP Corporate Consultants LLP
	HDFC Education and Development Services Private Limited
	HDFC Sales Private Limited
	Sentiss Pharma Private Limited
	Ummeed Housing Finance Private Limited
	Meradoc Healthtech Private Limited
	Capital Foods Private Limited
	Rubicon Research Private Limited
	No Broker Technologies Solutions Private Limited
	House of Anita Dongre Private Limited
	Sorting Hat Technologies Private Limited
	Castlewood Trading Private Limited
	Rudransh Trading Private Limited
	Gati Kintetsu Express Private Limited
	Indium Software (India) Private Limited

\*IIFL (Asia) Pte. Limited, IIFL Capital Pte. Limited and IIFL Securities Pte. Ltd. have Amalgamated to become IIFL Capital Pte. Limited with effect from October 27, 2021

b) List of Transactions of the Group with the related parties net off Eliminations

(₹ in Mn)

Nature of Transaction	Year	Whole Time Director/Key Managerial Personnel	Subsidiaries including step down subsidiaries	Other Related Parties	Total
<b>Purchase of Investment</b>					-
IIFL Finance Limited (Formerly known as IIFL Holdings Limited)	2021-22	-	-	-	-
	2020-21	-	-	(2,011.10)	(2,011.10)
IIFL Management Services Limited	2021-22	-	-	439.15	439.15
	2020-21	-	-	(80.18)	(80.18)
<b>Sale of Investment</b>					-
IIFL Finance Limited (Formerly known as IIFL Holdings Limited)	2021-22	-	-	-	-
	2020-21	-	-	(813.46)	(813.46)
IIFL Home Finance Limited	2021-22	-	-	-	-
	2020-21	-	-	(224.97)	(224.97)
IIFL Facilities Services Limited	2021-22	-	-	-	-
	2020-21	-	-	(50.01)	(50.01)
<b>Loan Given</b>					-
Mr. Yatin Shah	2021-22	33.00	-	-	33.00
	2020-21	(499.95)	-	-	(499.95)
Mr. Nirmal Jain	2021-22	5,894.95	-	-	5,894.95
	2020-21	(1,499.99)	-	-	(1,499.99)
Mrs. Madhu Jain	2021-22	-	-	999.99	999.99
	2020-21	-	-	(3,896.83)	(3,896.83)
Yatin Investment	2021-22	-	-	1,349.98	1,349.98
	2020-21	-	-	-	-
Kyrush Investments	2021-22	-	-	184.00	184.00
	2020-21	-	-	(327.22)	(327.22)
<b>Loan Received Back</b>					-
Mr. Yatin Shah	2021-22	15.60	-	-	15.60
	2020-21	(499.95)	-	-	(499.95)
Mr. Nirmal Jain	2021-22	5,894.95	-	-	5,894.95
	2020-21	(1,499.99)	-	-	(1,499.99)
Mrs. Madhu Jain	2021-22	-	-	999.99	999.99
	2020-21	-	-	(3,896.83)	(3,896.83)
Yatin Investment	2021-22	-	-	1,349.98	1,349.98
	2020-21	-	-	-	-
Kyrush Investments	2021-22	-	-	226.37	226.37
	2020-21	-	-	(284.85)	(284.85)
<b>Fees Earned For Services (including Brokerage) rendered</b>					
IIFL Securities Limited	2021-22	-	-	74.23	74.23
	2020-21	-	-	(46.03)	(46.03)
Samasta Microfinance Limited	2021-22	-	-	6.75	6.75
	2020-21	-	-	(8.28)	(8.28)

(₹ in Mn)

Nature of Transaction	Year	Whole Time Director/Key Managerial Personnel	Subsidiaries including step down subsidiaries	Other Related Parties	Total
IIFL Finance Limited (Formerly known as IIFL Holdings Limited)	2021-22	-	-	35.55	35.55
	2020-21	-	-	(121.34)	(121.34)
IIFL Home Finance Limited	2021-22	-	-	1.60	1.60
	2020-21	-	-	-	-
IIFL Management Services Limited	2021-22	-	-	3.55	3.55
	2020-21	-	-	-	-
Mr. Karan Bhagat	2021-22	-	-	-	-
	2020-21	(0.10)	-	-	(0.10)
Mr. Yatin Shah	2021-22	0.01	-	-	0.01
	2020-21	(0.01)	-	-	(0.01)
Mr. Nirmal Jain	2021-22	0.47	-	-	0.47
	2020-21	(0.13)	-	-	(0.13)
Ms. Geeta Mathur	2021-22	0.01	-	-	0.01
	2020-21	-	-	-	-
Mr. Sandeep Naik	2021-22	0.02	-	-	0.02
	2020-21	-	-	-	-
Mr. Subbaraman Narayan	2021-22	0.03	-	-	0.03
	2020-21	-	-	-	-
Kalki Family Private Trust	2021-22	-	-	0.08	0.08
	2020-21	-	-	(0.01)	(0.01)
Kyrush Investments	2021-22	-	-	1.09	1.09
	2020-21	-	-	(0.35)	(0.35)
Kyrush Trading & Investments Private Limited (Formerly known as Kyrush Realty Private Limited)	2021-22	-	-	-	-
	2020-21	-	-	(0.01)	(0.01)
Kush Family Private Trust	2021-22	-	-	-	-
	2020-21	-	-	(0.10)	(0.10)
Yatin Investment	2021-22	-	-	0.07	0.07
	2020-21	-	-	-	-
Kyra Family Private Trust	2021-22	-	-	-	-
	2020-21	-	-	(0.10)	(0.10)
<b>Interest Income on Loan Given</b>					
Mr. Yatin Shah	2021-22	2.55	-	-	2.55
	2020-21	(1.34)	-	-	(1.34)
Mr. Nirmal Jain	2021-22	9.61	-	-	9.61
	2020-21	(2.19)	-	-	(2.19)
Mrs. Madhu Jain	2021-22	-	-	2.04	2.04
	2020-21	-	-	(5.46)	(5.46)
Yatin Investment	2021-22	-	-	2.78	2.78
	2020-21	-	-	-	-
Kyrush Investments	2021-22	-	-	1.13	1.13
	2020-21	-	-	(2.01)	(2.01)



(₹ in Mn)

Nature of Transaction	Year	Whole Time Director/Key Managerial Personnel	Subsidiaries including step down subsidiaries	Other Related Parties	Total
<b><u>Fees/Expenses incurred/ Reimbursed For Services Procured</u></b>					
IIFL Securities Limited	2021-22	-	-	73.91	73.91
	2020-21	-	-	(48.24)	(48.24)
5Paisa Capital Limited	2021-22	-	-	0.00	0.00
	2020-21	-	-	-	-
IIFL Wealth (UK) Limited	2021-22	-	-	-	-
	2020-21	-	-	(32.29)	(32.29)
<b><u>Corporate Social Responsibility Expenses (CSR)</u></b>					
IIFLW CSR Foundation*	2021-22	-	73.79	-	73.79
	2020-21	-	(109.73)	-	(109.73)
<b><u>Remuneration To Director/ KMP/Other related party</u></b>					
Mr. Karan Bhagat	2021-22	111.44	-	-	111.44
	2020-21	(49.57)	-	-	(49.57)
Mr. Yatin Shah	2021-22	64.82	-	-	64.82
	2020-21	(28.80)	-	-	(28.80)
Mr. Varun Bhagat	2021-22	-	-	4.87	4.87
	2020-21	-	-	(4.53)	(4.53)
<b><u>Sitting Fees/Commission To Directors</u></b>					
Ms. Geeta Mathur	2021-22	3.25	-	-	3.25
	2020-21	(2.06)	-	-	(2.06)
Mr. Nilesh Vikamsey	2021-22	3.30	-	-	3.30
	2020-21	(2.18)	-	-	(2.18)
Mr. S Narayan	2021-22	3.03	-	-	3.03
	2020-21	(2.53)	-	-	(2.53)
Mr. Pankaj Vaish	2021-22	1.30	-	-	1.30
	2020-21	(1.87)	-	-	(1.87)
<b><u>Dividend Paid</u></b>					
Mr. Karan Bhagat	2021-22	13.53	-	-	13.53
	2020-21	(12.83)	-	-	(12.83)
Mr. Yatin Shah	2021-22	184.61	-	-	184.61
	2020-21	(233.12)	-	-	(233.12)
Mr. Nilesh Vikamsey	2021-22	1.30	-	-	1.30
	2020-21	(0.71)	-	-	(0.71)
General Atlantic Singapore Fund Pte Limited	2021-22	-	-	1,024.08	1,024.08
	2020-21	-	-	(1,303.37)	(1,303.37)
Mrs. Shilpa Bhagat	2021-22	-	-	61.92	61.92
	2020-21	-	-	(78.81)	(78.81)
Mrs. Aditi Athavankar	2021-22	-	-	1.57	1.57
	2020-21	-	-	(92.00)	(92.00)

(₹ in Mn)

Nature of Transaction	Year	Whole Time Director/Key Managerial Personnel	Subsidiaries including step down subsidiaries	Other Related Parties	Total
Mrs. Ami Yatin Shah	2021-22	-	-	0.03	0.03
	2020-21	-	-	(0.04)	(0.04)
Mrs. Madhu Jain	2021-22	-	-	75.62	75.62
	2020-21	-	-	(96.25)	(96.25)
Mr. Nirmal Jain	2021-22	342.59	-	-	342.59
	2020-21	(436.02)	-	-	(436.02)
Mr. Mansukhlal Jain	2021-22	-	-	78.57	78.57
	2020-21	-	-	-	-
Mr. Venkataraman Rajamani	2021-22	74.21	-	-	74.21
	2020-21	(94.44)	-	-	(94.44)
Kalki Family Private Trust	2021-22	-	-	70.71	70.71
	2020-21	-	-	-	-
Ardent Impex Private Limited	2021-22	-	-	26.71	26.71
	2020-21	-	-	(34.00)	(34.00)
Orpheus Trading Private Limited	2021-22	-	-	12.96	12.96
	2020-21	-	-	(16.50)	(16.50)
Kyra Family Private Trust	2021-22	-	-	82.50	82.50
	2020-21	-	-	(105.00)	(105.00)
Kush Family Private Trust	2021-22	-	-	82.50	82.50
	2020-21	-	-	(105.00)	(105.00)
Nirmal Madhu Family Private Trust	2021-22	-	-	-	-
	2020-21	-	-	(100.00)	(100.00)
FIH Mauritius Investment Limited	2021-22	-	-	665.04	665.04
	2020-21	-	-	(846.41)	(846.41)
<b>Reimbursement of expenses Received</b>					
IIFL Finance Limited (Formerly known as IIFL Holdings Limited)	2021-22	-	-	-	-
	2020-21	-	-	(4.15)	(4.15)
IIFL Capital Inc.	2021-22	-	-	1.68	1.68
	2020-21	-	-	(3.94)	(3.94)
IIFLW CSR Foundation	2021-22	-	-	-	-
	2020-21	-	(0.72)	-	(0.72)
<b>Reimbursement of expenses Paid</b>					
IIFL Finance Limited (Formerly known as IIFL Holdings Limited)	2021-22	-	-	-	-
	2020-21	-	-	(0.18)	(0.18)
IIFL Securities Limited	2021-22	-	-	-	-
	2020-21	-	-	(0.03)	(0.03)
IIFL Capital Inc.	2021-22	-	-	-	-
	2020-21	-	-	(0.16)	(0.16)
IIFL Facilities Services Limited	2021-22	-	-	-	-
	2020-21	-	-	(0.02)	(0.02)



(₹ in Mn)

Nature of Transaction	Year	Whole Time Director/Key Managerial Personnel	Subsidiaries including step down subsidiaries	Other Related Parties	Total
IIFL Management Services Limited	2021-22	-	-	0.16	0.16
	2020-21	-	-	(0.05)	(0.05)
<b>Other funds received</b>					-
IIFL Securities Limited	2021-22	-	-	0.05	0.05
	2020-21	-	-	(0.37)	(0.37)
IIFL Facilities Services Limited	2021-22	-	-	0.01	0.01
	2020-21	-	-	-	-
IIFL Home Finance Limited	2021-22	-	-	0.00	0.00
	2020-21	-	-	(0.06)	(0.06)
IIFL Finance Limited (Formerly known as IIFL Holdings Limited)	2021-22	-	-	0.00	0.00
	2020-21	-	-	(0.06)	(0.06)
<b>Other funds paid</b>					-
IIFL Securities Limited	2021-22	-	-	-	-
	2020-21	-	-	(0.03)	(0.03)
IIFL Finance Limited (Formerly known as IIFL Holdings Limited)	2021-22	-	-	-	-
	2020-21	-	-	(0.59)	(0.59)
IIFL Management Services Limited	2021-22	-	-	0.20	0.20
	2020-21	-	-	-	-
IIFL Insurance Brokers Limited	2021-22	-	-	-	-
	2020-21	-	-	(0.02)	(0.02)
IIFLW CSR Foundation	2021-22	-	-	0.25	0.25
	2020-21	-	-	-	-

## c) Amount due to / from related parties (Closing Balance)

(₹ in Mn)

Nature of Transaction	Year	Whole Time Director/Key Managerial Personnel	Subsidiaries including step down subsidiaries	Other Related Parties	Total
<b>Sundry payables:</b>					-
IIFL Securities Limited	2021-22	-	-	18.71	18.71
	2020-21	-	-	(15.12)	(15.12)
IIFL Wealth (UK) Limited	2021-22	-	-	-	-
	2020-21	-	-	(4.26)	(4.26)
IIFL Management Services Limited	2021-22	-	-	0.26	0.26
	2020-21	-	-	(0.03)	(0.03)
<b>Sundry receivables:</b>					-
IIFL Finance Limited (Formerly known as IIFL Holdings Limited)	2021-22	-	-	38.44	38.44
	2020-21	-	-	(1.74)	(1.74)
IIFL Home Finance Limited	2021-22	-	-	1.89	1.89
	2020-21	-	-	(0.01)	(0.01)
Samasta Microfinance Limited	2021-22	-	-	-	-
	2020-21	-	-	(9.15)	(9.15)
IIFL Capital Inc.	2021-22	-	-	0.18	0.18



(₹ in Mn)					
Nature of Transaction	Year	Whole Time Director/Key Managerial Personnel	Subsidiaries including step down subsidiaries	Other Related Parties	Total
	2020-21	-	-	(3.01)	(3.01)
IIFLW CSR Foundation	2021-22	-	-	-	-
	2020-21	-	(0.85)	-	(0.85)
IIFL Securities Limited	2021-22	-	-	-	-
	2020-21	-	-	-	-
Kyrush Investments	2021-22	-	-	0.09	0.09
	2020-21	-	-	(0.31)	(0.31)
Kush Family Private Trust	2021-22	-	-	-	-
	2020-21	-	-	(0.12)	(0.12)
Kyra Family Private Trust	2021-22	-	-	-	-
	2020-21	-	-	(0.12)	(0.12)
<b>Loan Given:</b>					-
Kyrush Investments	2021-22	-	-	-	-
	2020-21	-	-	(42.37)	(42.37)
Yatin Shah	2021-22	-	-	17.40	17.40
	2020-21	-	-	-	-
<b>Receivable From Client</b>					
Kyrush Realty Private Limited	2021-22	-	-	0.00	0.00
	2020-21	-	-	-	-
Nirmal Madhu Family Private Trust	2021-22	-	-	0.00	0.00
	2020-21	-	-	-	-
Kalki Family Private Trust	2021-22	-	-	-	-
	2020-21	-	-	(2.44)	(2.44)
Kush Family Private Trust	2021-22	-	-	0.00	0.00
	2020-21	-	-	-	-
Kyra Family Private Trust	2021-22	-	-	0.00	0.00
	2020-21	-	-	-	-
Bhagat Family Private Trust	2021-22	-	-	0.00	0.00
	2020-21	-	-	-	-
Kyrush Family Private Trust	2021-22	-	-	0.00	0.00
	2020-21	-	-	-	-
Prakash Shah Family Private Trust	2021-22	-	-	0.00	0.00
	2020-21	-	-	-	-
Naysa Shah Family Private Trust	2021-22	-	-	0.00	0.00
	2020-21	-	-	-	-
Kiaan Shah Family Private Trust	2021-22	-	-	0.00	0.00
	2020-21	-	-	-	-
Naykia Family Private Trust	2021-22	-	-	-	-
	2020-21	-	-	(0.00)	(0.00)
Mrs. Ami Yatin Shah	2021-22	-	-	0.00	0.00
	2020-21	-	-	(0.00)	(0.00)

(₹ in Mn)

Nature of Transaction	Year	Whole Time Director/Key Managerial Personnel	Subsidiaries including step down subsidiaries	Other Related Parties	Total
Mrs. Madhu Jain	2021-22	-	-	-	-
	2020-21	-	-	(0.00)	(0.00)
Mrs. Shilpa Bhagat	2021-22	-	-	0.00	0.00
	2020-21	-	-	-	-
<b>Payable to Client</b>					-
Yatin Investment	2021-22	-	-	14.91	14.91
	2020-21	-	-	(0.39)	(0.39)
Kyrush Investments	2021-22	-	-	85.77	85.77
	2020-21	-	-	-	-
<b>Investment in NCD</b>					-
IIFL Home Finance Limited	2021-22	-	-	-	-
	2020-21	-	-	(265.07)	(265.07)
Samasta Microfinance Limited	2021-22	-	-	-	-
	2020-21	-	-	(8.94)	(8.94)

**Letter of Undertaking/  
Indemnity:**

The Parent company has provided a letter of undertaking-cum-indemnity to IIFL Securities Ltd. towards a civil suit pending against IIFL Wealth (UK )Ltd., a subsidiary of IIFL Securities Ltd, inter-alia, to defend the said suit and indemnify IIFL Securities and its directors against claims if any, arising from the same

**Note:**

- I) Figures in bracket represents previous year figures.
- II) Related parties are identified and certified by the management.
- III) Transactions with Subsidiaries include transactions with IIFLW CSR Foundation. IIFLW CSR Foundation is not part of consolidated financial statement.
- IV) \*This includes contributions done in the current year towards liabilities of current year and carried forward liabilities of previous year.

**43 OTHER STATUTORY INFORMATION**

- (i) The Group does not hold any immovable property as on March 31, 2022 and March 31, 2021, whose title deeds are not in the favour of the Group.
- (ii) The Group has not revalued its Property, Plant and Equipment in current year and previous year.
- (iii) No proceedings have been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, as at March 31, 2022 and March 31, 2021.
- (iv) The Group is not a declared wilful defaulter by any bank or financial Institution or other lender, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India, during the year ended March 31, 2022 and March 31, 2021.
- (v) The Group does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended March 31, 2022 and March 31, 2021.
- (vi) There have been no transactions which have not been recorded in the books of accounts, that have been surrendered or disclosed as income during the year ended March 31, 2022 and March 31, 2021, in the tax assessments under the Income Tax Act, 1961. There have been no previously unrecorded income and related assets which were to be properly recorded in the books of account during the year ended March 31, 2022 and March 31, 2021.
- (vii) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (viii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ix) The Group has not traded or invested in Crypto currency or Virtual Currency during the year ended March 31, 2022 and March 31, 2021.
- (x) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

**Note 46.1. Maturity analysis of assets and liabilities as at March 31, 2022**

				(₹ in Mn)
SR. No.	Particulars	Within 12 months	After 12 months	Total
<b>ASSETS</b>				
<b>1</b>	<b>Financial Assets</b>			
(a)	Cash and cash equivalents	4,885.68	-	4,885.68
(b)	Bank balance other than (a) above	5,072.99	263.28	5,336.27
(c)	Derivative financial instruments	0.30	0.99	1.29
(d)	Receivables	-	-	-
	(I) Trade receivables	2,546.60	-	2,546.60
	(II) Other receivables	2,575.09	10.10	2,585.19
(e)	Loans	34,148.58	5,020.90	39,169.48
(f)	Investments	33,146.37	7,577.60	40,723.97
(g)	Other financial assets	360.03	1,524.52	1,884.55
<b>2</b>	<b>Non-Financial Assets</b>			
(a)	Inventories	-	-	-
(b)	Current tax assets (net)	-	1,367.80	1,367.80
(c)	Deferred tax assets (net)	-	1.78	1.78
(d)	Property, plant and equipment	-	2,777.81	2,777.81
(e)	Capital work-in-progress	2.69	-	2.69
(f)	Goodwill	-	3,733.94	3,733.94
(g)	Other intangible assets	-	1,499.14	1,499.14
(h)	Right to use	-	149.12	149.12
(i)	Other non-financial assets	166.57	563.23	729.80
<b>Total Assets</b>		<b>82,904.90</b>	<b>24,490.21</b>	<b>1,07,395.11</b>
<b>LIABILITIES AND EQUITY</b>				
<b>LIABILITIES</b>				
<b>1</b>	<b>Financial Liabilities</b>			
(a)	Derivative financial instruments	1,196.98	208.72	1,405.70
(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	1,762.56	-	1,762.56
	(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	4,978.06	-	4,978.06
(c)	Finance Lease Obligation	84.98	89.10	174.08
(d)	Debt securities	34,181.65	20,351.74	54,533.39
(e)	Borrowings (other than debt securities)	1,000.54	-	1,000.54
(f)	Subordinated liabilities	1,740.97	800.92	2,541.89

(₹ in Mn)				
SR. No.	Particulars	Within 12 months	After 12 months	Total
(g)	Other financial liabilities	9,064.07	162.52	9,226.59
<b>2</b>	<b>Non-Financial Liabilities</b>			
(a)	Current tax liabilities (net)	285.79	-	285.79
(b)	Provisions	54.20	20.87	75.07
(c)	Deferred tax liabilities (net)	-	954.93	954.93
(d)	Other non-financial liabilities	480.81	-	480.81
<b>3</b>	<b>EQUITY</b>			
(a)	Equity share capital	-	177.42	177.42
(b)	Other equity	-	29,798.28	29,798.28
	<b>Total Liabilities and Equity</b>	<b>54,830.61</b>	<b>52,564.50</b>	<b>1,07,395.11</b>

**Note 46.2. Maturity analysis of assets and liabilities as at March 31, 2021**

(₹ in Mn)				
SR. No.	Particulars	Within 12 months	After 12 months	Total
	<b>ASSETS</b>			
<b>1</b>	<b>Financial Assets</b>			
(a)	Cash and cash equivalents	4,366.49	-	4,366.49
(b)	Bank balance other than (a) above	3,992.90	22.46	4,015.36
(c)	Derivative financial instruments	1,639.24	25.73	1,664.97
(d)	Receivables			
	(I) Trade receivables	2,264.01	-	2,264.01
	(II) Other receivables	1,157.39	-	1,157.39
(e)	Loans	33,197.18	3,508.77	36,705.95
(f)	Investments	14,915.26	10,213.33	25,128.59
(g)	Other financial assets	498.41	1,028.11	1,526.52
<b>2</b>	<b>Non-Financial Assets</b>			
(a)	Inventories	-	-	-
(b)	Current tax assets (net)	-	747.16	747.16
(c)	Deferred tax assets (net)	-	11.21	11.21
(d)	Property, plant and equipment	-	2,878.70	2,878.70
(e)	Capital work-in-progress	24.29	-	24.29
(f)	Goodwill	-	3,733.94	3,733.94
(g)	Other intangible assets	-	1,516.09	1,516.09
(h)	Right to use	-	243.12	243.12
(i)	Other non-financial assets	956.20	459.66	1,415.86
	<b>Total Assets</b>	<b>63,011.37</b>	<b>24,388.28</b>	<b>87,399.65</b>
	<b>LIABILITIES AND EQUITY</b>			
	<b>LIABILITIES</b>			
<b>1</b>	<b>Financial Liabilities</b>			
(a)	Derivative financial instruments	285.81	1,921.19	2,207.00
(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	883.38	-	883.38
	(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	3,032.20	-	3,032.20
(c)	Finance Lease Obligation	118.92	149.76	268.68

(₹ in Mn)

SR. No.	Particulars	Within 12 months	After 12 months	Total
(d)	Debt securities	18,575.22	28,521.29	47,096.51
(e)	Borrowings (other than debt securities)	1,043.90	-	1,043.90
(f)	Subordinated liabilities	-	2,626.48	2,626.48
(g)	Other financial liabilities	115.50	311.25	426.75
<b>2</b>	<b>Non-Financial Liabilities</b>			
(a)	Current tax liabilities (net)	587.86	-	587.86
(b)	Provisions	64.92	53.55	118.47
(c)	Deferred tax liabilities (net)	-	341.02	341.02
(d)	Other non-financial liabilities	489.73	-	489.73
<b>3</b>	<b>EQUITY</b>			
(a)	Equity share capital	-	175.77	175.77
(b)	Other equity	-	28,101.90	28,101.90
	<b>Total Liabilities and Equity</b>	<b>25,197.44</b>	<b>62,202.21</b>	<b>87,399.65</b>

#### 47 BUSINESS COMBINATION

##### A Subsidiaries acquired during the previous year

Particulars	Principal activity	Date of acquisition	Proportion of voting equity interests acquired	Consideration transferred (Amount in ₹ Mn)
IIFL Wealth Capital Markets Limited (Formerly L&T Capital Markets Limited)	Distribution business	April 24, 2020	100%	2,957.76

##### B Assets acquired and liabilities recognised at the date of acquisition

(₹ in Mn)

Particulars	IIFL Wealth Capital Markets Limited (Formerly L&T Capital Markets Limited)
<b>Financial Assets</b>	
Cash and cash equivalents	699.96
Trade Receivables	22.97
Other Financial assets	0.99
<b>Non-Financial Assets</b>	
Property, Plant and Equipment	1.32
Other Intangible assets	0.73
Current tax assets (Net)	0.50
Deferred tax Assets (Net)	8.89
Other non-financial assets	0.43
<b>Financial Liabilities</b>	
Trade Payables	(44.49)
Other non-financial liabilities	(0.84)
<b>Non-Financial Liabilities</b>	
Provisions	(28.89)
Other net assets	<b>661.57</b>



### C Goodwill arising on acquisition

(₹ in Mn)

Particulars	IIFL Wealth Capital Markets Limited (Formerly L&T Capital Markets Limited)
Consideration transferred	2,957.76
Less : Value of identifiable assets	
Intangible assets	589.00
Other net assets	661.57
Goodwill arising on acquisition of subsidiaries	1,707.19
Deferred tax Liability recognised on customer relation	148.23
<b>Total Goodwill</b>	<b>1,855.43</b>

### D Impact on acquisitions on the results of the Group

The consolidate profit for the previous year ended March 31, 2021 includes net loss of ₹ 4.16 Mn attributable to additional business generated by IIFL Wealth Capital Markets Limited (Formerly L&T Capital Markets Limited). Revenue for the previous year includes ₹ 281.32 mn in respect of IIFL Wealth Capital Markets Limited (Formerly L&T Capital Markets Limited).

E During the year ended March 31, 2022, a subsidiary and a step down subsidiary of the Company, IIFL Asia Pte. Limited and IIFL Securities Pte. Limited respectively, have merged with another subsidiary of the Company, IIFL Capital Pte. Limited with effect from October 27, 2021.

F During the quarter ended March 31, 2022, the subsidiary of the Company IIFL Wealth Employee Welfare Benefit Trust was dissolved with effect from January 11, 2022.

### 48 ADDITIONAL INFORMATION PURSUANT TO PARA 2 OF GENERAL INSTRUCTIONS FOR THE PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount in Mn	As % of consolidated profit or loss	Amount in Mn	As % of consolidated other comprehensive income	Amount in Mn	As % of consolidated total comprehensive income	Amount in Mn
<b>Parent</b>								
IIFL Wealth Management Limited	80.93%	24,259.71	70.77%	4,088.41	-16.41%	(6.55)	70.17%	4,081.85
<b>Subsidiaries</b>								
<b>Indian</b>								
IIFL Wealth Prime Limited (Formerly IIFL Wealth Finance Limited) *	63.32%	18,981.77	39.95%	2,307.79	20.45%	8.16	39.81%	2,315.95
IIFL Asset Management Limited	4.59%	1,375.99	28.55%	1,649.42	-4.43%	(1.77)	28.32%	1,647.64
IIFL Wealth Distribution Services Limited (Formerly IIFL Distribution Services Limited)	2.72%	815.60	1.87%	107.77	-2.93%	(1.17)	1.83%	106.59
IIFL Wealth Portfolio Managers Limited (Formerly IIFL Alternate Asset Advisors Limited)	7.13%	2,137.39	2.39%	138.06	2.93%	1.17	2.39%	139.24
IIFL Investment Adviser and Trustee Services Limited	1.32%	395.04	0.02%	1.06	-0.33%	(0.13)	0.02%	0.93
IIFL Trustee Limited	0.21%	64.33	0.58%	33.25	-0.10%	(0.04)	0.57%	33.21
IIFL Wealth Securities IFSC Limited	-0.01%	(3.50)	-0.02%	(1.15)	0.00%	-	-0.02%	(1.15)
IIFL Wealth Altire Limited (Formerly IIFL Altire Advisors Limited)	0.04%	12.77	-0.01%	(0.41)	0.00%	-	-0.01%	(0.41)

Particulars	Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount in Mn	As % of consolidated profit or loss	Amount in Mn	As % of consolidated other comprehensive income	Amount in Mn	As % of consolidated total comprehensive income	Amount in Mn
<b>Foreign</b>								
IIFL Asset Management (Mauritius) Limited (Formerly IIFL Private Wealth (Mauritius) Limited)	0.54%	160.60	0.26%	14.89	13.91%	5.55	0.35%	20.44
IIFL Inc	0.07%	21.41	-0.21%	(12.01)	2.28%	0.91	-0.19%	(11.09)
IIFL Private Wealth Management (Dubai) Limited	0.33%	99.42	0.04%	2.55	8.92%	3.56	0.11%	6.11
IIFL Capital Pte Limited	3.28%	982.31	-2.57%	(148.28)	71.34%	28.47	-2.06%	(119.80)
IIFL Capital (Canada) Limited	0.05%	15.05	0.02%	1.00	1.58%	0.63	0.03%	1.62
<b>Eliminations on Consolidation</b>	<b>-64.53%</b>	<b>(19,342.19)</b>	<b>-41.63%</b>	<b>(2,404.96)</b>	<b>2.81%</b>	<b>1.12</b>	<b>-41.32%</b>	<b>(2,403.84)</b>
<b>Total</b>	<b>100.00%</b>	<b>29,975.70</b>	<b>100.00%</b>	<b>5,777.39</b>	<b>100.00%</b>	<b>39.91</b>	<b>100.00%</b>	<b>5,817.29</b>

\* Including step down subsidiary IIFL Wealth Capital Markets Limited (w.e.f. April 24, 2020) (Formerly L&T Capital Markets Limited)

#### 49 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.

#### 50

The Group has taken into consideration the impact of COVID-19 on various elements of the financial statements basis the available external and internal information and is of the view that the events do not have any material implication for the Group.

#### 51 SUBSEQUENT EVENTS

There were no subsequent events from the date of financial statements till the date of adoption of accounts.

#### 52 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issuance by the Board of Directors on May 04, 2022

#### 53

Previous year figures are regrouped/reclassified/rearranged where ever considered necessary to confirm to current year's presentation.

In terms of our report attached

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants

**Pallavi A. Gorakshakar**  
Partner

Place : Mumbai  
Dated: May 04, 2022

**For and on behalf of the Board of Directors**

**Karan Bhagat**  
Managing Director  
(DIN: 03247753)

**Sanjay Wadhwa**  
Chief Financial Officer

**Yatin Shah**  
Director  
(DIN: 03231090)

**Rohit Bhase**  
Company Secretary  
ACS - 21409

**Form AOC - 1**  
(Pursuant to first proviso to Sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)  
**Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures**

Part "A": Subsidiaries

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 / (Loss) after taxation	Proposed Dividend	% of shareholding
1	IIFL Trustee Limited	INR	5.00	59.33	1.00	71.42	7.09	40.35	55.09	44.44	11.19	33.25	-	100.00%
2	IIFL Wealth Distribution Services Limited (Formerly IIFL Distribution Services Limited)	INR	3.00	812.58	1.00	10,319.27	9,503.69	1,007.11	799.98	155.20	47.43	107.77	-	100.00%
3	IIFL Asset Management Ltd	INR	321.00	1,054.98	1.00	2,596.84	1,220.86	726.58	4,419.89	2,223.43	574.03	1,649.40	-	100.00%
4	IIFL Wealth Portfolio Managers Limited (Formerly IIFL Alternate Asset Advisors Limited)	INR	2.49	2,134.90	1.00	3,338.49	1,201.10	2,682.12	986.20	166.93	28.87	138.06	-	100.00%
5	IIFL Investment Adviser and Trustee Services Limited	INR	352.25	42.79	1.00	431.05	36.01	293.47	169.75	1.38	0.31	1.07	-	100.00%
6	IIFL Wealth Prime Limited (Formerly IIFL Wealth Finance Ltd)	INR	3,054.94	15,933.01	1.00	75,480.76	56,492.81	27,823.89	11,586.87	2,962.51	631.12	2,331.39	1,099.78	100.00%
7	IIFL Altiore Advisors Limited (Formerly known as Altiore Advisors Private Limited)	INR	1.25	11.53	1.00	13.23	0.45	-	-	(0.41)	-	(0.41)	-	100.00%
8	IIFL Wealth Securities IFSC Limited	INR	1.00	(4.50)	1.00	3.52	7.02	-	-	(1.15)	-	(1.15)	-	100.00%
9	IIFL Wealth Capital Markets Limited (Formerly L&T Capital Markets Limited)	INR	523.12	174.95	1.00	755.15	57.08	550.26	323.27	(1.98)	(0.42)	(1.56)	-	100.00%
10	IIFLW CSR Foundation	INR	0.10	0.10	1.00	0.41	0.21	-	74.10	(79.44)	-	(79.44)	-	100.00%
11	IIFL Capital Pte. Ltd.	INR	1,218.11	(235.80)	1.00	1,205.39	223.08	755.00	365.19	(148.28)	-	(148.28)	-	100.00%
		S \$	22.93	(5.40)	56.06	21.50	3.98	13.47	6.19	(2.67)	-	(2.67)	-	

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 / (Loss) after taxation	Proposed Dividend	% of shareholding
12	IIFL Inc	INR	61.69	(40.27)	1.00	22.72	1.31	-	0.36	(12.00)	0.00	(12.01)	-	100.00%
		USD	1.03	(0.59)	75.90	0.30	(0.14)	-	0.00	(0.16)	0.00	(0.16)	-	
13	IIFL Private Wealth Management (Dubai) Limited	INR	57.99	41.44	1.00	110.62	11.19	-	45.87	2.55	-	2.55	-	100.00%
		AED	3.37	1.44	20.67	5.35	0.54	-	2.26	0.13	-	0.13	-	
14	IIFL Asset Management (Mauritius) Limited	INR	4.19	156.41	1.00	162.15	1.54	-	21.29	14.89	-	14.89	-	100.00%
		USD	0.07	2.05	75.90	2.14	0.02	-	0.29	0.20	-	0.20	-	
15	IIFL Capital (Canada) Limited	INR	9.57	5.48	1.00	27.52	12.47	-	30.03	1.44	0.44	1.00	-	100.00%
		CAD	0.19	0.06	60.80	0.45	0.20	-	0.51	0.02	0.01	0.02	-	

Note 1: All subsidiaries have common year end March 31, 2022, hence no additional information under Section 129 (3) read with Rule 5 has been disclosed.

Note 2: During the year, IIFL (Asia) Pte. Ltd., IIFL Capital Pte. Ltd. and IIFL Securities Pte. Ltd. amalgamated to become IIFL Capital Pte. Ltd., Singapore.

Note 3: Part B of the Form AOC-1 is not applicable for the Company, as it does not have any associate company or joint ventures.

#### For and on behalf of the Board of Directors

Sd/-

**Karan Bhagat**  
Managing Director  
(DIN: 03247753)

Sd/-

**Sanjay Wadhwa**  
Chief Financial Officer

Sd/-

**Yatin Shah**  
Director  
(DIN: 03231090)

Sd/-

**Rohit Bhase**  
Company Secretary  
ACS - 21409

Place : Mumbai

Dated: May 04, 2022



# Corporate Information

## BOARD OF DIRECTORS

Mr. Nilesh Vikamsey, Chairperson and Independent Director

Mr. Karan Bhagat, Managing Director

Mr. Yatin Shah, Non-Executive Director

Mr. Nirmal Jain, Non-Executive Director

Mr. Venkataraman Rajamani, Non-Executive Director

Ms. Geeta Mathur, Independent Director

Dr. Subbaraman Narayan, Independent Director

Mr. Pankaj Vaish, Independent Director

Mr. Shantanu Rastogi, Non-Executive Director

Mr. Sandeep Naik, Non-Executive Director

Mr. Gopalakrishnan Soundarajan, Non-Executive Director

## COMMITTEES OF BOARD

### AUDIT COMMITTEE

Ms. Geeta Mathur, Chairperson

Mr. Nilesh Vikamsey

Mr. Pankaj Vaish

Mr. Shantanu Rastogi

### NOMINATION AND REMUNERATION COMMITTEE

Ms. Geeta Mathur, Chairperson

Mr. Nilesh Vikamsey

Mr. Sandeep Naik

### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Karan Bhagat, Chairperson

Mr. Nirmal Jain

Mr. Nilesh Vikamsey

Mr. Sandeep Naik

### STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Venkataraman Rajamani, Chairperson

Mr. Pankaj Vaish

Mr. Yatin Shah

### **RISK MANAGEMENT COMMITTEE**

Mr. Shantanu Rastogi, Chairperson  
Mr. Venkataraman Rajamani  
Mr. Karan Bhagat  
Mr. Nilesh Vikamsey  
Ms. Geeta Mathur

### **CHIEF FINANCIAL OFFICER**

Mr. Sanjay Wadhwa- w.e.f. September 2, 2021  
Mr. Mihir Nanavati- up to September 1, 2021

### **COMPANY SECRETARY**

Mr. Rohit Bhase- w.e.f. August 4, 2021  
Mr. Amit Bhandari- up to August 3, 2021

### **AUDITORS**

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants

### **INTERNAL AUDITORS**

M/s. KPMG Assurance Consulting Services LLP

### **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**

L74140MH2008PLC177884

### **CAUTIONARY STATEMENT**

This document contains forward-looking statements 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 to update or to revise these forward-looking statements in light of developments, which differ from those anticipated.



**IIFL** WEALTH & ASSET  
MANAGEMENT

IIFL Centre, Kamala City, Senapati Bapat Marg,  
Lower Parel West, Mumbai - 400013

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