

Deloitte Haskins & Sells LLP

Chartered Accountants
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IIFL WEALTH MANAGEMENT LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **IIFL WEALTH MANAGEMENT LIMITED** (the "Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

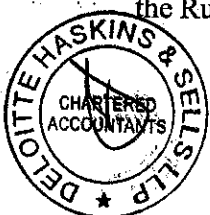
The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the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

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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under section 143 (11) of the Act.



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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Other Matter

The audit of financial statements of the Company for the year ended 31st March, 2015 was carried out by the previous auditors of the Company.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting



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- e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 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 Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) the Company does not have any pending litigations which would impact its financial position
 - (ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"/ "CARO 2016") 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

Pallavi A. Gorakshakar
Partner
(Membership No. 105035)

MUMBAI, 05th May, 2016
PG/SB/2015-16

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements'
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, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 based on our audit. We conducted our audit in accordance with 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.



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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, 2016, 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 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

Pallavi A. Gorakshakar
Partner
(Membership No. 105035)

MUMBAI, 05th May, 2016
PG/SB/2015-16

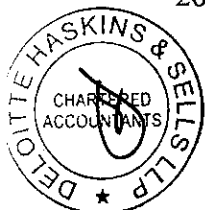
ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable properties of freehold or leasehold land and building and hence reporting under clause (i)(c) of the CARO 2016 is not applicable.
- (ii) The Company does not have any inventory and hence reporting under clause (ii) of the CARO 2016 is not applicable.
- (iii) According to the information and explanations given to us, the Company has granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:
 - (a) The terms and conditions of the grant of such loans are, in our opinion, *prima facie*, not prejudicial to the Company's interest.
 - (b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.
 - (c) There is no overdue amount remaining outstanding as at the year end.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.



- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and hence reporting under clause (v) of the CARO 2016 is not applicable.
- (vi) Having regard to the nature of the Company's business / activities, reporting under clause (vi) of the CARO 2016 is not applicable
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Value added Tax, Custom duty, Service Tax, cess and other material statutory dues applicable to it to the appropriate authorities According to the information and explanations given to us there were no dues payable in respect of Excise Duty during the year.
 - (b) There were no undisputed amounts payable Provident Fund, Employees' State Insurance, Income-tax, Sales tax, Service Tax, Customs Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2016 for a period of more than six months from the date they became payable.
 - (c) There are no dues of Income-tax, Sales Tax, Service Tax, Customs Duty, and Value Added Tax as on March 31, 2016 on account of disputes.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government and dues to debenture holders.
- (ix) In our opinion and according to the information and explanations given to us money raised by way of term loans have been applied by the Company during the year for the purposes for which they were raised. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments)
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 is not applicable.



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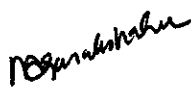
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- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, the Company has made private placement of shares during the year under review.
- In respect of the above issue, we further report that:
- (a) the requirement of Section 42 of the Companies Act, 2013, as applicable, have been complied with; and
- (b) the amounts raised have been applied by the Company during the year for the purposes for which the funds were raised, other than temporary deployment pending application.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of the subsidiary companies or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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



MUMBAI, 05th May, 2016
PG/SB/2015-16


Pallavi A. Gorakshakar
Partner
(Membership No. 105035)

STANDALONE FINANCIALS OF IIFL WEALTH MANAGEMENT LIMITED
BALANCE SHEET AS AT MARCH 31, 2016

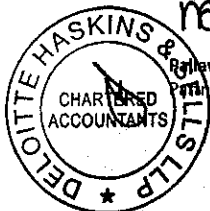
(Amount in ₹)

Particulars	Note No.	As at Mar 31, 2016	As at Mar 31, 2015
EQUITY AND LIABILITIES			
(1) Shareholder's funds			
(a) Share Capital	3	147,917,316	117,237,240
(b) Reserves and Surplus	4	11,245,672,560	1,599,046,799
(c) Money received against share warrants		-	-
Sub total		11,393,589,876	1,716,284,039
(2) Share application money pending allotment			
		-	-
(3) Non Current Liabilities			
(a) Long-term borrowings	5	516,337,468	516,697,443
(b) Deferred Tax Liability		-	-
(c) Other Long-term liabilities	6	73,537,088	9,758,476
(d) Long-term provisions		-	-
Sub total		589,874,556	526,455,919
(4) Current liabilities			
(a) Short-term borrowings	7	887,728,125	1,850,881,927
(b) Trade payables	8		
(A) total outstanding dues of micro enterprises and small enterprises			
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		149,264,586	293,617,194
(c) Other current liabilities	9	33,028,871	58,409,977
(d) Short-term provisions	10	450,277,514	576,043,051
Sub total		1,520,299,096	2,778,952,149
TOTAL		13,503,763,528	5,021,692,107
ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11	86,376,067	46,650,028
(ii) Intangible assets	12	32,440,658	17,262,061
(iii) Capital work-in-progress		15,419,110	2,769,350
(iv) Intangible assets under development		-	-
Sub total		134,235,835	66,681,439
(b) Non-current investments	13	10,606,094,422	1,333,420,083
(c) Deferred Tax Asset (Net)	14	27,986,690	82,547,411
(d) Long-term loans & advances	15	76,946,437	43,417,326
(e) Other non-current assets		-	-
Sub total		10,711,027,549	1,459,384,820
(2) Current assets			
(a) Current investments	16	1,137,162,221	-
(b) inventories	17	-	2,138,253,417
(c) Trade receivables	18	548,639,036	309,948,424
(d) Cash and Cash Equivalent	19	903,002,904	845,299,211
(e) Short-term loans & advances	20	69,554,159	202,082,632
(f) Other current assets	21	141,824	42,164
Sub total		2,658,500,144	3,495,625,848
TOTAL		13,503,763,528	5,021,692,107
See accompanying notes forming part of the standalone financial statements	1-40		

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors



Rajeev A. Gorakshakar
Partner

Place: Mumbai
Date: May 5, 2016

Karan Bhagat
R. Venkataraman

Karan Bhagat
Managing Director
(DIN: 03247753)

R. Venkataraman
Director
(DIN: 00011919)

Pankaj Fitkariwala
Pankaj Fitkariwala
Chief Financial Officer

Ashutosh Naik
Ashutosh Naik
Company Secretary

STANDALONE FINANCIALS OF IIFL WEALTH MANAGEMENT LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

(Amount in ₹)

Particulars	Note No.	2015-16	2014-2015
INCOME:			
Revenue from Operations	22	3,566,599,074	3,670,173,533
Other Income	23	480,349,618	35,363,675
Total Revenue		4,046,948,692	3,705,537,208
EXPENSES:			
Employee Benefit Expenses	24	1,311,682,939	974,630,921
Other Expenses	25	1,109,219,388	1,127,442,568
Finance Charges	26	165,124,269	115,082,516
Depreciation and Amortisation	27	29,429,872	10,325,330
Total Expenditure		2,615,456,468	2,227,481,335
Profit before tax		1,431,492,224	1,478,055,873
Tax expenses :			
Current tax		321,657,803	573,911,935
Deferred tax charge/(Credit)		54,560,721	(75,621,593)
Short / (excess) provision for income tax		21,209,792	(11,985,038)
Total Tax Expenses		397,428,316	486,305,304
Profit for the year		1,034,063,908	991,750,569
Earning Per Share- Basic	28	17.57	17.27
Earning Per Share- Diluted	28	15.57	17.09
Face Value Per Share		2.00	2.00
See accompanying notes forming part of the standalone financial statements	1-40		

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors



Pallavi A. Gorakshakar
Pallavi A. Gorakshakar
Partner

Place : Mumbai
Date: May 5, 2016

Karan Bhagat
Karan Bhagat

Karan Bhagat
Managing Director
(DIN: 03247753)

Pankaj Fitkariwala
Pankaj Fitkariwala

Pankaj Fitkariwala
Chief Financial Officer

R. Venkataraman
R. Venkataraman

R. Venkataraman
Director
(DIN: 00011919)

Ashutosh Naik
Ashutosh Naik

Ashutosh Naik
Company Secretary

**STANDALONE FINANCIALS OF IIFL WEALTH MANAGEMENT LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016**

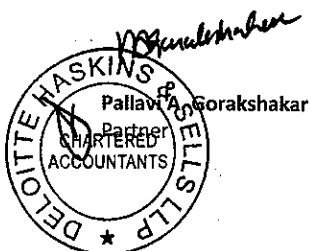
(Amount in ₹)

Particulars	2015-2016	2014-2015
A. Cash flows from operating activities		
Net profit before taxation and extraordinary item	1,431,492,224	1,478,055,873
Adjustments for:		
Depreciation	29,429,872	10,325,330
Provisions for Gratuity	18,458,541	8,708,739
Provisions for Leave Encashment	5,414,923	1,723,547
Provision for Doubtful debts	4,370,869	841,244
Provision for Diminution in Investment	14,673,378	3,882,641
Interest Income	(57,612,750)	(57,049,313)
Interest expenses	164,566,308	114,874,442
Loss on Sale of Fixed Assets	-	1,800
Dividend Income	(293,898,285)	(955,273)
Profit on sale of Investments	(128,817,844)	(8,963,502)
Operating profit before working capital changes	1,188,077,236	1,551,445,528
Changes in working capital :		
(Increase)/ Decrease in Current/Non Current Assets	1,900,850,546	(1,558,936,369)
Increase/ (Decrease) in Current/Non Current Liabilities	(74,594,676)	428,408,980
Cash generated from operations	3,014,333,106	420,918,139
Cash flow before extraordinary item	3,014,333,106	420,918,139
Net income tax(paid) / refunds	(617,996,317)	(561,926,897)
Net cash generated from/(used in) operating activities (A)	2,396,336,789	(141,008,758)
B. Cash flows from investing activities		
(Purchase) /Sale of Investments	(10,295,692,095)	(887,834,102)
Interest Received	57,612,750	57,049,313
Dividend Income	293,898,285	955,273
Purchase of fixed assets (includes intangible assets)	(96,984,268)	(51,315,483)
Loans given	122,276,142	-
Net cash used in investing activities (B)	(9,918,889,186)	(881,144,999)
C. Cash flows from financing activities		
Proceeds from Issuance of Share Capital	30,680,076	2,392,240
Securities Premium on issue of shares	9,000,074,308	16,243,180
Short Term Borrowings Taken	5,923,209,100	-
Short Term Borrowings-Repayment	(6,886,362,902)	1,722,109,757
Long Term Borrowings-Repayment	955,659	529,949,323
Interest Paid	(100,787,695)	(114,874,442)
Dividend Paid (including Dividend Distribution Tax)	(387,512,456)	(302,316,543)
Net cash generated from financing activities (C)	7,580,256,090	1,853,503,515
Net increase in cash and cash equivalents (A+B+C)	57,703,693	831,349,758
Opening Cash and Cash Equivalents	835,299,211	3,949,453
Closing Cash and Cash Equivalents	893,002,904	835,299,211
Reconciliation of Cash and Cash Equivalents with the Balance Sheet		
Cash and Cash Equivalents as per AS 3 Cash Flow Statements	893,002,904	835,299,211
Add: In Fixed Deposits with maturity more than 3 months	10,000,000	10,000,000
Cash and Cash Equivalents (Refer Note 19)	903,002,904	845,299,211
See accompanying notes forming part of the standalone financial statements Note No. 1-40		

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors



Place : Mumbai
Date: May 5, 2016

Karan Bhagat

Karan Bhagat
Managing Director
(DIN: 03247753)

R. Venkataraman

R. Venkataraman
Director
(DIN: 00011919)

Pankaj Fitkariwala

Pankaj Fitkariwala
Chief Financial Officer

Ashutosh Naik

Ashutosh Naik
Company Secretary

STANDALONE FINANCIAL OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of the financial statements for the year ended on March 31, 2016.

Note 1. Corporate Information:

IIFL Wealth Management Limited ("IIFLW", the "Company") is a public limited company incorporated under the Companies Act, 1956. IIFLW is registered with SEBI as Portfolio Manager. It provides Portfolio Management Services to the high net worth clients (HNI segment). It acts as wealth managers, financial consultants, management consultants, advisors and provides counselling services, financial services and facilities of every description and to mobilize funds and assets of various companies, mutual fund, individual investors, firms, associations and other corporate bodies, private and institutional investors. During the financial year the Company has obtained Stock Broking licence from SEBI.

Note 2. Significant Accounting Policies:

2.1 Basis of preparation of financial statements:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with all material aspects of the applicable accounting standards as prescribed under section 133 of Companies Act, 2013 (Act). The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.2 Use of Estimates:

The presentation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. The management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Difference between the actual result and estimates are recognized in the period in which the results are known / materialized.

2.3 Fixed Assets and Depreciation:

Fixed assets are stated at cost of acquisition less accumulated depreciation and impairment loss, if any thereon. Depreciation is charged using the straight line method based on the useful life of fixed assets as estimated by the management as specified below. Depreciation is charged from the month in which new assets are put to use. No depreciation is charged from the month in which assets are sold. In the case of transfer of used fixed assets from group companies, depreciation is charged over the remaining useful life of the assets. 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
Buildings*	20
Computers*	3
Electrical*	5
Office equipment	5
Furniture and fixtures*	5
Vehicles*	5
Software	3

* For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets is different from useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.



STANDALONE FINANCIAL OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of the financial statements for the year ended March 31, 2016 (Continued)

2.4 Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non – current investments. Current investments are stated at lower of cost or market / fair value. Non – current investments are carried at cost. Provision for diminution in value of non – current investments is made, if such diminution is other than temporary. For investment in Mutual funds, the net Assets value (NAV) declared by the Mutual Funds at the balance sheet date is considered as the fair value.

2.5 Cash and cash equivalents:

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

2.6 Inventories:

Closing stock is valued at cost or market value whichever is lower. Cost is computed on FIFO basis. The comparison of Cost and Market value for arbitrage portfolio is done separately for each scrip.

2.7 Provisions, Contingent Liabilities and Contingent Assets:

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. 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. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent Assets are neither recognized nor disclosed in the financial statements.

2.8 Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

- (a) an intangible asset that is not yet available for use; and
- (b) an intangible asset that is amortized over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceeds the estimated recoverable amount, impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognized for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognized.



STANDALONE FINANCIAL OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of the financial statements for the year ended March 31, 2016 (Continued)

2.9 Taxation:

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India.

Income Tax

Provision for current tax is computed based on estimated tax liability computed after adjusting for allowance, disallowance and exemptions in accordance with the applicable tax laws.

Deferred Tax

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rate and the tax laws enacted or substantively enacted at the Balance Sheet date. The deferred tax asset is recognised or unrecognised, to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available. At each reporting date, the Company re-assesses unrecognized deferred tax assets. Deferred tax liability is recognised as and when arises.

Minimum Alternate Tax (MAT)

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

2.10 Revenue Recognition:

Revenue is recognized to the extent it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized.

- Investment/Fund Management fees are accounted on accrual basis as follows:
In case of percentage based fees, in accordance with the Portfolio Management Agreement entered with the respective clients, on a quarterly basis.
- Distribution Fee/Commission is recognized on accrual basis in accordance with the terms agreed with the counter party

2.11 Other Income Recognition:

- Interest Income is recognized on accrual basis
- Dividend income is recognized when the right to receive payment is established.
- Profit or loss on sale of Investments is recognized on the date of trade

2.12 Transaction and Translation of foreign currency items :

Foreign currency transactions are recorded in the reporting currency at the rates of exchange prevailing on the date of the transaction. Exchange differences, if any, arising out of transactions settled during the year are recognized in the Statement of Profit and Loss. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rate on that date. The exchange differences, if any, are recognized in the Statement of Profit and Loss and related assets and liabilities are accordingly restated in the Balance Sheet.

2.13 Employee Benefits:

The company's contribution towards Provident Fund and Family Pension Fund, which are defined contribution, are accounted for on an accrual basis and recognised in the Statement of Profit and Loss.

The Company has provided "Compensated Absences" on the basis of actuarial valuation.

Gratuity is post employment benefit and is in the nature of Defined Benefit Plan. The Liability recognized in the Balance Sheet in respect of gratuity is the present value of defined benefit obligation at the balance sheet date together with the adjustments for unrecognized actuarial gain or losses and the past service



STANDALONE FINANCIAL OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of the financial statements for the year ended March 31, 2016 (Continued)

costs. The defined benefit obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method.

2.14 Deferred Employee Stock Compensation:

The stock options granted by the Company are accounted for as per the accounting treatment prescribed by SEBI (Employee Stock Option Scheme and Employee Stock Purchase) Guideline, 1999 and the guidance note on Accounting for Stock Options issued by The Institute of Chartered Accountant of India, whereby the intrinsic value of the options are recognised as deferred employee compensation. The deferred employee compensation is charged to the Statement of Profit and Loss on a straight line basis over vesting period of the options.

2.15 Operating Leases:

Lease rentals in respect of operating lease arrangements are charged to the Statement of Profit and loss in accordance with Accounting Standard 19 – Leases, issued by the Institute of Chartered Accountants of India.

2.16 Preliminary Expenses

Preliminary Expenses are written off in same financial year in which they are incurred.

2.17 Earnings Per Share:

Basic earnings per share for equity shareholders have been calculated by dividing the Net Profit after Tax or loss by the weighted average number of equity shares outstanding during the period.

The diluted earnings per share for equity shareholders have been computed by dividing the Net Profit after Tax or loss by the weighted average number of shares after giving dilutive effect of all potential Equity shares.

2.18 Cash flow statement

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

2.19 Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

2.20 Borrowing Costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted

2.21 Operating Cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.



STANDALONE FINANCIAL OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of the financial statements for the year ended March 31, 2016 (Continued)

Note 3. 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 (Amount in ₹)

Authorised :	As at March 31,2016	As at March 31,2015
85,000,000 Equity Shares of ₹ 2/- each with Voting Rights (Previous Year 70,000,000 Equity Shares of ₹ 2/- each)	170,000,000	140,000,000
Issued, Subscribed and Paid Up:		
73,958,658 (Previous Year 58,618,620 equity shares of ₹ 2/- each) Equity Shares of ₹ 2/- each fully paid-up with Voting Rights	147,917,316	117,237,240
Total	147,917,316	117,237,240

(b) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.:

(Amount in ₹)

Particulars	As at March 31,2016		As at March 31,2015	
	Numbers	Amount	Numbers	Amount
At the beginning of the year	58,618,620	117,237,240	57,422,500	114,845,000
Add: Issued during the year	15,340,038	30,680,076	1,196,120	2,392,240
Less: Shares bought back	-	-	-	-
Outstanding at the end of the year	73,958,658	147,917,316	58,618,620	117,237,240

(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, 2016, the amount of per share dividend recognised as distribution to equity shareholders was ₹ 6 (Previous Year ₹ 4.5).

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 shares held by holding Company:

Particulars	As at March 31,2016		As at March 31,2015	
	Numbers	% holding	Numbers	% holding
IIFL Holdings Limited	45,000,000	60.84%	45,000,000	76.77%

(e) Details of shareholders holding more than 5% shares in the Company:

Particulars	As at March 31,2016		As at March 31,2015	
	Numbers	% holding	Numbers	% holding
IIFL Holdings Limited	45,000,000	60.84%	45,000,000	76.77%
General Atlantic Singapore Fund Pte Ltd	17,257,531	23.33%	-	-
Karan Bhagat *	-	-	2,960,526	5.05%
Yatin Shah *	-	-	2,960,526	5.05%

(f) 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



STANDALONE FINANCIAL OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of the financial statements for the year ended March 31, 2016 (Continued)

- (g) 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

Note 4. Reserves and surplus:

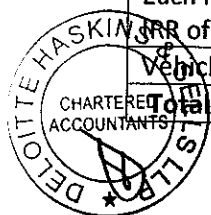
(Amount in ₹)		
Particulars	As at March 31, 2016	As at March 31, 2015
Securities Premium Account		
Opening Balance	209,458,186	193,215,006
Premium on shares issued during the year	9,006,954,444	16,243,180
Utilized During The Year*	(6,880,135)	-
Closing Balance	9,209,532,495	209,458,186
Debenture Redemption Reserve		
Opening Balance	5,952,381	-
Addition During The Year**	38,903,061	5,952,381
Closing Balance	44,855,442	5,952,381
Surplus in the Statement of Profit and Loss		
Opening Balance	1,312,636,232	629,154,587
Addition: Profit during the Year	1,034,063,908	991,750,569
Less: Appropriations		
Interim Dividend Paid	(351,711,720)	258,401,250
Dividend Distribution Tax	(35,800,736)	43,915,293
General Reserve	-	-
Debenture Redemption Reserve	(38,903,061)	5,952,381
Closing Balance	1,920,284,623	1,312,636,232
General Reserve		
Opening Balance:	71,000,000	71,000,000
Addition During The Year	-	-
Utilized During The Year	-	-
Closing Balance	71,000,000	71,000,000
Total	11,245,672,560	1,599,046,799

* Securities premium account has been utilized to pay Share issue expenses as per Section 52 of the Companies Act, 2013, to the extent balance is available for utilisation in the securities premium account.

**Pursuant to Section 71 of Companies Act, 2013 read with Rule 18(7) of The Companies (Share Capital and Debentures) Rules, 2014, the Company is required to create debenture redemption reserve of a value equivalent to 25% of the debentures issued. Accordingly, ₹38,903,061/- (P.Y ₹5,952,381/-) has been transferred to debenture redemption reserve account for the financial year ended March 31, 2016.

Note 5. Long-term borrowings:

(Amount in ₹)		
Particulars	As at March 31, 2016	As at March 31, 2015
Secured Loans		
Non Convertible Debentures, 500 units of Face Value ₹1,000,000/- Each Redeemable on April 25, 2018 @ ₹1,409,856/- with effective Interest rate of 11.25% (Refer Note 5.1)	500,000,000	500,000,000
Vehicle Loan (Refer Note 5.2)	16,337,468	16,697,443
Total	516,337,468	516,697,443



STANDALONE FINANCIAL OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of the financial statements for the year ended March 31, 2016 (Continued)

Note

5.1 The above Debentures are secured by way of first pari passu charge over the current assets in the form of receivables and inventory. The Company has appointed Milestone Trusteeship Services Private Limited as a Security Trustee. The Security Trustee is responsible for ensuring that the security cover as required is being maintained during the tenure of the loan.

5.2 The above loan is secured against hypothecation of fixed asset (Vehicles), repayable in equated monthly installments over a period of five years. The rate of interest of loan ranges from 9% to 10% and is repayable between December 2019 to March 2020.

Note 6. Other Long-term liabilities:

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Interest accrued but not due on NCDs	73,537,088	9,758,476
Total	73,537,088	9,758,476

Note 7. Short Term Borrowings:

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
- Commercial Paper	887,728,125	1,475,646,156
- Inter corporate deposits (ICD) – Related Party (Refer note 35)	-	375,235,771
Total	887,728,125	1,850,881,927

Note 8. Trade Payables:

(Amount in ₹)

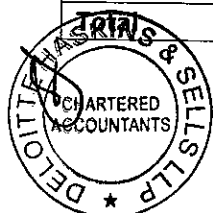
Particulars	As at March 31, 2016	As at March 31, 2015
Total outstanding dues of micro enterprises and small enterprises– Refer note below	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,595,637	2,248,931
Accrued Salaries and Benefits	15,880,842	12,352,957
Provision for Expenses	131,788,107	279,015,306
Total	149,264,586	293,617,194

Trade payable includes ₹ Nil (previous year - ₹ Nil) payable to “suppliers” referred under the Micro, Small and Medium Enterprises Development Act, 2006 (the “Act”). No Interest has been paid/is payable by the Company during the year to “Suppliers” referred under the said Act. The aforementioned is based on the response received by the Company to its inquiries with suppliers with regards to applicability under the said Act.

Note 9. Other Current Liabilities:

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Current maturities of Long term debt (Refer Note 5.2)	4,809,038	3,493,404
Advances from Customer	-	12,000,000
Contractually reimbursable expenses	11,228	224,173
Statutory Liabilities Payable	28,208,605	42,154,318
Payable to Group Companies (Refer note 35)	-	538,082
Total	33,028,871	58,409,977



STANDALONE FINANCIAL OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of the financial statements for the year ended March 31, 2016 (Continued)

Note 10. Short Term Provisions:

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
(a) Provision for employee benefits:		
- Provision for Leave Encashment	14,819,114	10,726,845
- Provision for Gratuity (Refer note 24)	5,337,688	(3,167,445)
- Bonus Payable	427,912,378	320,181,644
(b) Others:		
- Provision for Tax (Net of Advance Tax and TDS- ₹ 590,322,542) (Previous Year- ₹325,609,928)	2,208,334	248,302,007
Total	450,277,514	576,043,051

Note 11. Tangible Assets:

(Amount in ₹)

Particulars	Furniture Fixture	Vehicles **	Office Equipment	Air Conditioner	Computers	Electrical Equipment	TOTAL
Gross Block as on April 01, 2015	30,540,123	23,318,586	4,171,212	2,148,291	19,234,182	4,550,345	83,962,739
Additions	23,117,150	6,084,135	3,800,269	619,795	20,707,361	4,620,844	58,949,554
Deductions/ Adjustments during the year	-	-	-	-	-	-	-
As at March 31, 2016	53,657,273	29,402,721	7,971,481	2,768,086	39,941,543	9,171,189	142,912,293
Depreciation							
Upto April 01, 2015	13,991,332	1,059,851	3,066,533	1,604,202	14,280,651	3,310,142	37,312,711
Depreciation for the year	6,086,011	5,835,372	1,211,703	334,843	4,301,354	1,454,232	19,223,516
Deductions/Adjustments during the year	-	-	-	-	-	-	-
Upto March 31, 2016	20,077,343	6,895,223	4,278,236	1,939,045	18,582,005	4,764,374	56,536,226
Net Block as at March 31, 2016	33,579,930	22,507,498	3,693,245	829,041	21,359,538	4,406,815	86,376,067
Net Block as at March 31, 2015	16,548,791	22,258,735	1,104,679	544,089	4,953,531	1,240,203	46,650,028

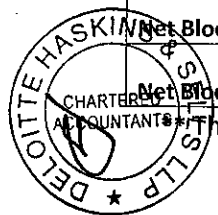
** The above fixed asset (Vehicles) are hypothecated against Term Loan

Tangible Assets (Previous Year):

(Amount in ₹)

Particulars	Furniture Fixture	Vehicles **	Office Equipment	Air Conditioner	Computers	Electrical Equipment	TOTAL
Gross Block as on April 01, 2014	17,286,151	-	3,246,892	2,148,291	14,626,612	3,862,124	41,170,070
Additions	13,286,535	23,318,586	924,320	-	4,607,570	688,221	42,825,232
Deductions/ Adjustments during the year	32,563	-	-	-	-	-	32,563
As at March 31, 2015	30,540,123	23,318,586	4,171,212	2,148,291	19,234,182	4,550,345	83,962,739
Depreciation							
Upto April 01, 2014	11,211,892	-	2,460,729	1,181,224	12,431,750	2,530,293	29,815,888
Depreciation for the year	2,812,003	1,059,851	605,805	422,978	1,848,901	779,848	7,529,386
Deductions/Adjustments during the year	32,563	-	-	-	-	-	32,563
Upto March 31, 2015	13,991,332	1,059,851	3,066,533	1,604,202	14,280,651	3,310,142	37,312,711
Net Block as at March 31, 2015	16,548,791	22,258,735	1,104,679	544,089	4,953,531	1,240,203	46,650,028
Net Block as at March 31, 2014	6,074,259	-	786,163	967,067	2,194,862	1,331,831	11,354,182

The above fixed asset (Vehicles) are hypothecated against Term Loan



STANDALONE FINANCIAL OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of the financial statements for the year ended March 31, 2016 (Continued)

Note 12. Intangible Assets (other than internally generated):

Particulars	(Amount in ₹)	
	Amount	
Software/Intangible assets		
Gross Block as at April 01, 2015		22,377,641
Additions		25,384,953
Deductions / Adjustments during the year		-
As at March 31, 2016		47,762,594
Amortisation		
As at April 1, 2015		5,115,580
Amortisation for the year		10,206,356
Deductions / Adjustments during the year		
Up to March 31, 2016		15,321,936
Net Block as at March 31, 2016		32,440,658
Net Block as at March 31, 2015		17,262,061

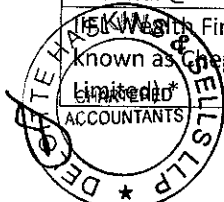
Intangible Assets other than internally generated (Previous Year):

Particulars	(Amount in ₹)	
	Amount	
Software/Intangible assets		
Gross Block as at April 01, 2014		2,319,636
Additions		20,058,005
Deductions / Adjustments during the year		-
As at March 31, 2015		22,377,641
Amortisation		
As at April 1, 2014		2,319,636
Amortisation for the year		2,795,944
Deductions / Adjustments during the year		
Up to March 31, 2015		5,115,580
Net Block as at March 31, 2015		17,262,061
Net Block as at March 31, 2014		-

Note: Capital Work in Progress ₹ 15,419,110 Last Year 2,769,350, Pertain to Assets not yet capitalized.

Note 13. Non Current Investments (At cost):

Particulars	(Amount in ₹)					
	As at March 31 2016			As at March 31 2015		
	Face Value	Quantity	Amount	Face Value	Quantity	Amount
Unquoted: Trade Investments:						
Investment in equity shares of Group Company						
India Infoline Limited	₹10	20	1,500	₹10	20	1,500
Sub Total			1,500			1,500
Investment in equity shares of Subsidiary companies						
IIFL Distribution Services Ltd.**	₹100	5,120	153,354,384	₹100	5,120	153,354,384
IIFL Investment Advisers and Trustee Services Ltd.	₹10	35,225,000	354,000,000	₹10	225,000	4,000,000
IIFL Alternate Asset Advisors Ltd.	₹10	50,000	9,149,236	₹10	50,000	9,149,236
IIFL Asset Management Company Ltd. (Formerly known as India Infoline Asset Management Co Ltd)	₹10	32,100,000	525,000,000	₹10	32,100,000	525,000,000
IIFL Trustee Ltd. (Formerly known as India Infoline Trustee Company Limited)	₹10	500,000	5,000,000	₹10	500,000	5,000,000
India Alternatives Investment Advisors Pvt. Ltd. @	₹10	7,100	60,357,100	₹10	7,100	60,357,100
IFL Wealth Finance Limited (Formerly known as Gephis Capital Markets Limited)	₹10	252,116,400	9,016,300,000			



STANDALONE FINANCIAL OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of the financial statements for the year ended March 31, 2016 (Continued)

Particulars	As at March 31 2016			As at March 31 2015		
	Face Value	Quantity	Amount	Face Value	Quantity	Amount
IIFL Private Wealth (Suisse) SA #	CHK 1000	100	3,395,378	CHK 1000	100	3,395,378
IIFL Asia Pte. Ltd. #	S\$ 1	14,000,000	264,500,000	S\$ 1	14,000,000	264,500,000
IIFL Private Wealth Management Dubai Ltd. #	AED 3.67	918,442	42,500,000	AED 3.67	918,442	42,500,000
IIFL Private Wealth Hongkong Ltd. #	HK\$ 1	6,476,324	43,800,000	HK\$ 1	6,476,324	43,800,000
IIFL Inc. (USA) #	\$ 0.01	140	54,143,161	\$ 0.01	140	54,143,161
IIFL Private Wealth (Mauritius) Ltd. #	\$1.00	69,975	37,945,763	\$1.00	69,975	37,945,763
Sub Total			10,569,445,022			1,203,145,022
Investment in preference shares of Subsidiary companies						
India Alternatives Investment Advisors Pvt. Ltd	10	4,046	34,997,900	-	-	-
Sub Total			34,997,900			-
Unquoted: Non Trade Investments:						
Investment in Venture capital fund						
Malabar Capital Trust				₹100	621,475	70,000,000
Blume Venture Capital Fund				₹10,000	1,662	16,625,000
India Alternatives Private Equity Fund	₹100	5,500	1,650,000	₹95.07	821,306	43,648,561
Sub Total			1,650,000			130,273,561
Grand Total			10,606,094,422			1,333,420,083
Aggregate cost of unquoted investments			10,606,094,422			1,333,420,083

* During the current year the company has acquired 100% stake of IIFL Wealth Finance Limited (Previously known as Chephis Capital Markets Limited)

** During the previous year company has received 3,840 shares as bonus from IIFL Distribution Services Ltd

During the previous year company has acquired 100% stake of following companies from its holding company IIFL Holdings Limited (Formerly India Infoline Limited.):

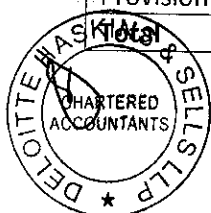
- IIFL Private Wealth (Mauritius) Ltd.
- IIFL Inc. (USA)
- IIFL Private Wealth (Suisse) SA
- IIFL Asia Pte. Ltd.
- IIFL Private Wealth Management Dubai Ltd.
- IIFL Private Wealth Hongkong Ltd.

@ During the previous year company has acquired 71% stake of following company:

- India Alternatives Investment Advisors Pvt. Ltd.

Note 14. Deferred Tax (Liability)/ Asset (Net):

Particulars	(Amount in ₹)	
	As at March 31, 2016	As at March 31, 2015
Provision for Gratuity	1,847,267	(1,076,615)
Long Term Capital Loss	-	51,365
Provision for Referral fees	25,090,800	81,576,000
Depreciation	(692,420)	1,996,661
Provision for Doubtful Debts	1,741,043	-
Total	27,986,690	82,547,411



STANDALONE FINANCIAL OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of the financial statements for the year ended March 31, 2016 (Continued)

Note 15. Long Term Loans and Advances:

(Amount in ₹)

Particulars	As at March 31,2016	As at March 31,20 15
Unsecured, Considered good		
Deposits Paid	32,178,910	30,189,3 37
Other long term loans and advances	432,131	432,131
Prepaid Expense	7,184,997	4,680,5 08
Sub Total	39,796,038	35,301,9 76
Advance Income Tax (Net of provision of tax of ₹1,125,828,882) (Previous year ₹533,298,006)	37,150,399	8,115,3 50
Total	76,946,437	43,417,3 26

Note 16. Current Investments (At lower of cost and market value, unless otherwise stated):

(Amount in ₹)

Particulars	As at March 31 2016			As at March 31 2015		
	Face Value in ₹	Quantity	Amount	Face Value in ₹	Quantity	Amount
Quoted, Non Trade Investments						
Investment in Mutual funds						
Franklin India Ultra Short Bond Fund-Super Institutional Plan (NAV-₹20.3709)	10	499.56	10,000	-	-	-
Reliance Money Manager Fund Direct Plan Growth (NAV-₹2099.6963)	1000	2.423	5,000	-	-	-
Sundaram Ultra Short term Fund-Direct Plan Growth (NAV-₹20.9792)	10	242.567	5,000	-	-	-
IIFL Mutual Fund-Liquid Fund Direct Plan Growth (NAV-₹ 1204.8678)	1000	166095.80	200,000,000	-	-	-
ICICI Prudential Liquid Fund-Direct Plan-Growth(NAV-224.8328)	100	22.651	5,000	-	-	-
Sub Total			200,025,000			
Unquoted, Non Trade Investments						
Investments in Others (Venture Capital Funds/Alternate Investment Funds)						
IIFL Cash Opportunities Fund(NAV- ₹10.6507)	10	88,361,602	937,136,641	-	-	-
IIFL Real Estate Fund(Domestic) Class B(NAV- ₹10)	10	58	580	-	-	-
Investments in NCDs						
Arch Argo India Private Limited	10,000	1,797	17,066,610	-	-	-
Less: Provision for Diminution			17,066,610	-	-	-
Sub Total			937,137,221			
Grand Total			1,137,162,221			
Aggregate Value of Quoted Investments			200,025,000			-
Aggregate Value of Unquoted Investments			937,137,221			-
Market Value of Quoted Investments			200,148,923			-
Aggregate Provision for diminution in value of Investments			17,066,610			

Note:
Market Value of Investments in quoted mutual funds represents the repurchase price of the units issued by the mutua



STANDALONE FINANCIAL OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of the financial statements for the year ended March 31, 2016 (Continued)

Note 17. Inventories - (At lower of cost or net realisable value):

(Amount in ₹)

Script Name	As at March 31, 2016			As at March 31, 2015		
	Face Value in ₹	Qty	Amount	Face Value in ₹	Qty	Amount
Bonds and NCD						
12% IIFL LTD OPT-I NCD 29SP16	-	-	-	1,000	2,500	2,529,928
8.91% IIFCL BD 22JN34	-	-	-	1,000	2,000	2,300,828
8.65% IRFC 18-Feb-29	-	-	-	1,000	1,000	1,172,334
Arch Agro Ind Pvt Ltd	-	-	-	10,000	1,797	15,359,949
Wadhwa Holding Pvt. Ltd NCD	-	-	-	100,000	359	36,495,422
Sub Total	-	-	-			57,858,461
Unquoted Equity shares						
Fineworthy Software Solutions Ltd	-	-	-	10	3,81,940	91,908,573
Sub Total	-	-	-			91,908,573
Venture Capital Fund						
IIFL Real Estate (Domestic) Fund – Series I - Class A	-	-	-	56.90	2,025,000	139,212,664
IIFL Real Estate (Domestic) Fund – Series I - Class B	-	-	-	10	58	580
IIFL Real Estate (Domestic) Fund – Series I - Class C	-	-	-	100	97,191	7,588,453
AIF CAT-II IIFL Income Opp Fund Series 1	-	-	-	10	28,048,660	295,526,291
AIF CAT-II IIFL Income Opp Fund Series Spl. Situations	-	-	-	10	5,330,459	51,768,761
AIF CAT-III IIFL National Development Agenda Fund	-	-	-	10	5,902,354	62,228,659
India Alternative Private Equity Fund	-	-	-	95.07	2,628,694	139,702,753
Sub Total	-	-	-			696,028,161
Mutual Fund						
IIFL Dynamic Growth Fund	-	-	-	10	102,080	1,000,000
ICICI Prudential Value Discovery Fund	-	-	-	100	246,514	28,170,641
HDFC Equity Fund - Growth Option	-	-	-	400	18,568	8,694,774
IIFL Nifty ETF	-	-	-	800	5,180	4,592,806
IIFL Dynamic Bond Fund- Regular Plan- Growth Opt	-	-	-	10	867,062	10,000,000
ICICI Prudential Liquid Fund- Direct Plan – Growth	-	-	-	200	1,642,494	340,000,000
ICICI Prudential Flexible Income Fund- Direct Plan – Growth	-	-	-	250	3,415,034	900,000,000
Sub Total	-	-	-			1,292,458,221
Grand Total	-	-	-			2,138,253,417
Aggregate market value	-	-	-			2,169,348,948



STANDALONE FINANCIAL OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of the financial statements for the year ended March 31, 2016 (Continued)

Note 18. Trade Receivable:

(Amount in ₹)

Particulars	As at March 31,2016	As at March 31,2015
Trade Receivables outstanding for a period exceeding six months from the date they were due for payment		
- Considered good	103,900,872	84,855,653
- Considered doubtful	2,530,752	831,595
Provision for doubtful receivables	(2,530,752)	(831,595)
Trade Receivables outstanding for a period less than six months from the date they were due for payment		
- Considered good	444,738,164	225,092,771
- Considered doubtful	2,500,000	-
Provision for doubtful receivables	(2,500,000)	
Total	548,639,036	309,948,424

Note 19. Cash and Cash Equivalent:

(Amount in ₹)

Particulars	As at March 31,2016	As at March 31,2015
Cash and Cash equivalents (As per AS-3 Cash Flow Statement)		
Cash In Hand	1,104,675	1,045,757
Cheques on Hand	40,928,601	19,665,103
Balances with Banks		
- In Current accounts	150,969,628	814,588,351
- In Deposit accounts (Maturity less than 3 months)	700,000,000	-
Total Cash & Cash Equivalents (a) (As per AS-3 Cash Flow Statement)	893,002,904	835,299,211
Other Bank Balances:		
- In Deposit account (Maturity from 3 to 12 Months)	10,000,000	10,000,000
Total Other Bank Balances (b)	10,000,000	10,000,000
Total (a+b)	903,002,904	845,299,211

Note 20. Short Term Loans and Advances:

(Amount in ₹)

Particulars	As at March 31,2016	As at March 31,2015
Unsecured, Considered good		
Inter Corporate Deposits (ICD)(Related Party) (Refer Note 35)	-	122,276,141
Other Loans and Advances		
- Advances recoverable in cash or in kind or for value to be received.	15,389,608	10,124,975
- Prepaid Expenses	9,959,307	4,375,192
- Deposit	5,466,056	244,701
- Other Loans and Advances	38,739,188	65,061,623
Total	69,554,159	202,082,632



STANDALONE FINANCIAL OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of the financial statements for the year ended March 31, 2016 (Continued)

Note 21. Other Current Assets:

(Amount in ₹)

Particulars	2015-2016	2014-2015
Interest accrued but not due on Fixed Deposits	141,824	42,164
Total	141,824	42,164

Note 22. Revenue from Operations:

(Amount in ₹)

Particulars	2015-2016	2014-2015
Distribution Fees	3,191,633,201	3,064,236,832
Commission Income	354,873,456	338,165,299
Investment / Fund Management Fees	28,125,437	61,826,975
Profit/ (Loss) from Trading Activities	(8,033,020)	205,944,427
Total	3,566,599,074	3,670,173,533

Note 23. Other Income:

(Amount in ₹)

Particulars	2015-2016	2014-2015
Interest Income	57,612,750	23,948,226
Dividend Income on Current Investments	115,419,990	640,823
Dividend Income from Subsidiary Company (Refer Note 35)	178,478,295	-
Profit on sale of Current Investments	59,131,802	8,963,502
Profit on sale of Non Current Investments	69,686,042	-
Miscellaneous Income	20,739	1,811,124
Total	480,349,618	35,363,675

Note 24. Employee Benefit Expenses:

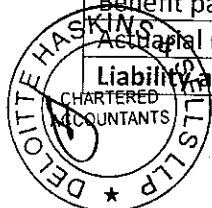
(Amount in ₹)

Particulars	2015-2016	2014-2015
Salaries and Bonus	1,256,998,885	929,453,448
Contribution to Provident Fund and Other Funds**	26,031,343	17,897,063
Gratuity Expense*	18,458,541	8,708,739
Leave Encashment Expenses	5,414,923	1,723,547
Staff Welfare Expenses	4,779,247	16,848,124
Total	1,311,682,939	974,630,921

*The Company is recognising and accruing the employee benefit as per accounting standard (AS) – 15 on "Employee Benefits" as specified u/s 133 of the Companies Act 2013, the disclosures of which are as under:

(Amount in ₹)

Assumptions	2015-2016	2014-2015
Discount rate	7.90%	7.90%
Salary Escalation	5.00%	5.00%
Change in Benefit Obligation	2015-2016	2014-2015
Liability at the beginning of the year	36,269,744	25,008,366
Interest Cost	2,865,310	2,285,765
Current Service Cost	7,373,615	5,544,153
Liability transferred in	329,728	1,646,487
Liability transferred out	(83,136)	(88,165)
Benefit paid	-	(136,070)
Actuarial (gain)/ Loss on obligations	9,389,678	2,009,208
Liability at the end of the year	56,144,939	36,269,744



STANDALONE FINANCIAL OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of the financial statements for the year ended March 31, 2016 (Continued)

Amount Recognised in the Balance Sheet	2015-2016	2014-2015
Liability at the end of the year	(56,144,939)	(36,269,744)
Fair Value of Plan Assets at the end of the year	50,807,251	39,437,189
Differences	(5,337,688)	3,167,445
Amount of (liability)/ Asset Recognised in the Balance Sheet	(5,337,688)	3,167,445
Expenses Recognised in the Statement of Profit & Loss Account		
Current Service cost	7,373,615	5,544,153
Interest Cost	(250,228)	1,131,068
Actuarial Gain or Loss	11,335,154	2,033,518
Expenses Recognised in the Statement of Profit & Loss Account	18,458,541	8,708,739
Balance Sheet Reconciliation		
Opening Net liability	(3,167,445)	11,735,991
Expense as above	18,458,541	8,708,739
Net Transfer In	329,728	1,646,487
Net Transfer Out	(83,136)	(88,165)
Employers contribution	(10,200,000)	(25,170,496)
Liability/(Asset) Recognised in Balance sheet	5,337,688	(3,167,445)

Experience Adjustment	2015-2016	2014-2015	2013-2014	2012-2013	2011-2012
Present Value of the Obligation	(56,144,939)	(36,269,744)	(25,008,366)	(20,209,193)	(13,909,713)
Fair Value of Plan Assets	50,807,251	39,437,189	13,272,375	12,254,917	12,668,381
(Surplus) or Deficit	(5,337,688)	3,167,445	(11,735,991)	(7,954,276)	(1,241,332)
Actuarial (Gains)/ Losses on Obligations - Due to Experience	18,527,869	5,775,369	2,955,562	865,856	1,531,848
Actuarial Gains/ (Losses) on Plan Assets - Due to Experience	1,170,062	(24,297)	49,761	(1,089,481)	107,460

Note: The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

Estimated amount of payment in respect of Gratuity to the fund will be Rs 5,337,688 in F.Y 2016-2017

**Defined Contribution Plans:

The Company has recognised the following amounts as an expense and included in the Employee Benefit Expenses.

Particulars	(Amount in ₹)	
	As at March 31, 2016	As at March 31, 2015
Contribution to Provident and other Fund *	26,031,343	17,897,063

*Contribution to Provident and Other fund includes contribution to other funds like Gratuity fund, annuities, gratuity, etc pertaining to employees.



STANDALONE FINANCIAL OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of the financial statements for the year ended March 31, 2016 (Continued)

Note 25. Other Expenses:

(Amount in ₹)

Particulars	2015-2016	2014-2015
Advertisement Expenses	42,587,009	97,966,488
Books and Periodicals	-	160,556
Exchange and Statutory Charges	141,196	106,127
Marketing and Commission Expenses	373,910,611	591,623,281
Direct Operating Expenses	102,619,466	84,301,831
Bank Charges	153,000	67,114
Communication Expenses	11,338,379	10,033,576
Donation	35,361,000	7,956,696
Electricity Expenses	9,522,706	7,232,506
Legal and Professional Charges	106,602,008	34,933,750
Corporate social responsibility(CSR) expenses (Refer Note-38)	12,755,000	3,900,000
Office Expenses	30,068,184	18,508,900
Meeting, Seminar & subscription	42,174,489	29,382,640
Postage and Courier Expenses	3,780,891	3,846,645
Printing and Stationery	9,505,734	7,636,975
Provision for doubtful debts and bad debts	4,370,869	841,244
Rent Expenses	105,949,684	69,915,638
Insurance charges	1,267,193	460,734
Rates and Taxes	3,244,467	689,978
Repairs and maintenance:		
- Computers	1,479,277	1,474,365
- Others	2,532,402	2,093,419
Remuneration to Auditors		
- Statutory Audit	300,000	365,000
- Certification work and other matters (excluding service tax input credit of ₹ 136,000 (P.Y ₹ 5,228)	1,150,000	42,500
- Out of Pocket Expenses	30,282	26,134
Software Charges	16,076,348	9,043,242
Commission & sitting fees to non executive directors	2,065,600	1,240,000
(Profit)/Loss on Sale of Assets	-	(1,800)
Travelling and Conveyance	175,560,215	139,712,388
Provision for Diminution in Value of Assets/ Investments	14,673,378	3,882,641
Total	1,109,219,388	1,127,442,568

The above costs are inclusive of Related party transactions (Refer Note 35)

Note 26. Finance Cost:

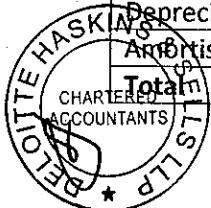
(Amount in ₹)

Particulars	2015-2016	2014-2015
Interest on inter-corporate deposits	165,108,331	115,047,233
Other borrowing cost	15,938	35,283
Total	165,124,269	115,082,516

Note 27. Depreciation:

(Amount in ₹)

Particulars	2015-2016	2014-2015
Depreciation on Tangible Assets (Refer Note – 11)	19,223,516	7,529,386
Amortisation of Intangible Assets (Refer Note – 12)	10,206,356	2,795,944
Total	29,429,872	10,325,330



STANDALONE FINANCIAL OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of the financial statements for the year ended March 31, 2016 (Continued)

Note 28. Basic and Diluted Earnings Per Share ["EPS"] computed in accordance with Accounting Standard (AS) 20 'Earnings per share' as specified u/s 133 of the Companies Act 2013.

PARTICULARS		(Amount in ₹)	
		2015-2016	2014-2015
BASIC EPS			
Profit after tax as per Statement of Profit and Loss	A	1,034,063,908	991,750,569
Weighted Average Number of Shares Subscribed	B	58,860,782	57,425,777
Face Value of Equity Shares (₹) fully paid		2.00	2.00
Basic EPS (₹)	A/B	17.57	17.27
DILUTED EPS			
Profit after tax as per Statement of Profit and Loss	A	1,034,063,908	991,750,569
Weighted Average Number of Shares		58,860,782	57,425,777
Add : Potential Equity Shares on account of conversion of Employee Stock Option		7,557,525	591,580
Weighted Average Number of Shares Outstanding	B	66,418,307	58,017,357
Diluted EPS (₹)	A/B	15.57	17.09

Note 29. The Company Operates from and uses the premises, infrastructure and other facilities and services as provided to it by its holding company / subsidiaries / group companies which are termed as 'Shared Services'. Hitherto, such shared services consisting of administrative and other revenue expenses paid for/by the company were identified and recovered from them based on reasonable management estimates, which are constantly refined in the light of additional knowledge gained relevant to such estimation. These expenses are recovered on an actual basis and the estimates are used only where actual were difficult to determine.

Note 30. Capital and Other Commitments

At the balance sheet date, the total outstanding commitments of capital expenditure amounts to ₹ 64,609,238/- (Previous year ₹ 6,300,407/-)

Note 31. The Company does not have any contingent liability not provided for, as on the balance sheet date of preparing financial statement.

Note 32. There are no pending litigations by and on the Company as on the balance sheet date.

Note 33. The Company has implemented Employee Stock Options Scheme 2012 (ESOP Schemes) and Employee Stock Options Scheme 2015 and has outstanding options granted under the said schemes. The options vest in graded manner and must be exercised within a specified period as per the terms of grants by the Remuneration and Compensation Committee and ESOP Schemes.

(A) The details of various Employee Stock Option Schemes are as under:

Particulars	ESOP 2012	ESOP 2015
No. of options as on March 31, 2015	591,580	6,965,945
Method of accounting	Intrinsic Value	Intrinsic Value
Vesting plan	Options granted would vest over a period of six years subject to minimum period of one year from the date of grant of options	Options granted would vest over a period of six years subject to minimum period of one year from the date of grant of options
Exercise period	Seven years from the date of grant	Seven years from the date of grant
Grant Dates	March 28, 2012, August 29, 2013, Jun 03, 2014	July 2, 2015
Grant Price (₹ Per Share)	₹ 10.00, ₹ 16.00 and ₹ 19.00	₹ 282.00
Book Value on the date of Grant of Option (₹ Per Share)	₹ 10.00, ₹ 16.00 and ₹ 19.00	₹ 282.00



STANDALONE FINANCIAL OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of the financial statements for the year ended March 31, 2016 (Continued)

Movement of options granted:

Particulars	ESOP 2012	ESOP 2015
Options outstanding at the beginning of the year	591,580	-
Granted during the year	-	6,965,945
Exercised during the year	-	-
Lapsed during the year *	50	-
Options outstanding at the end of the year	591,530	6,965,945

*This can be re-issued again in future years

Note 34. Segment Reporting:

In the opinion of the management, there is only one reportable business segment of Distribution business as envisaged by AS 17 'Segment Reporting', as prescribed by Companies (Accounting Standard) Rules, 2006. Accordingly, no separate disclosure for segment reporting is required to be made in the financial statements of the Company.

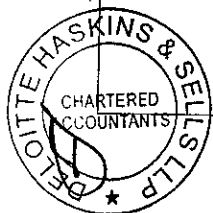
Secondary segmentation based on geography has not been presented as the Company operates primarily in India and the Company perceives that there is no significant difference in its risk and returns in operating from different geographic areas within India.

Note 35. Related Party Disclosures.

Related party disclosures for the year ended March 31, 2016

a) List of Related parties:

Nature of relationship	Name of party
Holding Company	IIFL Holdings Limited (Formerly India Infoline Limited)
Subsidiary Companies	IIFL Distribution Services Limited (Formerly IIFL Distribution Services Private Limited) IIFL Investment Advisers and Trustee Services Limited (Formerly IIFL Trustee Services Limited) IIFL Alternate Asset Advisors Limited IIFL Asset Management Limited (Formerly India Infoline Asset Management Company Limited) IIFL Trustee Limited (Formerly India Infoline Trustee Company Limited) India Alternatives Advisors Private Limited IIFL Wealth Finance Limited (Formerly Chephis Capital Markets Limited) IIFL (Asia) Pte Limited IIFL Inc IIFL Private Wealth Management (Dubai) Limited IIFL Private Wealth (Mauritius) Limited IIFL Private Wealth (Suisse) SA IIFL Private Wealth Hong Kong Limited IIFL Securities Pte Limited IIFL Capital Pte Limited
Fellow Subsidiaries	India Infoline Limited (Formerly India Infoline Distribution Co. Limited) India Infoline Commodities Limited India Infoline Finance Limited India Infoline Media and Research Services Limited



STANDALONE FINANCIAL OF IIFL WEALTH MANAGEMENT LIMITED

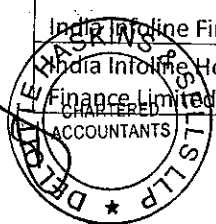
Notes forming part of the financial statements for the year ended March 31, 2016 (Continued)

	India Infoline Housing Finance Limited India Infoline Commodities DMCC India Infoline Insurance Brokers Limited India Infoline Insurance Services Limited IIFL Facilities Ltd (Formerly IIFL Realty Limited) IIFL Capital Limited IIFL Wealth (UK) Limited IIFL Capital Inc. India Infoline Foundation IIFL Properties Private Limited (Formerly Ultra Sign & Display Private Limited) IIFL Asset Reconstruction Limited
Key Managerial Personnel	Karan Bhagat -Managing Director Yatin Shah-Whole Time Director Amit Shah-Non Executive Director
Other Related Parties	Nirmal Jain R. Venkataraman Orpheus Trading Pvt. Limited Ardent Impex Pvt. Limited

b) Significant Transactions with Related Parties

(Amount in ₹)

Nature of Transaction	Holding Company	Subsidiary	Fellow Subsidiaries	Group Companies	Key Managerial Personnel	Total
Investment						
IIFL Holdings Limited	(446,284,302)	-	-	-	-	(446,284,302)
IIFL Asset Management Limited	-	(340,000,000)	-	-	-	(340,000,000)
IIFL Investment Adviser and Trustee Services Limited	-	350,000,000	-	-	-	350,000,000
India Alternatives Investment Advisors Pvt. Ltd	-	34,997,900	-	-	-	34,997,900
IIFL Wealth Finance Limited	-	9,000,000,000	-	-	-	9,000,000,000
Purchase of inventories (Net)						
IIFL Alternate Asset Advisors Limited	-	1,464,155,704	-	-	-	1,464,155,704
India Infoline Limited	-	-	(53,856,244)	-	-	(53,856,244)
India Infoline Finance Limited	-	-	850,059,498	-	-	850,059,498
IIFL Asset Management Limited	-	75,000	(3,941,213,060)	-	-	(3,941,213,060)
Sale of inventories (Net)						
India Infoline Finance Limited	-	-	67,527,412	-	-	67,527,412
India Infoline Housing Finance Limited	-	-	(1,162,764,065)	-	-	(1,162,764,065)
India Infoline Finance Limited	-	-	(50,245,053)	-	-	(50,245,053)



STANDALONE FINANCIAL OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of the financial statements for the year ended March 31, 2016 (Continued)

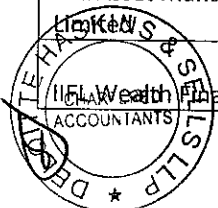
Nature of Transaction	Holding Company	Subsidiary	Fellow Subsidiaries	Group Companies	Key Managerial Personnel	Total
IIFL Alternate Asset Advisors Limited	-	1,794,887,757	-	-	-	1,794,887,757
India Infoline Media Research Services Limited	-	-	702,500,122	-	-	702,500,122
Commission Income						
IIFL Asset Management Limited	-	120	-	-	-	120
	-	(540)	-	-	-	(540)
Dividend Income						
IIFL Private Wealth (Mauritius) Limited	-	178,478,235	-	-	-	178,478,235
India Infoline Limited	-	-	59	-	-	59
Brokerage - Authorised Person/ Brokerage - Fixed Deposit/ Arranger Fees Income/ Management Fees Income						
India Infoline Limited	-	-	354,873,456	-	-	354,873,456
India Infoline Housing Finance Limited	-	-	(338,277,799)	-	-	(338,277,799)
IIFL Facilities Services Limited	-	-	2,724,000	-	-	2,724,000
	-	-	(960,970)	-	-	(960,970)
India Infoline Finance Limited	-	-	3,417,029	-	-	3,417,029
IIFL Asset Management Limited	-	61,238,861	-	-	-	61,238,861
	-	(72,565,216)	-	-	-	(72,565,216)
Interest Income on ICD						
India Infoline Finance Limited	-	-	7,271,858	-	-	7,271,858
	-	-	(4,297,254)	-	-	(4,297,254)
IIFL Alternate Asset Advisors Limited	-	39,166,861	-	-	-	39,166,861
	-	(5,214,949)	-	-	-	(5,214,949)
IIFL Investment Adviser and Trustee Services Limited	-	5,291,787	-	-	-	5,291,787
	-	(1,567,796)	-	-	-	(1,567,796)
India Alternatives Investment Advisors Pvt. Ltd	-	1,277,470	-	-	-	1,277,470
	-	(2,709,146)	-	-	-	(2,709,146)
IIFL Trustee Limited	-	49	-	-	-	49
	-	-	-	-	-	-
IIFL Facilities Services Limited	-	-	45,082	-	-	45,082
	-	-	-	-	-	-
India Infoline Media & Research Services Ltd	-	-	1,871,507	-	-	1,871,507
	-	-	-	-	-	-
Interest Expense on ICD						
IIFL Distribution Services Limited	-	505,790	-	-	-	505,790
	-	(3,454,463)	-	-	-	(3,454,463)
IIFL Asset Management Limited	-	8,201,323	-	-	-	8,201,323
	-	(16,573,044)	-	-	-	(16,573,044)
India Infoline Commodities Limited	-	-	-	-	-	-
	-	-	(105,205)	-	-	(105,205)
	-	-	775,137	-	-	775,137
India Infoline Finance Limited	-	-	(7,736,204)	-	-	(7,736,204)
	-	-	-	-	-	-
India Infoline Limited	-	-	(2,032,192)	-	-	(2,032,192)



STANDALONE FINANCIAL OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of the financial statements for the year ended March 31, 2016 (Continued)

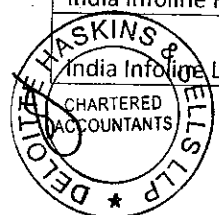
Nature of Transaction	Holding Company	Subsidiary	Fellow Subsidiaries	Group Companies	Key Managerial Personnel	Total
IIFL Holdings Limited	(1,561,644)	-	-	-	-	(1,561,644)
Referral Expenses						
India Infoline Finance Limited	-	-	226,068,796	-	-	226,068,796
	-	-	(42,580,367)	-	-	(42,580,367)
IIFL Facilities Services Limited	-	-	15,000,000	-	-	15,000,000
	-	-	-	-	-	-
Manpower Outsourcing Expenses						
IIFL Distribution Services Limited	-	78,109,608	-	-	-	78,109,608
	-	(67,584,803)	-	-	-	(67,584,803)
Rent Expenses						
IIFL Facilities Services Limited	-	-	90,653,958	-	-	90,653,958
	-	-	(61,859,948)	-	-	(61,859,948)
Advisory Fee Expense						
IIFL Investment Adviser and Trustee Services Limited	-	24,000,000	-	-	-	24,000,000
	-	-	-	-	-	-
Guest House Expense						
IIFL Properties Private Limited	-	-	155,000	-	-	155,000
	-	-	-	-	-	-
Remuneration						
Karan Bhagat	-	-	-	-	37,856,355	37,856,355
	-	-	-	-	(42,497,000)	(42,497,000)
Yatin Shah	-	-	-	-	29,671,057	29,671,057
	-	-	-	-	(36,158,000)	(36,158,000)
Dividend Paid						
IIFL Holdings Limited	270,000,000	-	-	-	-	270,000,000
	(202,500,000)	-	-	-	-	(202,500,000)
Karan Bhagat	-	-	-	-	17,763,156	17,763,156
	-	-	-	-	(13,322,367)	(13,322,367)
Yatin Shah	-	-	-	-	17,763,156	17,763,156
	-	-	-	-	(13,322,367)	(13,322,367)
Amit Shah	-	-	-	-	14,210,526	14,210,526
	-	-	-	-	(10,657,895)	(10,657,895)
Other funds received						
India Infoline Limited	-	-	226,456	-	-	226,456
	-	-	(1,800)	-	-	(1,800)
IIFL Investment Adviser and Trustee Services Limited	-	720,875	-	-	-	720,875
	-	(308,280)	-	-	-	(308,280)
IIFL Alternate Asset Advisors Limited	-	2,544,815	-	-	-	2,544,815
	-	-	-	-	-	-
IIFL Distribution Services Limited	-	5,708,758	-	-	-	5,708,758
	-	(8,279,967)	-	-	-	(8,279,967)
India Alternatives Investment Advisors Pvt. Ltd	-	715,798	-	-	-	715,798
	-	(342,617)	-	-	-	(342,617)
IIFL Asset Management	-	1,750,623	-	-	-	1,750,623
	-	(818,574)	-	-	-	(818,574)
IIFL Wealth Finance Limited	-	16,030	-	-	-	16,030
	-	-	-	-	-	-



STANDALONE FINANCIAL OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of the financial statements for the year ended March 31, 2016 (Continued)

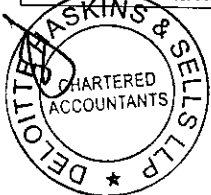
Nature of Transaction	Holding Company	Subsidiary	Fellow Subsidiaries	Group Companies	Key Managerial Personnel	Total
Other funds paid						
India Infoline Limited	-	-	2,777,384	-	-	2,777,384
	-	-	(9,098)	-	-	(9,098)
IIFL Holdings Limited	571,173	-	-	-	-	571,173
	(16,326,712)	-	-	-	-	(16,326,712)
India Infoline Finance Limited	-	-	8,000	-	-	8,000
	-	-	-	-	-	-
IIFL Alternate Asset Advisors Limited	-	821,856	-	-	-	821,856
	-	(99,314)	-	-	-	(99,314)
IIFL Asset Management Limited	-	-	-	-	-	-
	-	(47,835)	-	-	-	(47,835)
IIFL Distribution Services Limited	-	268,749	-	-	-	268,749
	-	(1,505,887)	-	-	-	(1,505,887)
India Infoline Media & Research Services Limited	-	-	-	-	-	-
	-	-	(3,048,945)	-	-	(3,048,945)
ICD Given						
IIFL Investment Adviser and Trustee Services Limited	-	358,610,000	-	-	-	358,610,000
	-	(16,801,076)	-	-	-	(16,801,076)
IIFL Alternate Asset Advisors Limited	-	4,782,752,884	-	-	-	4,782,752,883
	-	(26,905,000)	-	-	-	(26,905,000)
India Infoline Finance Limited	-	-	2,750,000,000	-	-	2,750,000,000
	-	-	(1,467,581,000)	-	-	(1,467,581,000)
India Alternatives Investment Advisors Pvt Ltd	-	35,000,000	-	-	-	35,000,000
	-	(57,799,982)	-	-	-	(57,799,982)
IIFL Trustee Limited	-	52,000	-	-	-	52,000
	-	-	-	-	-	-
India Infoline Media & Research Services Limited	-	-	270,000,000	-	-	270,000,000
	-	-	-	-	-	-
India Infoline Limited	-	-	(250,000,000)	-	-	(250,000,000)
	-	-	150,000,000	-	-	150,000,000
IIFL Facilities Services Limited	-	-	-	-	-	-
	-	-	-	-	-	-
ICD Received back						
IIFL Investment Adviser and Trustee Services Limited	-	378,786,717	-	-	-	378,786,717
	-	(1,600,000)	-	-	-	(1,600,000)
IIFL Alternate Asset Advisors Limited	-	4,818,207,884	-	-	-	4,818,207,884
	-	(25,800,000)	-	-	-	(25,800,000)
India Alternatives Investment Advisors Pvt Ltd	-	92,799,982	-	-	-	92,799,982
	-	-	-	-	-	-
IIFL Trustee Limited	-	52,000	-	-	-	52,000
	-	-	-	-	-	-
India Infoline Media & Research Services Limited	-	-	270,000,000	-	-	270,000,000
	-	-	-	-	-	-
IIFL Facilities Services Limited	-	-	150,000,000	-	-	150,000,000
	-	-	-	-	-	-
India Infoline Finance Limited	-	-	2,750,000,000	-	-	2,750,000,000
	-	-	(1,467,581,000)	-	-	(1,467,581,000)
India Infoline Limited	-	-	-	-	-	-
	-	-	(250,000,000)	-	-	(250,000,000)



STANDALONE FINANCIAL OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of the financial statements for the year ended March 31, 2016 (Continued)

Nature of Transaction	Holding Company	Subsidiary	Fellow Subsidiaries	Group Companies	Key Managerial Personnel	Total
ICD taken						
IIFL Distribution Services Limited	-	-	-	-	-	-
	-	(15,500,000)	-	-	-	(15,500,000)
IIFL Asset Management Limited	-	7,500,000	-	-	-	7,500,000
	-	(220,000,000)	-	-	-	(220,000,000)
India Infoline Commodities Limited	-	-	-	-	-	-
	-	-	(50,000,000)	-	-	(50,000,000)
India Infoline Finance Limited	-	-	490,000,000	-	-	490,000,000
	-	-	(2,543,419,000)	-	-	(2,543,419,000)
India Infoline Limited	-	-	-	-	-	-
	-	-	(450,000,000)	-	-	(450,000,000)
IIFL Holdings Limited	(1,000,000,000)	-	-	-	-	(1,000,000,000)
ICD Repaid						
IIFL Distribution Services Limited	-	20,218,418	-	-	-	20,218,418
	-	(31,415,000)	-	-	-	(31,415,000)
IIFL Asset Management Limited	-	341,704,000	-	-	-	341,704,000
	-	-	-	-	-	-
India Infoline Commodities Limited	-	-	-	-	-	-
	-	-	(50,000,000)	-	-	(50,000,000)
IIFL Holdings Limited	(1,000,000,000)	-	-	-	-	(1,000,000,000)
	-	-	490,000,000	-	-	490,000,000
India Infoline Finance Limited	-	-	(2,543,419,000)	-	-	(2,543,419,000)
	-	-	-	-	-	-
India Infoline Limited	-	-	(450,000,000)	-	-	(450,000,000)
Allocation / Reimbursement of expenses Paid						
India Infoline Limited	-	-	62,948,456	-	-	62,948,456
	-	-	(61,593,630)	-	-	(61,593,630)
Allocation / Reimbursement of expenses Received						
IIFL Asset Management Limited	-	36,288,134	-	-	-	36,288,134
	-	(28,487,971)	-	-	-	(28,487,971)
IIFL Investment Adviser and Trustee Services Limited	-	8,660,443	-	-	-	8,660,443
	-	(7,121,993)	-	-	-	(7,121,993)
IIFL Alternate Asset Advisors Limited	-	9,860,443	-	-	-	9,860,443
	-	(668,433)	-	-	-	(668,433)
IIFL Distribution Services Limited	-	10,116,446	-	-	-	10,116,446
	-	(7,121,993)	-	-	-	(7,121,993)
IIFL Wealth Finance Limited	-	2,273,976	-	-	-	2,273,976
	-	-	-	-	-	-
India Alternatives Investment Advisors Pvt Ltd	-	5,152,854	-	-	-	5,152,854
	-	(4,246,735)	-	-	-	(4,246,735)



STANDALONE FINANCIAL OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of the financial statements for the year ended March 31, 2016 (Continued)

c) Amount due to / from Related Parties (Closing Balances):

(Amount in ₹)

Nature of Transaction	Holding Company	Subsidiary	Fellow Subsidiaries	Group Companies	Key Management Personnel	Total
ICD Taken						
IIFL Distribution Services Ltd	-	(25,960,027)	-	-	-	(25,960,027)
IIFL Asset Management Limited	-	(349,275,744)	-	-	-	(349,275,744)
Sundry payables						
India Infoline Commodities (DMCC)	-	-	-	(538,082)	-	(538,082)
IIFL Alternate Asset Advisors Limited	-	(40,281,463)	-	-	-	(40,281,463)
India Alternatives Investment Advisors Pvt Ltd	-	(60,238,213)	-	-	-	(60,238,213)
IIFL Investment Adviser and Trustee Services Limited	-	(21,756,466)	-	-	-	(21,756,466)
Sundry receivables						
IIFL Capital Limited	-	-	(1,556,530)	-	-	(1,556,530)
India Infoline Commodities Limited	-	-	(430,687)	-	-	(430,687)
India Infoline Limited	-	-	28,379,697	-	-	28,379,697
	-	-	(75,039,052)	-	-	(75,039,052)

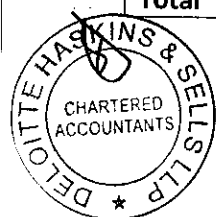
Note :

- I Figures in bracket represents previous year figures.
- II Related parties are identified and certified by the management.

Note 36. Earnings and Expenses in Foreign Currency:

(Amount in ₹)

Particulars	2015-2016	2014-2015
Earnings in Foreign Currency	-	-
Advisory fees		861,300
Dividend Income	178,478,294	
Total	178,478,294	861,300
Expenses in Foreign Currency		
Advertisement Expense	503,750	1,217,373
Legal and professional Charges	1,543,523	462,748
Marketing and commission Expense	4,799,301	1,850,230
Meeting Seminar & subscription	4,467,280	659,479
Office Expense	1,084,732	424,685
Travelling and Conveyance Expense	1,559,851	1,039,939
Total	13,958,437	5,654,454



STANDALONE FINANCIAL OF IIFL WEALTH MANAGEMENT LIMITED

Notes forming part of the financial statements for the year ended March 31, 2016 (Continued)

Note 37. The Company has taken office premises on operating lease at various locations. Lease rent in respect of the same have been charged to Statement of Profit and Loss. The agreements are executed for a period ranging 1 to 5 years with a renewable clause. Some agreements have a clause for a minimum lock-in period. The agreements also have a clause for termination by either party giving a prior notice period between 30 to 90 days. The Company has also taken some other assets under operating lease. The minimum Lease rentals outstanding as at March 31, 2016, are as under:

Minimum Lease Rentals	(Amount in ₹)	
	As At March 31, 2016	As At March 31, 2015
Up to one year	168,536,085	107,876,975
One to five years	299,041,263	124,058,786
Over five years	582,558	NIL

Note 38. Corporate Social Responsibility

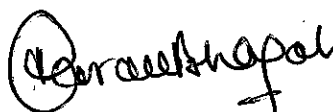
During the financial year 2015-16, the Company could spent ₹ 12,755,000/- (P.Y ₹3,900,000) out of the total amount of ₹ 14,144,591/- (P.Y ₹ 8,489,317) required to be spent as per section 135 of the Companies Act 2013 in respect of Corporate Social Responsibility (CSR). The Company was focused on implementing the projects identified by the CSR Committee and had successfully completed most of the projects. The Company had substantially utilised the amount required to be spent on CSR projects and there is a small portion thereof i.e. Rs 1,389,591 remain as unspent. The Company has many ongoing projects and plans to further increase the spend in the years to come through its impact driven projects

Note 39. Details of Inter Corporate Deposits

During the year, the Company has placed Inter Corporate Deposits the details of which are mentioned in Note No. 35. The period of ICD's is generally up to 1 year renewable thereafter, placed on arm's length basis at prevailing market interest rates (ranging from 10% to 12.5% p.a), for the purpose of meeting working capital and business requirements.

Note 40. Previous figures are regrouped, reclassified and rearranged wherever considered necessary to confirm to current year's presentation.

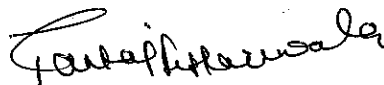
For and on behalf of Board of Directors



Karan Bhagat
Managing Director
(DIN: 03247753)



R. Venkataraman
Director
(DIN: 00011919)



Pankaj Fitkariwala
Chief Financial Officer



Ashutosh Naik
Company Secretary

Place : Mumbai
Dated : May 05, 2016

