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INDEPENDENT AUDITOR'S REPORT

To The Members of IIFL Wealth Securities IFSC Limited
Report on the Audit of the Financial Statements

Opinion

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

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

Basis for Opinion

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

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' report including Annexures to Directors' report, but does not include the financial statements and our auditor's report thereon. The Directors' report including Annexures to Directors' report is expected to be made available to us after the date of this auditor's report.

- Our opinion on the financial statements does not cover the other information and we do not and we will not express any form of assurance conclusion thereon.

- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated

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

Management's Responsibility for the Financial Statements

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

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

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.

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

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, The company has not paid remuneration to its director during the period, hence reporting as per the provisions of section 197 of the Act is not applicable.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

    i. the Company 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 required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

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

Place: Mumbai
Date: 13 May 2019

Report on Internal Financial Controls Over Financial Reporting

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **IIFL WEALTH SECURITIES LIMITED** (the "Company") as of 31 March 2019 in conjunction with our audit of the Ind AS 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 (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

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

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

Place: Mumbai
Date: 13 May 2019

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) The Company does not have any fixed assets and hence reporting under clause (i) 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) The Company has not granted any 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.

(iv) The Company has not granted any loans, made investments or provided guarantees and securities to which provision of section 185 and 186 of the Companies Act, 2013 apply and hence reporting under clause (iv) of the CARO 2016 is not 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 been generally regular in depositing undisputed statutory dues, including Income-tax, Goods and Service Tax, cess and other material statutory dues applicable to it to the appropriate authorities. According to the information and explanations given to us, Provident Fund, Custom Duty, Excise Duty and Employees' State Insurance dues are not applicable to the Company.

(b) There were no undisputed amounts payable in respect of Income-tax, Goods and Service Tax, cess and other material statutory dues in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.

(c) There are no dues of Income-tax, Service Tax, Goods and Service Tax and Value Added Tax as on 31 March 2019 on account of disputes.

(viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (viii) of CARO 2016 is not applicable to the Company.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has not paid / provided any managerial remuneration. Hence reporting under clause (xi) of the CARO 2016 is not applicable.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

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

Place: Mumbai,
Date: 13 May 2019

IIFL Wealth Securities IFSC Limited
BALANCE SHEET AS AT MARCH 31, 2019

(₹ in Thousands)

SR. No.	Particulars	Note No.	As at March 31, 2019
	ASSETS		
1	**Financial Assets**		
(a)	Cash and cash equivalents	3	144.32
(b)	Other financial assets	4	248.82
	Total Assets		393.14
	LIABILITIES AND EQUITY		
	LIABILITIES		
1	**Financial Liabilities**		
(a)	Payables		
	(I)Trade payables		
	(i) total outstanding dues of micro enterprises and small enterprises		-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	5	150.00
(b)	Borrowings	6	500.00
(c)	Other financial liabilities	7	2.52
2	**Non-Financial Liabilities**		
(a)	Other non-financial liabilities	8	5.17
3	**EQUITY**		
(a)	Equity share capital	9	1,000.00
(b)	Other equity	10	(1,264.55)
	Total Liabilities and Equity		393.14

See accompanying Notes to the Financial Statements

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Pallavi A. Gorakshakar
Partner

Place : Mumbai
Dated: May 13, 2019

For and on behalf of the Board of Directors

Pankaj Fitkariwala
Director
(DIN: 07356813)

Anu Jain
Director
(DIN: 01001502)

IIFL Wealth Securities IFSC Limited
PROFIT AND LOSS FOR THE PERIOD JUNE 22, 2018 TO MARCH 31, 2019

(₹ in Thousands)

SR. No.	Particulars	Note No.	For the period June 22, 2018 to March 31, 2019
1	Revenue from operations		-
2	Other income		-
3	**Total income (1+2)**		-
	Expenses		
(a)	Finance costs	11	6.79
(b)	Others expenses	12	1,257.76
4	**Total expenses**		**1,264.55**
5	**Profit before tax (3-4)**		**(1,264.55)**
6	**Tax expense:**		
(a)	Current tax		-
(b)	Deferred tax		-
7	**Loss for the period (5-6)**		**(1,264.55)**
8	**Other comprehensive income**		
(a)	(i) Items that will not be reclassified to profit or loss		
	- Remeasurements of Employee Benefits		-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-
	Subtotal		-
9	**Total comprehensive loss for the period (7+8) (Comprising loss and other comprehensive income for the year)**		**(1,264.55)**
10	**Earnings per equity share**		
	Basic (Rs.)	13	(20.24)
	Diluted (Rs.)	13	(20.24)

See accompanying Notes to the Financial Statements

For Deloitte Haskins & Sells LLP
Chartered Accountants

Pallavi A. Gorakshakar
Partner

For and on behalf of the Board of Directors

Pankaj Fitkariwala
Director
(DIN: 07356813)

Anu Jain
Director
(DIN: 01001502)

Place : Mumbai
Dated: May 13, 2019

IIFL Wealth Securities IFSC Limited

STATEMENT OF CASHFLOW FOR THE PERIOD JUNE 22, 2018 TO MARCH 31, 2019

(₹ in Thousands)

Particulars	For the period June 22, 2018 to March 31, 2019
A. Cash flows from operating activities	
Net loss before tax	(1,264.55)
Adjustments for:	
Interest expenses	6.79
Operating loss before working capital changes	**(1,257.76)**
Changes in working Capital :	
(Increase) in Financial/Non-financial Assets	(248.82)
Increase in Financial/Non-financial Liabilities	155.17
Cash (used in) operating activities	**(1,351.41)**
Net income tax(paid) / refunds	-
Net cash (used in) operating activities (A)	**(1,351.41)**
B. Cash flows from investing activities	
Net cash generated from/(used in) investing activities (B)	**-**
C. Cash flows from financing activities	
Issuance of share capital	1,000.00
Inter Corporate Deposits - taken	500.00
Interest paid	(4.27)
Net cash generated from financing activities (C)	**1,495.73**
Net increase in cash and cash equivalents (A+B+C)	**144.32**
Opening Cash & cash equivalents	-
Closing Cash & cash equivalents	**144.32**
See accompanying Notes to the Financial Statements	

For Deloitte Haskins & Sells LLP
Chartered Accountants

Pallavi A. Gorakshakar
Partner

Place : Mumbai
Dated: May 13, 2019

For and on behalf of the Board of Directors

Pankaj Fitkariwala
Director
(DIN: 07356813)

Anu Jain
Director
(DIN: 01001502)

IIFL Wealth Securities IFSC Limited

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD JUNE 22, 2018 TO MARCH 31, 2019

(₹ in Thousands)

Particulars	Equity attributable to owners of the Company			Total
	Equity Share Capital	Other Equity		
		Retained Earnings	Total Other Equity	
Shares issued during the period	1,000.00	-	-	1,000.00
Loss for the period June 22, 2018 to March 31, 2019	-	(1,264.55)	(1,264.55)	(1,264.55)
Balance as at March 31,2019	**1,000.00**	**(1,264.55)**	**(1,264.55)**	**(264.55)**

Reained Earnings

The balance in Retained Earnings primarily represents loss for the period.

For Deloitte Haskins & Sells LLP
Chartered Accountants

Pallavi A. Gorakshakar
Partner

For and on behalf of the Board of Directors

Pankaj Fitkariwala
Director
(DIN: 07356813)

Anu Jain
Director
(DIN: 01001502)

Place : Mumbai
Dated: May 13, 2019

Financial Statements Of IIFL Wealth Securities IFSC Limited
Notes forming part of Financial Statements for the period ended March 31, 2019

Note 1. Corporate Information:

IIFL Wealth Securities IFSC Limited ("IFSC", the "Company") is a public limited company incorporated under the Companies Act, 2013. The Company will be trading in equity shares of companies incorporated outside of India, depository receipts, debt securities of eligible issuers, currency, index, interest rate and non-agriculture commodity derivatives and all categories of exchange traded products that are available for trading in stock exchanges in FATF/ IOSCO complaint jurisdiction. The Company is under process for taking membership of NSE IFSC Limited, and INDIA INTERNATIONAL EXCHANGE (IFSC) LTD.

Having It's registered office address at Unit No. 412, Building No. 13-B, Block No.-13, Zone-1, Road 1C,GIFT SEZ,GIFT City, GIFT SEZ Gandhinagar GJ 382355 IN

Note 2 – Summary Statement of Significant Accounting Policies

a) Statement of Compliance:

The Company's financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and amendments thereof issued by Ministry of Corporate Affairs in exercise of the powers conferred by section 133 of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment.

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

c) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

- **Financial assets**

Initial recognition and measurement:

The Company recognises a financial asset in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial assets. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement:

For subsequent measurement, the Company classifies a financial asset in accordance with the Company's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset. Based on the above criteria, the Company classifies its financial assets into the following categories:

i. Financial assets measured at amortized cost
ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)
iii. Financial assets measured at fair value through profit or loss (FVTPL)

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS * MUMBAI *

IIFL WEALTH SECURITIES IFSC LIMITED *

i. Financial assets measured at amortized cost:

A financial asset is measured at the amortized cost if both the following conditions are met:
- The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to Cash and Bank balances, Trade receivables, Loans and Other financial assets of the Company. Such financial assets are subsequently measured at amortized cost using the effective interest method.

ii. Financial assets measured at FVTOCI:

A financial asset is measured at FVTOCI if both of the following conditions are met:

- The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the above category, income by way of interest and dividend, provision for impairment are recognised in the Statement of profit and loss and changes in fair value (other than on account of above income or expense) are recognised in other comprehensive income and accumulated in other equity. On disposal of such debt instruments at FVTOCI financial assets, the cumulative gain or loss previously accumulated in other equity is reclassified to Statement of Profit and Loss.

iii. Financial assets measured at FVTPL:

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as mentioned above. This is a residual category applied to all other investments of the Company excluding investments in associate. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognised in the Statement of Profit and Loss.

Derecognition:
A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is derecognised (i.e. removed from the Company's Balance Sheet) when any of the following occurs:
- The contractual rights to cash flows from the financial asset expires;
- The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
- The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- The Company neither transfers nor retains, substantially all risk and rewards of ownership, and does not retain control over the financial asset.

On Derecognition of a financial asset, (except as mentioned in ii above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognised in the Statement of Profit and Loss.

Impairment of financial assets:

DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS
MUMBAI

IIFL WEALTH SECURITIES IFSC LIMITED

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not measured at FVTPL. Expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

- Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

- The Company measures the loss allowance on financial assets at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for that financial asset at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the lifetime expected credit losses and represent cash shortfalls that will result if default occurs within the 12 months weighted by the probability of default after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

- When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

The Company writes off a financial asset when there is information indicating that the obligor is in severe financial difficulty and there is no realistic prospect of recovery.

- **Financial Liabilities**

Initial recognition and measurement:
The Company recognises a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. Having regards to the terms and structure of issuance, Financial Liabilities are categorized as follows:
(i) recognised at amortised costs
(ii) recognised at fair value through profit and loss (FVTPL) including the embedded derivative component if any, which is not separated.
(iii) where there is an embedded derivative as part of the financial liability, such embedded derivative is separated and recorded at fair value and the remaining component is categorized as on amortised costs.

Subsequent measurement:

(i) All financial liabilities of the Company are categorized as subsequently measured at amortized cost are subsequently measured using the effective interest method.

(ii) All financial liabilities of the Company categorized at fair value are subsequently measured at fair value through profit and loss statement.

(iii) For derivatives embedded in the liability, the embedded derivative is subsequently measured at fair value

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through profit and loss and the liability is subsequently measured at amortised cost using the effective interest method.

Derecognition: A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

d) Fair Value

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
• In the principal market for the asset or liability, or
• In the absence of a principal market, in the most advantageous market for the asset or liability. (
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows:
. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).
Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3 —inputs that are unobservable for the asset or liability
For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

e) Foreign Currency Translation

These financial statements are presented in Indian Rupees, which is the Company's functional currency.

Initial Recognition:
On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency, by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Statement of Profit and Loss.

Measurement of foreign currency items at reporting date:

Foreign currency monetary items of the Company are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Nonmonetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

Exchange differences arising out of these translations are recognised in the Statement of Profit and Loss.

f) Income Taxes
Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs

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from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible in accordance with applicable tax laws. Current tax is measured using tax rates that have been enacted or substantively enacted by the end of reporting period..

Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income tax Act, 1961. Deferred tax liabilities are generally recognised for all taxable temporary differences. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognised. Also, for temporary differences that arise from initial recognition of goodwill, deferred tax liabilities are not recognised.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The deferred tax assets (net) and deferred tax liabilities (net) are determined separately for the Parent and each subsidiary company, as per their applicable laws and then aggregated.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the respective Company company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

Presentation of current and deferred tax:
Current and deferred tax are recognised as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognised in Other Comprehensive Income.
The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

g) Provisions and Contingencies
The Company recognises provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

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The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

h) Cash and Cash Equivalents

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less.

i) Lease accounting

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets taken on lease:

In respect of operating leases, lease rentals are recognised as an expense in the Statement of Profit and Loss on straight line basis over the lease term unless

i. Another systematic basis is more representative of the time pattern in which the benefit is derived from leased asset; or

ii. The payments to the lessor are structured to increase in line with the expected general inflation to compensate the lessor's expected inflationary cost increases.

In respect of assets obtained on finance leases, assets are recognised at lower of the fair value at the date of acquisition and present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. The excess of lease payments over the recorded lease obligations are treated as 'finance charges' which are allocated to each lease term so as to produce a constant rate of charge on the remaining balance of the obligations.

j) Earnings Per Share:

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

k) Recent Accounting pronouncements

The Ministry of Corporate Affairs has notified the Indian Accounting Standard (Ind AS) - 116, Leases effective April 1, 2019. The Company is in the process of studying the impact on the financial statements.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit /loss, tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or Company of tax treatments that the companies have to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit / tax loss, tax bases, unused tax losses,

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unused tax credits and tax rates. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company is evaluating impact of the above amendment.

Amendment of Ind AS 12 – Income taxes in connection with accounting of dividend distribution - The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensives income or equity according to where the entity originally recognised those past transactions or events. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company is evaluating the impact of the above.

I) Key Accounting Estimates and Judgements

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

- Fair value measurement of Financial Instruments
When the fair values of financials assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

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Note 3. Cash and Cash Equivalents (₹ in Thousands)

Particulars	As at March 31, 2019
Cash and Cash Equivalents (As per Ind AS 7 Statement of Cashflows)	
Balance with banks	
- Others	144.32
Cash and cash equivalents (As per Ind AS 7 Statement of Cashflows)	**144.32**

Note 4. Other financial assets

(₹ in Thousands)

Particulars	As at March 31, 2019
Other deposits	248.82
Total	**248.82**

Note 5. Payables

(₹ in Thousands)

Particulars	As at March 31, 2019
Trade payables	
-(i)Total outstanding dues of micro enterprises and small enterprises (Refer note 18.1)	-
-(ii)Total outstanding dues of creditors other than micro enterprises and small enterprises	150.00
Total	**150.00**

5.1. Disclosure under The Micro, Small and Medium Enterprises Development Act, 2006

The following disclosure is made as per the requirement under the Micro, Small and Medium Enterprises Development Act, 2016 (MSMED) on the basis of confirmations sought from suppliers on registration with the specified authority under MSMED:

Particulars	For the period June 22, 2018 to March 31, 2019
(a) Principal amount remaining unpaid to any supplier at the year end	-
(b) Interest due thereon remaining unpaid to any supplier at the year end	-
(c) Amount of interest paid and payments made to the supplier beyond the appointed day during the year	-
(d) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-
(e) Amount of interest accrued and remaining unpaid at the year end	-
(f) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Act	-

Note 6. Borrowings (₹ in Thousands)

Particulars	As at March 31, 2019			
	At Amortised Cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total
	1	2	3	4=1+2+3
(a)Loans from related parties	500.00		-	500.00
Total	**500.00**	**-**	**-**	**500.00**

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Note 7. Other Financial Liabilities

(₹ in Thousands)

Particulars	As at March 31, 2019
Payable to holding co / group companies	2.52
Total	**2.52**

Note 8. Other Non Financial Liabilities:

(₹ in Thousands)

Particulars	As at March 31, 2019
Statutory remittances	5.17
Total	**5.17**

Note 9. Share Capital:

(a) The authorised, issued, subscribed and fully paid up share capital comprises of equity shares having a par value of ₹ 10/- as follows:

(₹ in Thousands)

Authorised :	As at March 31, 2019
2,000,000 Equity shares of ₹ 10/- each with voting rights	20,000.00
Issued, Subscribed and Paid Up:	-
100,000 Equity shares of ₹ 10/- each fully paidup with voting rights	1,000.00
Total	**1,000.00**

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

Particulars	As at March 31, 2019	
	No. of shares	₹ in Thousands
At the beginning of the year	-	-
Add: Issued during the year	100,000	1,000.00
Outstanding at the end of the year	**100,000**	**1,000.00**

(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 ₹ 10/- each. Each holder of equity shares is entitled to one vote per share.

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, 2019	
	No. of shares	% holding
IIFL Wealth Management Limited & its nominees	100,000	100.0%

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

Particulars	As at March 31, 2019	
	No. of shares	% holding
IIFL Wealth Management Limited & its nominees	100,000	100.0%

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Note 10. Other Equity:

(₹ in Thousands)

Particulars	As at March 31, 2019
Retained earnings	(1,264.55)
Total	**(1,264.55)**

Note 11. Finance Cost

(₹ in Thousands)

Particulars	For the period June 22, 2018 to March 31, 2019		
	On financial liabilities measured at fair value through profit or loss	On financial liabilities measured at amortised cost	Total
Interest on borrowings	-	6.79	6.79
Total	**-**	**6.79**	**6.79**

Note 12. Other Expenses:-

(₹ in Thousands)

Particulars	For the period June 22, 2018 to March 31, 2019
Rent and energy cost	147.16
Legal & professional fees	543.48
Office & other expenses	417.12
Remuneration to Auditors :	
Audit fees (net of GST input credit)	150.00
Total	**1,257.76**

Note 13. Earnings Per Share:

Basic and diluted earnings per share ["EPS"] computed in accordance with IND AS 33 'Earnings per share".

Particulars		For the period June 22, 2018 to March 31, 2019
Face value of equity shares in ₹ fully paid up		10.00
BASIC		
Loss after tax as per statement of profit and loss (₹ in Thousands)	A	(1,264.55)
Weighted average number of shares subscribed	B	62,466
Face value of equity shares (in ₹) fully paid		10.00
Basic EPS (₹)	A/B	(20.24)
DILUTED		
Loss after tax as per statement of profit and loss (₹ in Thousands)	A	(1,264.55)
Weighted number of shares subscribed	B	62,466
Diluted EPS (₹)	A/B	(20.24)

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Note 14. Disclosure Pursuant to Ind AS 107 "Financial Instruments: Disclosures"
Financial Risk Management
14A.1. Credit Risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk assessement on various components is described below:

1) **Others**

Credit Risk on Other Financial assets is considered insignificant considering the nature of such assets and absence of counterparty risk.

14B. Liquidity Risk

Liquidity risk refers to the risk that the Company may not be able to meet its short-term financial obligations. The Company manages liquidity risk by maintaining sufficient cash and marketable securities and by having access to funding through an adequate amount of credit lines. Further, The Company has well defined Asset Liability Management (ALM) Framework with an appropriate organizational structure to regularly monitor and manage maturity profiles of financial assets and financial liabilities including debt financing plans, cash and cash equivalent instruments to ensure liquidity. The Company seeks to maintain flexibility in funding mix by way of sourcing the funds through money markets, debt markets and banks to meet its business and liquidity requirements.

The following table shows the maturity profile of Financial liabilities: (₹ In Thousands)

	As at 31st March 2019					
Financial liabilities	**Total**	**Less than 1 months**	**1 months to 6 months**	**6 months to 1 year**	**Between 1 to 5 years**	**5 years and above**
Trade Payables	150.00	150.00	-	-	-	-
Borrowings	500.00	500.00	-	-	-	-
Other financial liabilities	2.52	2.52	-	-	-	-
Total	**652.52**	**652.52**	-	-	-	-

14C. Market Risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in futures cash flows that may result from a change in the price of a financial instrument.

14C.1 Currency Risk

The Company does not have any transactions in foreign currency and hence it is not exposed to Foreign currency risk.

14C.2 Interest rate risk

The Company has considered interest rate risk on financial assets and liabilities accounted for on amortised cost basis.
The Company's doe not have any exposure to changes in interest rates as the Company does not have any outstanding floating rate debt included in borrowings/debt securities.

14C3. Other Price Risk

The Company does not have any investments during the year.

14D.Capital Management

The Company's capital management is intended to create value for shareholders. The assessment of Capital level and requirements are assessed having regard to long-and short term strategies of the Company and regulatory capital requirements of its businesses and constituent entities.

34E. Category Wise Classification for applicable Financial Assets and Liabilities (₹ In Thousands)

Sr No.	Particulars	As at 31st March 2019			
		Measure at Amorised Cost	**Measured At Fair Value through Profit or Loss (P/L)**	**Measured At Fair Value through Other Comprehensive Income (OCI)**	**Total**
	Financial Assets				
(a)	Cash and cash equivalents	144.32	-	-	144.32
(b)	Other financial assets	248.82	-	-	248.82
	Total	**393.14**	-	-	**393.14**
	Financial Liabilities				
(a)	Payables				-
	(I)Trade payables				-
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	150.00	-	-	150.00
(b)	Borrowings	500.00	-	-	500.00
(c)	Other financial liabilities	2.52	-	-	2.52
	Total	**652.52**	-	-	**652.52**

14E.1. Fair values of financial instruments

The Company measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.
– Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments. This include NAVs of the schemes of mutual funds.
– Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
– Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.
The Company uses widely recognised valuation methods to determine the fair value of common and simple financial instruments, such as interest rate swaps, optins, which use only observable market data as far as practicable. Observable prices or model inputs are usually available in the market for listed debt and equity securities, exchange-traded derivatives and simple OTC derivatives such as interest rate swaps.

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Note 14. Disclosure Pursuant to Ind AS 107 "Financial Instruments: Disclosures" (continued)

34E. 1a Fair value of financial assets and financial liabilities measured at amortised cost

(₹ in Thousands)

Financial Assets and liabilities which are measured at amortised cost for which fair values are disclosed	As at 31st March 2019	
	Carrying Value	Fair Value
Financial Assets		
Cash and cash equivalents	144.32	144.32
Other financial assets	248.82	248.82
Financial Liabilities		
(I)Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	150.00	150.00
Borrowings	500.00	500.00
Other financial liabilities	2.52	2.52

Financial assets measured at amortised cost:

The carrying amounts of cash and cash equivalents and other bank balances ,trade and other receivables, loans and other financial assets are considered to be the same as their fair values due to their short term nature.

Financial liabilities measured at amortised cost:

The carrying amounts of trade payables and other financial liabilities are considered to be the same as their fair values due to their short term nature. The carrying amounts of borrowings with floating rate of interest are considered to be close to the fair value.

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Note 15. Related Party Disclosures:
Related party disclosures for the period ended 31st March, 2019

a) List of Related Parties:

Nature of relationship	Name of party
Director/ Key Managerial Personel	Anu Jain, Director
	Yatin Shah, Director
	Pankaj Fitkariwala, Director
Parent Company	IIFL Wealth Management Limited
Other Related Parties * (Ultimate Holding Company)	IIFL Holdings Limited
Fellow Subsidiaries	IIFL Asset Management Limited
	IIFL Trustee Limited
	IIFL Wealth Finance Limited
	IIFL Investment Adviser and Trustee Services Limited
	IIFL Alternate Asset Advisors Limited
	IIFL Distribution Services Limited
	IIFL Altiore Advisors Private Limited (w.e.f November 05, 2018)
	IIFL Wealth Advisors (India) Limited (w.e.f November 22, 2018)
	IIFL Wealth Employee Benefit Trust (upto March 31, 2018)
	IIFL Wealth Employee Welfare benefit Trust (w.e.f August 01, 2018)
	IIFL Private Wealth Management (Dubai) Limited
	IIFL (Asia) Pte. Limited
	IIFL Inc.
	IIFL Private Wealth Hong Kong Limited
	IIFL Asset Management (Mauritius) Limited (Formerly IIFL Private Wealth (Mauritius) Ltd)
	IIFL Private Wealth (Suisse) SA (upto Feb 28, 2019)
	IIFL Securities Pte. Limited
	IIFL Capital (Canada) Limited
	IIFL Capital Pte. Limited
Other Related Parties * (Group Companies)	IIFL Securities Limited (Formerly known as India Infoline Limited)
	IIFL Commodities Limited (Formerly known as India Infoline Commodities Limited)
	India Infoline Finance Limited
	IIFL Home Finance Limited
	IIFL Insurance Brokers Limited (Formerly known as India Infoline Insurance Brokers Limited)
	IIFL Management Services Limited (Formerly India Infoline Insurance Services Limited)
	IIFL Wealth (UK) Limited
	IIFL Capital Inc.
	IIFL Facilities Services Limited (Formerly known as IIFL Real Estate Limited)
	Clara Developers Private Limited
	Samasta Microfinance Limited (w.e.f March 01, 2017)
	Ayusha Dairy Private Limited (w.e.f March 01, 2017)
	IIFL Asset Reconstruction Limited (w.e.f May 09, 2017)
Other related Parties	Mr. Karan Bhagat
	General Atlantic Singapore Fund Pte Limited
	Ms. Shilpa Bhagat (Spouse of Mr. Karan Bhagat)
	Ms. Madhu Jain (Spouse of Mr. Nirmal Jain)
	Mr. Prakashchandra Shah (Relative of Mr. Yatin Shah)
	India Infoline Foundation
	Kyrush Investments
	Kyrush Realty Private Limited
	Naykia Realty Private Limited
	India Alternatives Investment Advisors Private Limited (Fellow Subsidiary Upto March 31, 2017)
	Yatin Investment
	Orpheous Trading Private Limited
	Ardent Impex Private Limited
	5paisa Capital Limited
	5paisa P2P Limited
	5paisa Insurance Brokers Limited
	MNJ Consultants Private Limited
	Sunder Bhawar Ventures Private Limited
	Sunder Bhanwar Holiday Home Private Limited (Upto Mar 04, 2018)
	Khimji Kunverji & Co (Chartered Accountant Firm of Mr. Nilesh Vikamsey)
	Yatin Prakash Shah (HUF)
	Nirmal Madhu Family Private Trust
	Kalki Family Private Trust
	Kush Family Private Trust
	Kyra Family Private Trust
	Bhagat Family Private Trust
	Kyrush Family Private Trust
	Naykia Family Private Trust
	Prakash Shah Family Private Trust
	Naysa Shah Family Private Trust
	Kiaah Shah Family Private Trust

*Date of Demerger – 1 April 2018 being the appointed date in terms of the Composite Scheme of Arrangement amongst India Infoline Finance Limited ("IIFL Finance"), IIFL Holdings Limited ("IIFL Holdings"), India Infoline Media and Research Services Limited ("IIFL M&R"), IIFL Securities Limited ("IIFL Securities"), IIFL Wealth Management Limited ("IIFL Wealth") and IIFL Distribution Services Limited ("IIFL Distribution"), and their respective shareholders, under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 ("Scheme") approved by the Board of Directors of the Holding Company at its meeting held on January 31, 2018, and approved by the National Company Law Tribunal Bench at Mumbai (Tribunal) on March 07, 2019 under the applicable provisions of the Companies Act, 2013. The disclosures hereunder are on the basis of the said scheme becoming effective from April 1, 2018.

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Note 15. Related Party Disclosures: (continued)

b) Significant Transactions with Related Parties

(₹ in Thousands)

Nature of Transaction	Parent Company	Total
Share Capital		
IIFL Wealth Management Ltd	1,000.00	1,000.00
ICD Taken		
IIFL Wealth Management Ltd	500.00	500.00
Interest Expense on ICD		
IIFL Wealth Management Ltd	6.79	6.79
Other funds Paid		
IIFL Wealth Management Ltd	470.31	470.31

c) Amount due to / from related parties (Closing Balances):

(₹ in Thousands)

Nature of Transaction	Parent Company	Total
ICD Taken		
IIFL Wealth Management Ltd	500.00	500.00
Sundry Payables		
IIFL Wealth Management Ltd	2.52	2.52

Note 16. Going concern

The Company has reported loss of Rs. 1,264.55 thousands for the period June 22, 2018 to March 31, 2019. The company also has outstanding payable of Rs. 502.52 thousands to Parent Company as on March 31, 2019. There is significant erosion of Net Worth. However, in view of financial support available from the IIFL Wealth Management Limited (the Parent Company), there is no material uncertainty as to the ability of the Company to continue as a going concern and hence, the financial statements have been prepared on a going concern basis. The Company is assured of continuing operational and financial support from the Parent Company for the period of 12 months from May 13, 2019.

Note 17. Events after reporting period

There were no subsequent events from the date of financial statements till the date of adoption of accounts

Note 18. Approval of Financial Statements

The financial statements were approved for issuance by the Board of Directors on May 13, 2019

For and on behalf of the Board of Directors

Pankaj Fitkariwala
Director
(DIN: 07356813)

Anu Jain
Director
(DIN: 01001502)

DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS
MUMBAI

Place : Mumbai
Dated: May 13, 2019