

# Deloitte Haskins & Sells LLP

## Chartered Accountants

One International Centre,  
27<sup>th</sup> – 32<sup>nd</sup> Floor, Tower 3,  
Senapati Bapat Marg,  
Elphinstone Mill Compound,  
Prabhadevi (W), Mumbai- 400 013  
Maharashtra, India.

Phone: +91 22 6185 4000  
Fax: +91 22 6185 4501/4601

## INDEPENDENT AUDITOR'S REPORT

### To The Members of IIFL Wealth Portfolio Managers Limited (Formerly known as IIFL Alternate Asset Advisors Limited) Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of **IIFL Wealth Portfolio Managers Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 2021, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the 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 in the Director's report including Annexures to Directors' report, but does not include the financial statements and our auditor's report thereon. The Director's report including Annexures to Directors' report is expected to be made available to us after the date of this auditor's report.



# Deloitte Haskins & Sells LLP

- Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the 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,



# Deloitte Haskins & Sells LLP

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.

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

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

## 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.



# Deloitte Haskins & Sells LLP

- 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 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position as at 31<sup>st</sup> March 2021, in its financial statements (refer note 33).
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts. (refer note 5)
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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



Pallavi A. Gorakshakar  
(Partner)  
(Membership No.105035)  
(UDIN: 21105035AAAAEF5871)

Place: Mumbai  
Date: 14 May 2021

# Deloitte Haskins & Sells LLP

## **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 Portfolio Managers Limited** ("the Company") as of March 31, 2021 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 issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

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

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

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



# Deloitte Haskins & Sells LLP

## 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, 2021, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Pallavi A. Gorakshakar  
(Partner)  
(Membership No.105035)  
(UDIN: 21105035AAAAEF5871)

Place: Mumbai  
Date: 14 May 2021

# Deloitte Haskins & Sells LLP

## 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) To the best of our knowledge and according to information and explanation given to us the:
  - (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) To the best of our knowledge and according to the information and explanations given to us, the Company does not have any inventory and hence reporting under clause (ii) of the CARO 2016 is not applicable.
- (iii) To the best of our knowledge and according to information and explanation given to us, the Company has granted unsecured loans to companies 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) To the best of our knowledge and according to information and explanation given to us the, 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) To the best of our knowledge and according to the information and explanations given to us, the Company has not accepted any public deposit during the year and hence reporting under clause (v) of CARO 2016 is not applicable.
- (vi) To the best of our knowledge and according to the information and explanations given to us the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of the services rendered by the Company.



# Deloitte Haskins & Sells LLP

- (vii) To the best of our knowledge and according to the information and explanations given to us, in respect of statutory dues:
- The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, 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, Custom Duty, Excise Duty and Employees' State Insurance is not applicable to the Company.
  - There were no undisputed amounts payable in respect of Provident Fund, Income-Tax, Goods and Service Tax, cess and other material statutory dues in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.
  - Details of dues of Income-tax which have not been deposited as on March 31, 2021 on account of disputes are given below.

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (Rs. in million)	Amount Unpaid (Rs. million)
Income Tax Act, 1961	Disallowances under 14A and Disallowances of Expense	Commissioner of Income- Tax (Appeals)	A.Y 2016-2017	86.61	69.28

- (viii) To the best of our knowledge and according to the information and explanations given to us, in our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government. The Company has not issued any debentures.
- (ix) To the best of our knowledge and according to the information and explanations given to us, the Company has not raised money 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.





# Deloitte Haskins & Sells LLP

- (xi) To the best of our knowledge 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.
- (xiii) To the best of our knowledge 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) To the best of our knowledge and according to the information and explanations given to us, 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.
- (xv) To the best of our knowledge 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)  
(UDIN: 21105035AAAAEF5871)

Place: Mumbai,  
Date: 14 May 2021

**FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED**  
**(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)**  
**BALANCE SHEET AS AT MARCH 31, 2021**

₹ in Mn

Sr. No.	Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
	<b>ASSETS</b>			
<b>1</b>	<b>Financial Assets</b>			
(a)	Cash and cash equivalents	3	386.27	111.64
(b)	Bank balance other than (a) above	4	2.87	-
(c)	Derivative financial instruments	5	146.00	-
(d)	Receivables	6		
	(I) Trade receivables		282.91	286.24
	(II) Other receivables		9.93	344.34
(e)	Loans	7	0.28	650.00
(f)	Investments	8	1,764.30	1,144.63
(g)	Other financial assets	9	0.80	58.02
<b>2</b>	<b>Non-Financial Assets</b>			
(a)	Current tax assets (net)		79.32	28.41
(b)	Deferred tax assets (net)	10	-	8.57
(c)	Property, plant and equipment	11	0.03	0.08
(d)	Capital work-in-progress	12	7.40	-
(e)	Other intangible assets	13	0.11	0.73
(f)	Right to Use Assets	14	1.25	2.40
(g)	Other non-financial assets	15	25.78	3.03
	<b>Total Assets</b>		<b>2,707.25</b>	<b>2,638.09</b>
	<b>LIABILITIES AND EQUITY</b>			
	<b>LIABILITIES</b>			
<b>1</b>	<b>Financial Liabilities</b>			
(a)	Payables	16		
	(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		72.83	54.29
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(b)	Financial Lease Obligation	14	1.38	2.52
(c)	Other financial liabilities	17	117.37	114.06
<b>2</b>	<b>Non-Financial Liabilities</b>			
(a)	Current tax liabilities (net)		94.48	72.57
(b)	Provisions	18	14.15	9.52
(c)	Deferred tax liabilities (net)	10	18.23	-
(d)	Other non-financial liabilities	19	41.37	25.43
<b>3</b>	<b>EQUITY</b>			
(a)	Equity share capital	20	2.49	2.49
(b)	Other equity	21	2,344.95	2,357.21
	<b>Total Liabilities and Equity</b>		<b>2,707.25</b>	<b>2,638.09</b>

See accompanying Notes to the Financial Statements

In terms of our report attached

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants



**Pallavi A. Gorakshakar**  
Partner

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



**Yatin Shah**  
Director  
(DIN: 03231090)



**A Pramod Kumar**  
Whole Time Director  
(DIN: 00820684)

Place : Mumbai  
Dated: May 14, 2021

Place : Mumbai  
Dated: May 14, 2021

**FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021**

₹ in Mn

SR. No.	Particulars	Note No.	2020-21	2019-20
<b>1</b>	<b>Revenue from operations</b>			
(a)	Interest income	22	77.93	179.52
(b)	Dividend & Distribution income on investments	23	15.29	0.61
(c)	Fees and commission income	24	676.29	533.91
(d)	Net gain on fair value changes	25	534.08	193.87
(e)	Sale of products		486.85	410.41
	<b>Total revenue from operations</b>		<b>1,790.44</b>	<b>1,318.32</b>
<b>2</b>	<b>Other income</b>	26	0.06	-
<b>3</b>	<b>Total income (1+2)</b>		<b>1,790.50</b>	<b>1,318.32</b>
	<b>Expenses</b>			
(a)	Finance costs	27	67.57	85.32
(b)	Fees and commission expenses		236.66	133.18
(c)	Impairment on financial instruments	28	(0.01)	0.02
(d)	Purchases of Stock-in-trade		538.23	420.48
(e)	Employee benefits expenses	29	210.09	67.21
(f)	Depreciation, amortization and impairment	11,12 & 14	1.81	1.83
(g)	Other expenses	30	67.84	36.67
<b>4</b>	<b>Total expenses</b>		<b>1,122.19</b>	<b>744.70</b>
<b>5</b>	<b>Profit before tax (3-4)</b>		<b>668.31</b>	<b>573.62</b>
<b>6</b>	<b>Tax expense:</b>			
(a)	Current tax	30	124.38	158.19
(b)	Deferred tax	30	26.92	(4.66)
<b>7</b>	<b>Profit for the year (5-6)</b>		<b>517.01</b>	<b>420.09</b>
<b>8</b>	<b>Other comprehensive income</b>			
(a)	(i) Items that will not be reclassified to profit or loss - Remeasurements of Employee Benefits	29.1	(0.50)	(2.69)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	31	0.13	0.68
	Subtotal (a)		<b>(0.37)</b>	<b>(2.01)</b>
	<b>Total Other comprehensive income/ loss (a+b)</b>		<b>(0.37)</b>	<b>(2.01)</b>
<b>9</b>	<b>Total comprehensive income for the period (7+8) (Comprising profit and other comprehensive loss for the year)</b>		<b>516.64</b>	<b>418.08</b>
<b>10</b>	<b>Earnings per equity share</b>			
	Basic (Rs.)	32	2,072.35	1,683.86
	Diluted (Rs.)	32	2,072.35	1,683.86

See accompanying Notes to the Financial Statements

In terms of our report attached

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants

**Pallavi A. Gorakshakar**  
Partner

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

**Yatin Shah**  
Director  
(DIN: 03231090)

**A Pramod Kumar**  
Whole Time Director  
(DIN: 00820684)

Place : Mumbai  
Dated: May 14, 2021

Place : Mumbai  
Dated: May 14, 2021

**FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
STATEMENT OF CASHFLOWS FOR THE YEAR ENDED MARCH 31, 2021**

₹ in Mn

Particulars	2020-21	2019-20
<b>A. Cash flows from operating activities</b>		
<b>Profit before taxation and extraordinary item</b>	668.31	573.62
<b>Adjustments for:</b>		
Depreciation & amortisation	1.81	1.83
Provisions for employee benefits	2.28	0.35
Net changes in fair value through Profit and Loss of investments		
- Realised	(166.85)	(222.98)
- Unrealised	(160.28)	45.70
Provision for Expected credit loss	(0.01)	0.02
Interest income	(77.93)	(179.52)
Interest expenses	67.57	85.26
Dividend & Distribution Income from investments	(15.29)	(0.61)
<b>Operating profit before working capital changes</b>	<b>319.61</b>	<b>303.66</b>
<b>Changes in working Capital :</b>		
(Increase)/ Decrease in Financial/Non-financial Assets	389.23	(354.35)
Increase/ (Decrease) in Financial/Non-financial Liabilities	38.51	(150.78)
<b>Cash generated from/ (used in) operations</b>	<b>747.35</b>	<b>(201.47)</b>
(Increase)/ Decrease in Loans	-	-
<b>Cash used in operating activities</b>	<b>747.35</b>	<b>(201.47)</b>
<b>Cash flow before extraordinary item</b>		-
Net income tax(paid) / refunds	(153.37)	(90.73)
<b>Net cash generated from/ (used in) operating activities (A)</b>	<b>593.98</b>	<b>(292.20)</b>
<b>B. Cash flows from investing activities</b>		
Purchase of investments	(51,070.65)	(66,208.81)
Sale of investments	50,757.95	65,366.97
Derivative Financial instrument invested	(146.00)	
Interest received	77.93	180.63
Dividend income	15.29	1.21
Purchase/sale of Property, plant and equipment (includes intangible assets)	(7.40)	(0.95)
Slumpsale acquisition cost	-	(110.00)
Intercorporate Deposit - given	(13,130.00)	(9,960.45)
Intercorporate Deposit - received	13,780.00	11,502.93
<b>Net cash generated from investing activities (B)</b>	<b>277.12</b>	<b>771.55</b>
<b>C. Cash flows from financing activities</b>		
Dividend paid (including dividend distribution tax)	(528.90)	(240.61)
Debt securities bought back	-	(50.00)
Borrowings - taken	60,468.00	51,731.02
Borrowings - repaid	(60,468.00)	(51,731.02)
Interest paid	(67.57)	(77.42)
<b>Net cash generated (used in) financing activities (C)</b>	<b>(596.47)</b>	<b>(368.03)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>274.63</b>	<b>111.32</b>
Opening Cash & cash equivalents	111.64	0.32
<b>Closing Cash &amp; cash equivalents</b>	<b>386.27</b>	<b>111.64</b>

In terms of our report attached

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants



**Pallavi A. Gorakshakar**  
Partner

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



**Yatin Shah**  
Director  
(DIN: 03231090)



**A Pramod Kumar**  
Whole Time Director  
(DIN: 00820684)

FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

₹ in Mn

Particulars	Equity Attributable to Owners of the Company							Total
	Equity Share Capital	Other Equity					Total Other Equity	
		Securities Premium	General Reserve	Capital Reserve	Debt Redemption Reserve [Refer note (e)]	Retained Earnings		
Balance as at 1st Apr, 2020	2.49	1,996.00	62.50	(0.22)	-	298.94	2,357.22	2,359.71
Profits for the year	-	-	-	-	-	517.01	517.01	517.01
Other Comprehensive income	-	-	-	-	-	(0.37)	(0.37)	(0.37)
Dividend Paid	-	-	-	-	-	(528.90)	(528.90)	(528.90)
Balance at the 31 Mar 2021	2.49	1,996.00	62.50	(0.22)	-	286.68	2,344.96	2,347.45

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

₹ in Mn

Particulars	Equity attributable to owners of the Company							Total
	Equity Share Capital	Reserves & Surplus					Total Other Equity	
		Securities Premium	General Reserve	Capital Reserve	Debt Redemption Reserve [Refer note (e)]	Retained Earnings		
Balance as at 1st Apr, 2019	2.49	1,996.00	50.00	(102.52)	12.50	252.98	2,208.96	2,211.45
Reinstated balance as at 1st Apr, 2019	2.49	1,996.00	50.00	(102.52)	12.50	252.98	2,208.96	2,211.45
Dividend distribution tax	-	-	-	-	-	(41.03)	(41.03)	(41.03)
Profits for the year	-	-	-	-	-	420.09	420.09	420.09
Other comprehensive income	-	-	-	-	-	(2.01)	(2.01)	(2.01)
Dividends	-	-	-	-	-	(199.58)	(199.58)	(199.58)
Transfer (to)/from other reserves	-	-	12.50	102.30	(12.50)	-	102.30	102.30
Balance at the 31 Mar 2020	2.49	1,996.00	62.50	(0.22)	-	298.94	2,357.22	2,359.71

a) **Securities Premium**

The amount received in excess of face value of the equity shares is recognised in Securities premium.

b) **General Reserve**

On Buyback of debentures, the debt redemption reserve was transferred to General Reserve

c) **Capital Reserve**

The net assets have been acquired by the Company from the Holding company via slump sale agreement at a net excess consideration of ₹0.22 Mn during FY 2019-20. Such excess consideration has been recognised as debit to Capital Reserves.

d) **Retained Earnings**

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

e) **Debt Redemption Reserve (DRR)**


The Company had issued Non-convertible debentures and created DRR in terms of the Companies (Share capital and Debt Redemption Reserve) Rules, 2014 (as amended). The amounts credited to DRR may not be utilised except to redeem the debentures.

In terms of our report attached

For Deloitte Haskins & Sells LLP  
Chartered Accountants

  
Pallavi A. Gorakshakar  
Partner

For and on behalf of the Board of Directors

  
Yatin Shah  
Director  
(DIN: 03231090)

  
A Pramod Kumar  
Whole Time Director  
(DIN: 00820684)

Place : Mumbai  
Dated: May 14, 2021

Place : Mumbai  
Dated: May 14, 2021

**FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
Notes forming part of Financial Statements for the period ended March 31, 2021**

**Note 1. Corporate Information:**

IIFL Wealth Portfolio Managers Limited (Formerly IIFL Alternate Asset Advisors Limited) (the “Company”) is a public limited company incorporated under the Companies Act, 1956. The Company acts as an Investment Manager to schemes of Alternative Investment Funds and obtained registration from SEBI for Portfolio Management Services. The Company also acts as wealth manager and provides services relating to financial products, portfolio management services by mobilizing funds and assets of various classes of investors including High Networth Individuals.

**Note 2. 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 14, 2021.

**c) Revenue Recognition**

Revenue is recognised when the promised goods and services are transferred to the customer i.e. when performance obligations are satisfied. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties

The following is a description of principal activities from which the Company generates its revenue.

- Investment/Fund Management fees: The fees are a series of a similar services and a single performance obligation satisfied over a period of time. These are recognised in accordance with the arrangements entered into with the respective customers.
- Portfolio Management fees: The fees are a series of a similar services and a single performance obligation satisfied over a period of time. These are billed on a monthly / quarterly basis.
- Advisory Fees: Revenue is recognised over time or when the outcome of a transaction can be estimated reliably by reference to the stage of completion of the transaction in accordance with the underlying arrangements
- Others: Revenue is recognised when the outcome of a transaction can be estimated reliably by reference to the stage of completion of the transaction.
- Lending / Investments related Income
  - Interest income on investments and loans is accrued on a time basis by reference to the principal outstanding and the effective interest rate including interest on investments that may be classified as fair value through profit or loss or fair value through other comprehensive income.
  - Dividend/ distribution income is accounted in the period in which the right to receive the same is established.

**d) Property, plant and equipment**

**Measurement at recognition:**

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The Company identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and



A handwritten signature in blue ink, appearing to be 'R. Srinivas', is located in the bottom right corner of the page.

**FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
Notes forming part of Financial Statements for the period ended March 31, 2021**

the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met.

**Capital work in progress and Capital advances:**

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Financial Assets.

**Depreciation:** Depreciation on each item of property, plant and equipment is provided using the Straight-Line Method based on the useful lives of the assets as estimated by the management and is charged to the Statement of Profit and Loss. Significant components of assets identified separately pursuant to the requirements under Schedule II of the Companies Act, 2013 are depreciated separately over their useful life.

Freehold land is not depreciated. Leasehold land and Leasehold improvements are amortized over the period of lease.

Individual assets / group of similar assets costing up to ₹5,000 has been depreciated in full in the year of purchase. Lease hold land is depreciated on a straight line basis over the lease hold period.

**Estimated useful life of the assets is as under:**

Class of assets	Useful life in years
Computers*	3
Office equipment	5
Furniture and fixtures*	5

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

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

**Derecognition:**

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

**e) Intangible assets**

**Measurement at recognition:**

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Internally generated intangibles are not capitalized and the related expenditure is recognized in the Statement of Profit and Loss in the period in which the expenditure is incurred. Following initial recognition, intangible assets with finite useful life are carried at cost less accumulated amortization and accumulated impairment loss, if any. Intangible assets with indefinite useful lives, that are acquired separately, are carried at cost/fair value at the date of acquisition less accumulated impairment loss, if any.

**Amortization:**

Intangible Assets with finite lives are amortized on a Straight Line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss. The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.



**FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
Notes forming part of Financial Statements for the period ended March 31, 2021**

**Estimated useful economic life of the assets is as under:**

Class of assets	Useful life in years
Software	3-5

**Derecognition:**

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

**f) Impairment**

Assets that have an indefinite useful life, for example goodwill, are not subject to amortization and are tested for impairment annually and whenever there is an indication that the asset may be impaired. Assets that are subject to depreciation and amortization are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal. Impairment losses, if any, are recognized in the Statement of Profit and Loss and included in depreciation and amortization expenses.

Impairment losses are reversed in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

**g) Financial Instruments**

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

**Financial assets**

**Initial recognition and measurement:**

The Company recognizes a financial asset in its Balance Sheet when it becomes party to the contractual provisions of the instrument.

All financial assets are recognized 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 below criteria:

- i. the Company's business model for managing the financial asset and
- ii. The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

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

**i. Financial assets measured at amortized cost:**

A financial asset is measured at the amortized cost if both the following conditions are met:

- a) the Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and





**FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
Notes forming part of Financial Statements for the period ended March 31, 2021**

- b) 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 recognized in profit or loss and changes in fair value (other than on account of above income or expense) are recognized in other comprehensive income and accumulated in other equity. On disposal of such debt instruments at FVOCI 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 explained 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 recognized in the Statement of Profit and Loss.

**Derecognition:**

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

- i. The contractual rights to cash flows from the financial asset expires;
- ii. 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;
- iii. 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);
- iv. 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 recognized in the Statement of Profit and Loss.

**Impairment of financial assets:**

The Company recognizes 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.



A handwritten signature in blue ink, appearing to be 'R. Anand', is located in the bottom right corner of the page.

**FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
Notes forming part of Financial Statements for the period ended March 31, 2021**

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

For trade receivables and financial assets arising from transactions within the scope of Ind AS 115 the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and forward-looking information.

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

#### **Financial Liabilities**

##### **Initial recognition and measurement:**

The Company recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. Having regard to the terms and structure of issuance, Financial Liabilities are categorized as follows:

- (i) recognized at amortised costs
- (ii) recognized at fair value through profit and loss (FVTPL) including the embedded derivative component if any, which is not separated.
- (iii) where there is an embedded derivative as part of the financial liability, such embedded derivative is separated and recorded at fair value and the remaining component is categorized as on amortised costs.

##### **Subsequent measurement:**

- (i) All financial liabilities of the Company are categorized as subsequently measured at amortized cost are subsequently measured using the effective interest method.
- (ii) All financial liabilities of the Company categorized at fair value are subsequently measured at fair value through profit and loss statement.
- (iii) For derivatives embedded in the liability, the embedded derivative is subsequently measured at fair value through profit and loss and the liability is subsequently measured at amortised cost using the effective interest method.

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

#### **h) Derivative financial instruments**

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

In a financial instrument involving embedded derivative, which is separated from the host contract, such embedded derivative component is accounted separately from the underlying host contract and is initially recognized at fair value and is subsequently remeasured at fair value at each reporting period and the resulting gain or loss is recognized in the statement of profit and loss unless the derivative is designated and effective as a hedging instrument.

#### **i) Fair Value**

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability



A handwritten signature in blue ink, appearing to be 'R. Anand', is located in the bottom right corner of the page.

**FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
Notes forming part of Financial Statements for the period ended March 31, 2021**

.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 inputs to valuation techniques used to measure value. 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 recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

**j) 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 recognized in the Statement of Profit and Loss.

**m) Income Taxes**

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

**Current tax:**

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the 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 by the end of reporting period or substantively enacted by the end of reporting period.

**Deferred tax:**

Deferred tax is recognized 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 recognized for all taxable temporary differences. However, 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 recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized 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 recognized.

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.



**FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
Notes forming part of Financial Statements for the period ended March 31, 2021**

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

**Presentation of current and deferred tax:**

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized 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 recognized 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.

**k) Provisions and Contingencies**

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

**l) 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.

**m) Employee Benefits**

**Short Term Employee Benefits:**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. the Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

Post-Employment Benefits:

**i. Defined contribution plans:**

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions into state managed retirement benefit schemes and will have no legal or constructive obligation to pay further contributions, if any, if the state managed funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. the Company's contributions to defined contribution plans are recognised in the Statement of Profit and Loss in the financial year to which they relate. The Company operates defined contribution plans pertaining to Employee State Insurance Scheme and Government administered Pension Fund Scheme for all applicable employees and the Company also operates Defined Contribution Plans pertaining to Provident Fund Scheme.

**Recognition and measurement of defined contribution plans:** The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the



**FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
Notes forming part of Financial Statements for the period ended March 31, 2021**

contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

**II. Defined benefit plans:**

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

**Recognition and measurement of defined benefit plans:**

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan

All expenses represented by current service cost, past service cost if any and net interest on the defined benefit liability (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

**n) Lease accounting (Ind AS 116)**

The Company assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company considers whether (i) the contract involves the use of identified asset; (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Company has right to direct the use of the asset.

**As a lessee**

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. Where appropriate, the right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option.



**FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
Notes forming part of Financial Statements for the period ended March 31, 2021**

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease liability and the right of use asset have been separately presented in the balance sheet and lease payments have been classified as financing activities.

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Company recognises the lease payments associated with these leases as an expense in statement of profit and loss over the lease term. The related cash flows are classified as operating activities.

**As a lessor**

Leases for which the Company is a lessor is classified as finance or operating leases. When the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. The Company recognizes income on operating leases based on the contractual arrangements.

**Critical accounting estimate and judgement**

**1. Determination of lease term**

Ind AS 116 Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised.

**2. Discount rate**

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

**o) Borrowing Cost**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

**p) Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) of the Holding Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

**q) 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



**FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
Notes forming part of Financial Statements for the period ended March 31, 2021**

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.

**2.2 KEY ACCOUNTING ESTIMATES AND JUDGEMENTS**

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

Critical accounting estimates and assumptions

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

**- Property, Plant and Equipment**

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The lives are based on historical experience with similar assets and are based on changes in technical or commercial obsolescence.

**- Defined Benefit Obligation**

The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates.

**- Fair value measurement of Financial Instruments**

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

**- Expected Credit Loss**

The provision for expected credit loss involves estimating the probability of default and loss given default based on the past experience and other factors.



**FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
Notes forming part of Financial Statements for the year ended March 31, 2021**

**Note 3. Cash and Cash Equivalents**

₹ in Mn

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Cash and Cash Equivalents</b>		
Balance with banks		
-In current accounts	-	-
- Others	386.27	111.64
<b>Cash and cash equivalents (As per Ind AS 7 Statement of Cashflows)</b>	<b>386.27</b>	<b>111.64</b>

**Note 4. Bank Balance other than 3 above:**

₹ in Mn

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Other Bank Balances</b>		
In Earmarked Accounts	2.87	-
<b>Total</b>	<b>2.87</b>	<b>-</b>





FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
Notes forming part of Financial Statements for the year ended March 31, 2021

Note 5. Derivative Financial Instruments (Refer Note 34)

₹ in Mn

Part I	As at March 31, 2021		As at March 31, 2020	
	Notional amounts	Fair value - Assets	Notional amounts	Fair value - Assets
<b>(i) Interest rate derivatives</b>				
Interest rate swaps	-	-	-	-
<b>Subtotal(i)</b>	-	-	-	-
<b>(iii) Credit derivatives</b>				
<b>(ii) Equity linked derivatives (Nifty Linked)</b>				
Option premium paid	364.11	146.00	-	-
Option premium received	-	-	-	-
Derivative component of debt securities	-	-	-	-
<b>Subtotal(ii)</b>	<b>364.11</b>	<b>146.00</b>	-	-
<b>(iii) Other derivatives-Futures</b>	-	-	-	-
<b>Total Derivative Financial Instruments</b>	<b>364.11</b>	<b>146.00</b>	-	-

Part II	As at March 31, 2021		As at March 31, 2020	
	Notional amounts	Fair value - Assets	Notional amounts	Fair value - Assets
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:				
(i) Fair value hedging	-	-	-	-
(ii) Cash flow hedging	-	-	-	-
(iii) Net investment hedging	-	-	-	-
(iv) Undesignated derivatives	364.11	146.00	-	-
<b>Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)</b>	<b>364.11</b>	<b>146.00</b>	-	-

Note 6. Receivables (Refer Note 34)

₹ in Mn

Particulars	As at March 31, 2021	As at March 31, 2020
<b>(i) Trade receivables</b>		
Receivables considered good - Unsecured (Refer Note 40)	282.91	286.24
Receivables - credit impaired	0.01	0.01
<b>Total (i)- Gross</b>	<b>282.92</b>	<b>286.25</b>
Less: Impairment loss allowance	(0.01)	(0.01)
<b>Total (i)- Net</b>	<b>282.91</b>	<b>286.24</b>
<b>(ii) Other receivables</b>		
Receivables considered good - Unsecured	9.93	344.34
<b>Total (ii)- Gross</b>	<b>9.93</b>	<b>344.34</b>
Less: Impairment loss allowance	-	-
<b>Total (ii)- Net</b>	<b>9.93</b>	<b>344.34</b>
<b>Total (i+ii)</b>		

- No trade or other receivables are due from directors or from other officers of the Company either severally or jointly with any other person nor any trade or other receivables are due from firms or private companies respectively in which any directors is a partner, director or a member as at 31st March 2021 and 31st March 2020.
- Other receivables include receivables on sale of Investments aggregating to ₹ 3.55 Mn (31/03/2020 - ₹47.32 Mn)
- The Company has adopted simplified approach for impairment allowance on Trade Receivables. Expected credit loss (ECL) has been recognised for credit impaired trade receivables.
- No trade receivables are interest bearing.



Note 7. Loans

₹ in Mn

Loans	As at March 31, 2021						As at March 31, 2020					
	Amortised cost	At Fair value			Subtotal	Total	Amortised cost*	At Fair value			Subtotal	Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss				Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss		
<b>(A)</b>												
(i) Term loans - ICD*	-	-	-	-	-	-	650.00	-	-	-	-	650.00
Interest on ICD	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Staff loan	0.28	-	-	-	-	0.28	-	-	-	-	-	-
<b>Total (A) -Gross</b>	<b>0.28</b>	-	-	-	-	<b>0.28</b>	<b>650.00</b>	-	-	-	-	<b>650.00</b>
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total (A) - Net</b>	<b>0.28</b>	-	-	-	-	<b>0.28</b>	<b>650.00</b>	-	-	-	-	<b>650.00</b>
<b>(B)</b>												
(i) Unsecured	0.28	-	-	-	-	0.28	650.00	-	-	-	-	-
<b>Total (B) -Gross</b>	<b>0.28</b>	-	-	-	-	<b>0.28</b>	<b>650.00</b>	-	-	-	-	-
<b>(C)</b>												
(I) Loans in India	0.28	-	-	-	-	0.28	650.00	-	-	-	-	650.00
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total(C) (I) -Net</b>	<b>0.28</b>	-	-	-	-	<b>0.28</b>	<b>650.00</b>	-	-	-	-	<b>650.00</b>
(II) Loans outside India	-	-	-	-	-	-	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total (C) (II) - Net</b>	<b>-</b>	-	-	-	-	<b>-</b>	<b>-</b>	-	-	-	-	<b>-</b>
<b>Total C(I) and C(II)</b>	<b>0.28</b>	-	-	-	-	<b>0.28</b>	<b>650.00</b>	-	-	-	-	<b>650.00</b>

\* Includes Loan to related parties- Refer Note 40



FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
Notes forming part of Financial Statements for the year ended March 31, 2021

Note 8. Investments

₹ in Mn

₹ in Mn

Investments	As at March 31, 2021							As at March 31, 2020						
	Amortised cost	At Fair value				Others	Total	Amortised cost	At Fair value				Others	Total
		Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss	Subtotal				Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss	Subtotal		
	1	2	3	4	5=2+3+4	6	7=1+5+6	1	2	3	4	5=2+3+4	6	7=1+5+6
(A)														
Mutual funds	-	-	1.49	-	1.49	-	1.49	-	-	263.39	-	263.39	-	263.39
Debt securities	-	-	992.07	-	992.07	-	992.07	-	-	725.80	-	725.80	-	725.80
Alternate investment funds	-	-	758.19	-	758.19	-	758.19	-	-	155.44	-	155.44	-	155.44
Others	-	-	12.55	-	12.55	-	12.55	-	-	-	-	-	-	-
<b>Total (A)</b>	-	-	<b>1,764.30</b>	-	<b>1,764.30</b>	-	<b>1,764.30</b>	-	-	<b>1,144.63</b>	-	<b>1,144.63</b>	-	<b>1,144.63</b>
(B)														
i) Investments outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Investments in India	-	-	1,764.30	-	1,764.30	-	1,764.30	-	-	1,144.63	-	1,144.63	-	1,144.63
<b>Total (B)</b>	-	-	<b>1,764.30</b>	-	<b>1,764.30</b>	-	<b>1,764.30</b>	-	-	<b>1,144.63</b>	-	<b>1,144.63</b>	-	<b>1,144.63</b>
(C)														
Less: Allowance for impairment loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total- Net (D) = A-C</b>	-	-	<b>1,764.30</b>	-	<b>1,764.30</b>	-	<b>1,764.30</b>	-	-	<b>1,144.63</b>	-	<b>1,144.63</b>	-	<b>1,144.63</b>



*(Handwritten signature)*

**FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
Notes forming part of Financial Statements for the year ended March 31, 2021**

**Note 6. Investments (continued)**

₹ in Mn

₹ in Mn

Name of Investment	As at March 31, 2021			As at March 31, 2020		
	Face Value	No. of Units	Total Amount	Face Value	No. of Units	Total Amount
<b>Investment in Mutual Funds include :</b>						
HDFC MUTUAL FUND FMP 1124D JU 18 (1) SR 41 DIR GROWTH 26JL21	-	-	-	10.00	45,45,000.00	52.03
HDFC MUTUAL FUND LIQUID FUND RG GROWTH OPEN ENDED	-	-	-	1,000.00	2,925.00	11.43
IIFL MUTUAL FUND INDIA GROWTH FID DIR GROWTH OPEN	-	-	-	10.00	64,67,210.37	94.01
L & T MUTUAL FUND FMP SR XIV SCHEME A(1233D) GROWTH 15MY20	-	-	-	10.00	87,58,338.00	105.92
FRANKLIN TEMPLETON ASSET MANAGEMENT (INDIA) PRIVATE LIMITED SHORT TERM INCOME PLAN RETAIL GROWTH OPEN END	1,000.00	374.31	1.49	-	-	-
<b>Total (A)</b>			<b>1.49</b>			<b>263.39</b>
<b>Investment in Debt Securities include :</b>						
ARCH AGRO INDUSTRIES PRIVATE LIMITED 19 LOA 17AP20 FVRS10000	10,000.00	11,436.00	-	-	-	-
BANK OF BARODA SR XII 8.25 BD PERPETUAL FVRS10LAC	10,00,000.00	60.00	62.89	-	-	-
ECL FINANCE LIMITED SR-19J603A BR NCD 05FB20 FVRS1LAC	-	-	-	-	-	-
EMBASSY PROPERTY DEVELOPMENTS PRIVATE LIMITED BR NCD 02MR30 FVRS10LAC	10,00,000.00	163.00	161.16	-	-	-
KOTAK MAHINDRA PRIME LIMITED NCD 19JN24 FVRS10LAC	10,00,000.00	76.00	65.41	-	-	-
IIFL WEALTH FINANCE LIMITED SERIES - IFRS-01 BR NCD 05DC19 FVRS1LAC	-	-	-	-	-	-
IIFL WEALTH PRIME LIMITED SERIES 02 BR NCD 15JU21 FVRS1LAC	1,00,000.00	100.00	11.17	1,00,000.00	2.00	0.20
IIFL WEALTH FINANCE LIMITED SR-A1-JUNE2022 LOA 13JU22 FVRS10LAC	-	-	-	10,00,000.00	29.00	37.31
IIFL WEALTH FINANCE LIMITED SR-A3 NCD 10JN24 FVRS10LAC	-	-	-	10,00,000.00	33.00	36.62
IIFL WEALTH FINANCE LIMITED SR-C LOA 24JU22 FVRS10LAC	-	-	-	10,00,000.00	19.00	24.37
IIFLWF-IFM - 01-MLD-2030	-	-	-	1,00,000.00	150.00	14.39
IIFL WEALTH PRIME LIMITED SR EC950 NCD 02AG22 FVRS1LAC	1,00,000.00	206.00	24.70	-	-	-
IIFL WEALTH PRIME LIMITED SR EC700-140222 BR NCD 14FB22 FVRS1LAC	1,00,000.00	50.00	5.15	-	-	-
IIFL WEALTH PRIME LIMITED SR DDC III BR NCD 10NV22 FVRS1LAC	1,00,000.00	500.00	46.04	-	-	-
IIFL WEALTH PRIME LIMITED SR-MARCH2027 10 NCD PERPETUAL FVRS5LAC	5,00,000.00	278.00	140.09	-	-	-
IIFL WEALTH PRIME LIMITED SR EC24 BR NCD 15MY24 FVRS1LAC	1,00,000.00	5.00	0.47	-	-	-
IIFL WEALTH PRIME LIMITED SR 03 BR NCD 10AP24 FVRS1LAC	1,00,000.00	450.00	42.17	-	-	-
IIFL WEALTH PRIME LIMITED SR EC BR NCD 30MR23 FVRS1LAC	1,00,000.00	25.00	2.41	-	-	-
IIFL WEALTH PRIME LIMITED SR-FEB2027 10 NCD PERPETUAL FVRS5LAC	5,00,000.00	600.00	302.94	-	-	-
IIFL WEALTH PRIME LIMITED SERIES IFGD 1 BR NCD 14FB24 FVRS1LAC	1,00,000.00	180.00	21.91	-	-	-
MINDSPACE BUSINESS PARKS REIT SR 2 BR NCD 17MY24 FVRS10LAC	10,00,000.00	51.00	51.91	-	-	-
PUNJAB NATIONAL BANK SR-IX.21BDPERPETUALFVRS10LACLOAUPTO27AP17	-	-	-	10,00,000.00	2.00	1.97
PUNJAB NATIONAL BANK SR-VIII.95 BDPERPETUALFVRS10LACLOAUPTO02AP17	10,00,000.00	53.00	53.65	10,00,000.00	63.00	62.53
STATE BANK OF INDIA SR-III 8.39 BD PERPETUAL FVRS10LAC	-	-	-	10,00,000.00	27.00	27.95
STATE BANK OF INDIA SR-IV 8.15 BD PERPETUAL FVRS10LAC	-	-	-	10,00,000.00	500.00	520.44
<b>Total (B)</b>			<b>992.07</b>			<b>725.80</b>
<b>Investment in Alternate investment funds include :</b>						
BLUME VENTURES (OPPORTUNITIES) FUND IIA	100.00	3,99,310.96	74.13	100.00	4,00,045.84	43.40
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 3 - Class A1	-	-	-	9.44	10,08,589.44	8.72
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 3 - CO INVESTMENT - BIKAJI FOODS INTERNATIONAL LIMITED - CLASS S	10.00	11,880.01	0.19	-	-	-
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 3 - CO INVESTMENT - CAPACITE INFRAPROJECTS LIMITED - CLASS S	10.00	24,279.75	0.14	10.00	19,057.50	0.06
			0.04			
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 3 - CO INVESTMENT - INDIA ENERGY EXCHANGE LTD - CLASS S	-	-	-	10.00	68,860.16	0.55
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 3 - CO INVESTMENT - NATIONAL STOCK EXCHANGE OF INDIA LIMITED - CLASS S	-	-	-	10.00	3,57,904.57	3.70
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 3 - CO INVESTMENT - NAZARA TECHNOLOGIES LIMITED - CLASS S	-	-	-	10.00	1,89,046.18	1.45
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 3 - CO INVESTMENT - NORTHERN ARC CAPITAL LTD - CLASS S	10.00	1,09,267.29	1.16	10.00	85,723.40	0.57
			0.32			
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 3 - CO INVESTMENT - RELIANCE NIPPON LIFE ASSET MANAGEMENT LIMITED - CLASS S	5.55	2,06,424.95	1.62	10.00	1,61,912.90	1.59
			0.45			
IIFL YIELD ENHANCER FUND - CLASS A	2.01	96,57,585.28	16.34	2.24	96,57,585.28	19.23
INDIA HOUSING FUND - CLASS A	9.66	13,56,441.81	15.94	9.92	5,81,911.20	6.37
INDIA HOUSING FUND - CLASS B	9.66	35,26,255.90	41.46	9.92	7,13,259.07	7.82
INDIAREIT FUND SCHEME I	-	-	-	1,00,000.00	188.91	0.81
MALABAR VALUE FUND	100.00	8,55,837.93	165.16	100.00	8,55,837.93	61.17
IIFL INDIA PE FUND SERIES 1A - CLASS S	10.00	49,99,750.01	66.12	-	-	-
IIFL EQUITY OPPORTUNITIES FUND - CLASS A	10.00	1,40,90,830.26	142.34	-	-	-
IIFL EQUITY OPPORTUNITIES FUND - CLASS S	10.00	45,30,091.91	46.48	-	-	-
IIFL-ONE CORE SOLUTIONS AGGRESSIVE	10.00	95,32,149.91	103.31	-	-	-
IIFL-ONE CORE SOLUTIONS BALANCED	10.00	58,20,136.79	62.14	-	-	-
IIFL-ONE CORE SOLUTIONS CONSERVATIVE	10.00	19,99,900.01	20.85	-	-	-
<b>Total (C)</b>			<b>758.19</b>			<b>155.44</b>



*[Handwritten Signature]*

FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
Notes forming part of Financial Statements for the year ended March 31, 2021

Note 6. Investments (continued)

₹ in Mn

₹ in Mn

Name of Investment	As at March 31, 2021			As at March 31, 2020		
	Face Value	No. of Units	Total Amount	Face Value	No. of Units	Total Amount
<b>Investment in Gold PTC include :</b>						
LIQUID GOLD SERIES 3 - DEC 2023	1,00,000.00	30.00	3.25	-	-	-
LIQUID GOLD SERIES 4 - FEB 2024	1,00,000.00	14.00	1.40	-	-	-
			<b>4.65</b>			
<b>Investment in Other include :</b>						
BROOKFIELD INDIA REAL ESTATE TRUST	10.00	35,400.00	7.90	-	-	-
			<b>7.90</b>			
<b>Total (A + B +C)</b>			<b>1,764.30</b>			<b>1,144.63</b>



FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
Notes forming part of Financial Statements for the year ended March 31, 2021

Note 9. Other financial assets

₹ in Mn

Particulars	As at March 31, 2021	As at March 31, 2020
Other deposits	0.09	0.09
Advances to Group/Holding company *	0.71	57.93
<b>Total</b>	<b>0.80</b>	<b>58.02</b>

\* Includes balances with Related Party (Refer note 40)

Note 10. Deferred Taxes

Significant components of deferred tax assets and liabilities recorded in the Balance Sheet and changes recorded in income tax expense for the year ended March 31, 2021 are as follows:

₹ in Mn

	Opening balance as at Apr 1, 2020	Recognised in profit or loss*	On account of Slump sale#	MAT credit (utilised)/(reversed)/Created	Recognised in/reclassified from OCI	Closing balance as at Mar 31, 2021
<b>Deferred tax assets:</b>						
Deferred tax assets:						-
Difference between book base and tax base of property, plant & equipment, investment property and intangible assets	0.14	0.03	-	-	-	0.17
Impairment of Financials Assets	0.00	(0.00)	-	-	-	0.00
Unrealised profit on investments etc.	5.86	(27.86)	-	-	-	(22.00)
Retirement benefits for employees	2.40	1.04	-	-	0.13	3.57
Impact of IndAS 116	0.03	-	-	-	-	0.03
Unspent CSR	0.13	(0.13)	-	-	-	-
<b>Total deferred tax assets (A)</b>	<b>8.56</b>	<b>(26.92)</b>	<b>-</b>	<b>-</b>	<b>0.13</b>	<b>(18.23)</b>
<b>Total deferred tax liabilities (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Deferred tax liabilities (B - A)</b>	<b>(8.56)</b>	<b>26.92</b>	<b>-</b>	<b>-</b>	<b>(0.13)</b>	<b>18.23</b>

Significant components of deferred tax assets and liabilities recorded in the Balance Sheet and changes recorded in income tax expense for the year ended March 31, 2020 are as follows:

₹ in Mn

	Opening balance as at Apr 1, 2019	Recognised in profit or loss	On account of Slump sale	MAT credit (utilised)/(reversed)/Created	Recognised in/reclassified from OCI	Closing balance as at Mar 31, 2020
<b>Deferred tax assets:</b>						
Deferred tax assets:						
Difference between book base and tax base of property, plant & equipment, investment property and intangible assets	-	0.13	0.01	-	-	0.14
Impairment of Financials Assets	0.00	0.00	-	-	-	0.00
Recast Impact	0.17	(0.19)	-	-	0.02	-
Retirement benefits for employees	0.23	1.44	0.07	-	0.66	2.40
Impact of IndAS 116	-	0.03	-	-	-	0.03
Unspent CSR	-	0.14	-	-	-	0.14
Unrealised profit on investments etc.	(0.07)	5.93	-	-	-	5.86
Unutilised MAT credit	2.90	-	-	(2.90)	-	-
<b>Total deferred tax assets (A)</b>	<b>3.23</b>	<b>7.48</b>	<b>0.08</b>	<b>(2.90)</b>	<b>0.68</b>	<b>8.57</b>
<b>Net Deferred tax (assets)</b>						
<b>Deferred tax assets (A - B)</b>	<b>3.23</b>	<b>7.48</b>	<b>0.08</b>	<b>(2.90)</b>	<b>0.68</b>	<b>8.57</b>



*(Handwritten signature)*

FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
Notes forming part of Financial Statements for the year ended March 31, 2021

Note 11. Property Plant and Equipment

₹ in Mn

Particulars	Computers
<b>Gross Block as on April 01, 2020</b>	<b>0.10</b>
Deductions/ Adjustments during the year	0.01
<b>As at March 31, 2021</b>	<b>0.09</b>
<b>Depreciation</b>	
<b>Upto April 01, 2020</b>	<b>0.02</b>
Depreciation for the year	0.05
Deductions/Adjustments during the year	0.01
<b>Upto March 31, 2021</b>	<b>0.06</b>
<b>Net Block as at March 31, 2021</b>	<b>0.03</b>

Property Plant and Equipment (Previous year)

₹ in Mn

Particulars	Computers
<b>Gross Block as on April 01, 2019</b>	<b>-</b>
Additions	0.10
<b>As at March 31, 2020</b>	<b>0.10</b>
<b>Depreciation</b>	
<b>Upto April 01, 2019</b>	<b>-</b>
Depreciation for the year	0.02
<b>Upto March 31, 2020</b>	<b>0.02</b>
<b>Net Block as at March 31, 2020</b>	<b>0.08</b>



FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
Notes forming part of Financial Statements for the year ended March 31, 2021

Note 12. Capital Work in Progress

₹ in Mn

Particulars	As at March 31, 2021	As at March 31, 2020
Software/Intangible assets acquired		
Opening balance	-	-
Additions	7.40	-
Deductions	-	-
Closing balance	7.40	-

Note 13. Other Intangible Assets

₹ in Mn

Particulars	As at March 31, 2021	As at March 31, 2020
Software/Intangible assets acquired		
Gross Block as on April 01, 2020	4.11	3.91
Additions	-	0.20
As at March 31, 2021	4.11	4.11
Amortisation		
Upto April 01, 2020	3.38	2.04
Op. Dep. on acquisition	-	-
Amortisation for the year	0.62	1.34
Upto March 31, 2021	4.00	3.38
Net Block as at March 31, 2021	0.11	0.73





FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
Notes forming part of Financial Statements for the year ended March 31, 2021

Note 14. Disclosure Pursuant to Ind AS 116 "Leases"

Following are the changes in the carrying value of right of use assets for the period ended March 31, 2021:

₹ in Mn

Particulars	FY 2020-21	FY 2019-20
Balance as at 01 April, 2020	2.40	0.48
Additions during the year	-	2.27
Additions during the year (on account of Business Combination)	-	0.85
Depreciation charge for the year	(1.15)	(0.27)
Accumulated Depreciatin (on account of Business Combination)	-	(0.11)
Deletions during the year	-	(0.82)
Balance as at March 31, 2021	1.25	2.40

The following is the movement in lease liabilities during the year ended March 31, 2021:

₹ in Mn

Particulars	FY 2020-21	FY 2019-20
Balance as at 01 April	2.52	0.48
Additions	-	2.27
Additions on account of Business combination	-	0.75
Deletion	-	(0.81)
Finance cost accrued during the period	0.18	0.05
Payment of lease liabilities	(1.32)	(0.22)
Balance as at March 31	1.38	2.52

Following is the break up value of the Current and Non - Current Lease Liabilities

₹ in Mn

Particulars	As at March 31, 2021	As at March 31, 2020
Current lease liabilities	0.68	1.15
Non-current lease liabilities	0.70	1.37
Total	1.38	2.52

Maturity analysis – contractual undiscounted cash flows

₹ in Mn

Particulars	As at March 31, 2021	As at March 31, 2020
Less than one year	0.77	1.32
One to five years	0.77	1.54
More than five years	-	-
Total undiscounted lease liabilities	1.54	2.86
Lease liabilities included in the statement of financial position	1.38	2.52

Amounts recognised in profit or loss

₹ in Mn

Particulars	As at March 31, 2021	As at March 31, 2020
Interest on lease liabilities	0.18	0.05
Variable lease payments not included in the measurement of lease liabilities	-	-
Income from sub-leasing right-of-use assets	-	-
Expenses relating to short-term leases	9.06	3.14
Depreciation relating to leases	1.15	0.27
Total	10.39	3.46

Amounts recognised in the statement of cash flows

₹ in Mn

Particulars	As at March 31, 2021	As at March 31, 2020
Total cash outflow for leases	1.32	0.22



*(Handwritten signature)*

**FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
Notes forming part of Financial Statements for the year ended March 31, 2021**

**Note 15. Other Non Financial Assets**

₹ in Mn

Particulars	As at March 31, 2021	As at March 31, 2020
Prepaid expenses - Unsecured	14.04	1.29
Advances recoverable in cash or in kind or for value to be received – Unsecured	-	0.09
GST input credit	11.74	1.65
<b>Total</b>	<b>25.78</b>	<b>3.03</b>

**Note 16. Payables**

₹ in Mn

Particulars	As at March 31, 2021	As at March 31, 2020
Trade payables		
(i) Total outstanding dues of micro enterprises and small enterprises (Refer note 16.1)	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
- Sundry creditors for expenses	62.99	4.53
- Accrued salaries and benefits	-	0.14
- Provision for expenses	9.84	49.62
<b>Total</b>	<b>72.83</b>	<b>54.29</b>
<b>Total</b>		

**16.1. 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	As at March 31, 2021	As at March 31, 2020
(a) Principal amount remaining unpaid to any supplier at the year end	-	-
(b) Interest due thereon remaining unpaid to any supplier at the year end	-	-
(c) Amount of interest paid and payments made to the supplier beyond the appointed day during the year	-	-
(d) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
(e) Amount of interest accrued and remaining unpaid at the year end	-	-
(f) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Act	-	-

There are no amounts due to the suppliers covered under Micro, Small and Medium Enterprises Development Act, 2006. This information takes into account only those suppliers who have responded to the enquiries made by the Company for this purpose. This has been relied upon by the auditors. No interest is payable in respect of the same.



**FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
Notes forming part of Financial Statements for the year ended March 31, 2021**

**Note 17. Other Financial Liabilities**

₹ in Mn

Particulars	As at March 31, 2021	As at March 31, 2020
Interest accrued on ICD from group companies*	-	7.76
Margin money on derivatives	-	2.27
Payable to holding co / group companies*	28.58	13.69
Others	88.79	90.34
<b>Total</b>	<b>117.37</b>	<b>114.06</b>

\*Includes balances from Related Party (Refer note 40)

**16.1** No amount was required to be transferred in Investor Education and Protection fund account as per Section 125 of Companies Act, 2013 on account of Unclaimed Dividend and Unclaimed dues on account of NCD.

**Note 18. Provisions:**

₹ in Mn

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits		
- Gratuity (Refer note 29.1)	14.15	9.52
<b>Total</b>	<b>14.15</b>	<b>9.52</b>

**Note 19. Other Non Financial Liabilities:**

₹ in Mn

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory Remittance	41.37	25.43
<b>Total</b>	<b>41.37</b>	<b>25.43</b>



**FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
Notes forming part of Financial Statements for the year ended March 31, 2021**

**Note 20. 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:

Authorised :	As at March 31, 2021		As at March 31, 2020	
	No. of shares	₹ in Mn	No. of shares	₹ in Mn
Equity Shares of ₹ 10 each	3,00,000	3.00	3,00,000	3.00
<b>Issued, Subscribed and Paid Up:</b> Equity Shares of ₹ 10 each fully paid	2,49,481	2.49	2,49,481	2.49
<b>Total</b>		<b>2.49</b>		<b>2.49</b>

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

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of shares	₹ in Mn	No. of shares	₹ in Mn
At the beginning of the year	2,49,481	2.49	2,49,481	2.49
Add: Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>2,49,481</b>	<b>2.49</b>	<b>2,49,481</b>	<b>2.49</b>

(c) Terms/rights attached to equity shares:

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/- each. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend.

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 Ultimate Holding Company:

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of shares	% holding	No. of shares	% holding
IIFL Wealth Management Limited & its nominees	2,49,481	100%	2,49,481	100%

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

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of shares	% holding	No. of shares	% holding
IIFL Wealth Management Limited & its nominees	2,49,481	100%	2,49,481	100%

(f) During the period of 5 years immediately preceding the Balance Sheet date, the Company has not issued any equity shares without payment being received in cash, bonus shares and has not bought back any equity shares.

**Note 21. Other Equity:**

₹ in Mn

Particulars	As at March 31, 2021	As at March 31, 2020
Securities premium	1,996.00	1,996.00
General reserve	62.50	62.50
Capital reserve	(0.22)	(0.22)
Retained earnings	286.67	298.93
<b>Total</b>	<b>2,344.95</b>	<b>2,357.21</b>



Note 22. Interest Income

₹ in Mn

Particulars	2020-21				2019-20			
	On financial assets measured at fair value through OCI	On financial assets measured at amortised cost	Interest income on financial assets classified at fair value through profit or loss	Total	On financial assets measured at fair value through OCI	On financial assets measured at amortised cost	Interest income on financial assets classified at fair value through profit or loss	Total
Interest on loans (Refer note 40)	-	-	36.44	36.44	-	-	145.51	145.51
Interest income from investments	-	-	41.49	41.49	-	-	34.01	34.01
<b>Total</b>	-	-	<b>77.93</b>	<b>77.93</b>	-	-	<b>179.52</b>	<b>179.52</b>

Note 23. Dividend & Distribution income on investments ₹ in Mn

Particulars	2020-21	2019-20
Dividend Income	0.59	1.21
Distribution income on investments	14.71	(0.60)
<b>TOTAL</b>	<b>15.29</b>	<b>0.61</b>

Note 24. Fee and Commission Income ₹ in Mn

Particulars	2020-21	2019-20
Distribution Fees (Refer Note 40)	8.08	28.36
Investment / Fund Management Fees	668.20	505.55
<b>TOTAL</b>	<b>676.29</b>	<b>533.91</b>

Note 25. Net Gain/Loss On Fair Value Change:- ₹ in Mn

Particulars	2020-21	2019-20
(A) Net gain/ (loss) on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments	327.13	177.28
- Derivatives	116.48	(2.27)
- Trading	90.47	18.86
(B) Others	-	-
<b>Total net gain/(loss) on fair value changes (C)</b>	<b>534.08</b>	<b>193.87</b>
(B) Fair value changes:		
-Realised	373.80	239.57
-Unrealised	160.28	(45.70)
<b>Total net gain/(loss) on fair value changes(D) to tally with (C)</b>	<b>534.08</b>	<b>193.87</b>

Note 26. Other Income ₹ in Mn

Particulars	2020-21	2019-20
Miscellaneous Income	0.01	-
Interest income on Income Tax refund	0.05	-
<b>Total</b>	<b>0.06</b>	-



FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
Notes forming part of Financial Statements for the year ended March 31, 2021

Note 27. Finance Cost

₹ in Mn

Particulars	2020-21			2019-20		
	On financial liabilities measured at fair value through profit or loss	On financial liabilities measured at amortised cost	Total	On financial liabilities measured at fair value through profit or loss	On financial liabilities measured at amortised cost	Total
Interest on borrowings (Refer Note 40)	-	67.37	67.37	-	83.69	83.69
Interest on debt securities	-	-	-	1.40	-	1.40
Other interest expense	-	0.20	0.20	-	0.23	0.23
<b>Total</b>	-	<b>67.57</b>	<b>67.57</b>	<b>1.40</b>	<b>83.92</b>	<b>85.32</b>

Note 28. Impairment On Financial Instruments

₹ in Mn

Particulars	2020-21		2019-20	
	On financial instruments measured at fair value through OCI	On financial instruments measured at amortised cost	On financial instruments measured at fair value through OCI	On financial instruments measured at amortised cost
Trade Receivables		(0.01)		0.02
<b>Total</b>	-	<b>(0.01)</b>	-	<b>0.02</b>



Note 29. Employee Benefit Expenses

₹ in Mn

Particulars	2020-21	2019-20
Salaries and wages	195.19	61.75
Contribution to provident and other funds	5.29	1.75
Share based payments to employees	5.16	2.39
Staff welfare expenses	2.18	0.98
Gratuity expense (Refer Note 29.1)	2.28	0.35
<b>Total</b>	<b>210.09</b>	<b>67.21</b>

29.1. Gratuity Disclosure Statement (Ref: 506775) as Per Indian Accounting Standard 19 (Ind AS 19)  
For The Period 01-04-2020 - 31-03-2021

	Current Period	Previous Period
Type of Benefit	Gratuity	Gratuity
Country	India	India
Reporting Currency	INR	INR
Reporting Standard	Indian Accounting Standard 19 (Ind AS 19)	Indian Accounting Standard 19 (Ind AS 19)
Funding Status	Funded	Funded
Starting Period	01-Apr-20	01-Apr-19
Date of Reporting	31-Mar-21	31-Mar-20
Period of Reporting	12 Months	12 Months

Assumptions (Previous Period)

Expected Return on Plan Assets	6.04%	6.04%
Rate of Discounting	6.04%	6.04%
Rate of Salary Increase	7.50%	7.50%
Rate of Employee Turnover	For service 4 years and below 15.00% p.a. For service 5 years and above 7.50% p.a.	For service 4 years and below 15% p.a. & thereafter 7.50% p.a.
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

Assumptions (Current Period)

Expected Return on Plan Assets	6.33%	6.04%
Rate of Discounting	6.33%	6.04%
Rate of Salary Increase	7.50%	7.50%
Rate of Employee Turnover	For service 4 years and below 15.00% p.a. For service 5 years and above 7.50% p.a.	For service 4 years and below 15.00% p.a. For service 5 years and above 7.50% p.a.
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

₹ in Mn

Table Showing Change in the Present Value of Projected Benefit Obligation	Current Period	Previous Period
<b>Present Value of Benefit Obligation at the Beginning of the Period</b>	<b>11.02</b>	<b>2.36</b>
Interest Cost	0.67	0.18
Current Service Cost	1.70	0.25
Past Service Cost	-	-
Liability Transferred In/ Acquisitions	3.99	5.65
(Liability Transferred Out/ Divestments)	(1.20)	-
(Gains)/ Losses on Curtailment	-	-
(Liabilities Extinguished on Settlement)	-	-
(Benefit Paid Directly by the Employer)	(0.93)	(0.13)
(Benefit Paid From the Fund)	-	-
The Effect Of Changes in Foreign Exchange Rates	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-



**FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
Notes forming part of Financial Statements for the year ended March 31, 2021**

Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(0.34)	1.41
Actuarial (Gains)/Losses on Obligations - Due to Experience	0.86	1.29
<b>Present Value of Benefit Obligation at the End of the Period</b>	<b>15.75</b>	<b>11.02</b>

<b>Table Showing Change in the Fair Value of Plan Assets</b>		
<b>Fair Value of Plan Assets at the Beginning of the Period</b>	<b>1.50</b>	<b>1.13</b>
Interest Income	0.09	0.09
Contributions by the Employer	-	0.41
Expected Contributions by the Employees	-	-
Assets Transferred In/Acquisitions	-	-
(Assets Transferred Out/ Divestments)	-	-
(Benefit Paid from the Fund)	-	(0.13)
(Assets Distributed on Settlements)	-	-
Effects of Asset Ceiling	-	-
The Effect of Changes In Foreign Exchange Rates	-	-
Return on Plan Assets, Excluding Interest Income	0.01	0.01
<b>Fair Value of Plan Assets at the End of the Period</b>	<b>1.60</b>	<b>1.50</b>

<b>Amount Recognized in the Balance Sheet</b>		
(Present Value of Benefit Obligation at the end of the Period)	(15.75)	(11.02)
Fair Value of Plan Assets at the end of the Period	1.60	1.50
Funded Status (Surplus/ (Deficit))	(14.15)	(9.52)
<b>Net (Liability)/Asset Recognized in the Balance Sheet</b>	<b>(14.15)</b>	<b>(9.52)</b>

<b>Net Interest Cost for Current Period</b>		
Present Value of Benefit Obligation at the Beginning of the Period	11.02	2.36
(Fair Value of Plan Assets at the Beginning of the Period)	(1.50)	(1.13)
Net Liability/(Asset) at the Beginning	9.52	1.24

Interest Cost	0.67	0.18
(Interest Income)	(0.09)	(0.09)
<b>Net Interest Cost for Current Period</b>	<b>0.57</b>	<b>0.09</b>

<b>Expenses Recognized in the Statement of Profit or Loss for Current Period</b>		
Current Service Cost	1.70	0.25
Net Interest Cost	0.57	0.09
Past Service Cost	-	-
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments And Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
<b>Expenses Recognized</b>	<b>2.28</b>	<b>0.35</b>

<b>Expenses Recognized in the Other Comprehensive Income (OCI) for Current</b>		
Actuarial (Gains)/Losses on Obligation For the Period	0.51	2.70
Return on Plan Assets, Excluding Interest Income	(0.01)	(0.01)
Change in Asset Ceiling	-	-
<b>Net (Income)/Expense For the Period Recognized in OCI</b>	<b>0.50</b>	<b>2.69</b>

	₹ in Mn	
<b>Balance Sheet Reconciliation</b>	<b>Current Period</b>	<b>Previous Period</b>
<b>Opening Net Liability</b>	<b>9.52</b>	<b>1.24</b>
Expenses Recognized in Statement of Profit or Loss	2.28	0.35
Expenses Recognized in OCI	0.50	2.69
Net Liability/(Asset) Transfer In	3.99	5.65
Net (Liability)/Asset Transfer Out	(1.20)	-
(Benefit Paid Directly by the Employer)	(0.93)	-
(Employer's Contribution)	-	(0.41)
<b>Net Liability/(Asset) Recognized in the Balance Sheet</b>	<b>14.15</b>	<b>9.52</b>

<b>Category of Assets</b>		
Government of India Assets	-	-
State Government Securities	-	-
Special Deposits Scheme	-	-





**FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
Notes forming part of Financial Statements for the year ended March 31, 2021**

Debt Instruments	-	-
Corporate Bonds	-	-
Cash And Cash Equivalents	-	-
Insurance fund	1.60	1.50
Asset-Backed Securities	-	-
Structured Debt	-	-
Other	-	-
<b>Total</b>	<b>1.60</b>	<b>1.50</b>

<b>Other Details</b>		
No of Active Members	55	45
Per Month Salary For Active Members	4.62	4.23
Weighted Average Duration of the Projected Benefit Obligation	9	11
Average Expected Future Service	9	9
Projected Benefit Obligation (PBO)	15.75	11.02
Expected Contribution in the Next Year	4.62	4.23

<b>Net Interest Cost for Next Year</b>	<b>Current Period</b>	<b>Previous Period</b>
Present Value of Benefit Obligation at the End of the Period	15.75	11.02
(Fair Value of Plan Assets at the End of the Period)	(1.60)	(1.50)
Net Liability/(Asset) at the End of the Period	14.15	9.52
Interest Cost	1.00	0.67
(Interest Income)	(0.10)	(0.09)
<b>Net Interest Cost for Next Year</b>	<b>0.90</b>	<b>0.57</b>

**Expenses Recognized in the Statement of Profit or Loss for Next Year**

Current Service Cost	1.66	1.70
Net Interest Cost	0.90	0.57
(Expected Contributions by the Employees)	-	-
<b>Expenses Recognized</b>	<b>2.55</b>	<b>2.28</b>

**Maturity Analysis of the Benefit Payments**

**Projected Benefits Payable in Future Years From the Date of Reporting**

1st Following Year	2.94	0.73
2nd Following Year	1.05	0.75
3rd Following Year	1.08	0.81
4th Following Year	1.10	0.83
5th Following Year	1.09	0.83
Sum of Years 6 To 10	5.23	3.96
Sum of Years 11 and above	15.99	13.90

**Sensitivity Analysis**

	<b>Current Period</b>	<b>Previous Period</b>
<b>Projected Benefit Obligation on Current Assumptions</b>	<b>15.75</b>	<b>11.02</b>
Delta Effect of +1% Change in Rate of Discounting	(1.08)	(0.95)
Delta Effect of -1% Change in Rate of Discounting	1.25	1.11
Delta Effect of +1% Change in Rate of Salary Increase	0.73	0.66
Delta Effect of -1% Change in Rate of Salary Increase	(0.69)	(0.66)
Delta Effect of +1% Change in Rate of Employee Turnover	0.05	(0.00)
Delta Effect of -1% Change in Rate of Employee Turnover	(0.06)	(0.01)



**FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
Notes forming part of Financial Statements for the year ended March 31, 2021**

**29.2 Defined Contribution Plans:**

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

Particulars	₹ in Mn	
	2020-21	2019-20
Contribution to provident fund	5.29	0.99
Contribution to labour welfare fund #	0.00	-
<b>Total</b>	<b>5.29</b>	<b>0.99</b>

# Less than ₹10,000

The Company contributes to recognised provident fund for qualifying employees. Under the scheme, the Company is required to contribute specified percentage of payroll costs to fund the benefits.

**Note 30. Other Expenses\*:**

₹ in Mn

Particulars	2020-21	2019-20
Operations and Fund Management expenses	8.91	15.61
Rent and energy cost	9.88	3.52
Insurance	0.35	0.14
Repairs & Maintenance	0.06	0.07
Marketing, Advertisement and Business promotion expenses	14.93	1.35
Travelling & Conveyance	2.40	2.26
Legal & professional fees	12.00	3.55
Communication	0.80	0.78
Software Charges / Technology Cost	6.07	3.60
Office & Other Expenses	7.13	4.04
Remuneration to Auditors :		
Audit Fees	0.40	0.40
Certification Expenses	1.00	0.03
Out Of Pocket Expenses	-	-
Corporate Social Responsibility Expenses & Donation (Refer Note 38)	3.91	1.32
<b>Total</b>	<b>67.84</b>	<b>36.67</b>

\*Includes transactions with Related Parties (Refer note 40)



**FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
Notes forming part of Financial Statements for the year ended March 31, 2021**

**Note 31. Income taxes**

Disclosure pursuant to Ind AS 12 "Income Taxes"

(a) Major components of tax expense/ (income)

₹ in Mn

Sr. No.	Particulars	2020-21	2019-20
(a)	Statement of Profit and Loss: Profit and Loss section:		
	(i) Current Income tax :		
	Current income tax expense	124.10	154.38
	Tax expense in respect of earlier years	0.28	3.81
		124.38	158.19
	(ii) Deferred Tax:		
	Tax expense on origination and reversal of temporary differences	26.92	(4.69)
	Effect on deferred tax balances due to the change in income tax rate	-	0.03
		26.92	(4.66)
	<b>Income tax expense reported in the statement of profit or loss [(i)+(ii)]</b>	<b>151.30</b>	<b>153.53</b>
(b)	Other Comprehensive Income (OCI) Section:		
	(i) Items not to be reclassified to profit or loss in subsequent periods:		
	(A) Current tax expense/(income):		
	On re-measurement of defined benefit plans	-	-
		-	-
	(B) Deferred tax expense/(income):		
	On re-measurement of defined benefit plans	(0.13)	(0.68)
		(0.13)	(0.68)
	<b>Income tax expense reported in the other comprehensive income [(i)+(ii)]</b>	<b>(0.13)</b>	<b>(0.68)</b>

(b) Reconciliation of Income tax expense and accounting profit multiplied by domestic tax rate applicable in India:

₹ in Mn

Sr. No.	Particulars	2020-21	2019-20
(a)	<b>Profit/(loss) before tax</b>	668.31	573.62
(b)	Income tax expense at tax rates applicable to individual entities including deferred tax	168.20	144.37
(c)	(i) Tax on income subject to lower tax rate	-	-
	(A) Gains on investments (including fair valuation)	(15.45)	3.85
(d)	(ii) Tax on Income exempt from Tax	-	-
	(A) Income from Investments (Including tax suffered income on investment in AIF)	(3.70)	(0.15)
	(iii) Tax on expense not tax deductible	-	-
	(A) Expenses not allowable as tax deductible as per tax laws	2.69	0.17
	(iv) Tax effect on account of business recast		(0.02)
	(v) Effect on deferred tax due to change in Income tax		0.03
	(vi) Tax expense in respect of earlier years		3.80
	(vii) Tax effect on various other items including CSR	(0.44)	1.48
	<b>Total effect of tax adjustments [(i) to (vii)]</b>	<b>(16.90)</b>	<b>9.16</b>
(e)	Tax expense recognised during the year (b+c+d)	<b>151.30</b>	<b>153.53</b>
	Effective tax rate	22.64%	26.77%



**FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
Notes forming part of Financial Statements for the year ended March 31, 2021**

**Note 32. Earnings Per Share:**

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

Particulars		2020-21	2019-20
Face value of equity shares in ₹ fully paid up		10	10
<b>BASIC</b>			
Profit after tax as per statement of profit and loss	A	517.01	420.09
Weighted average number of shares subscribed	B	2,49,481	2,49,481
Face value of equity shares (in ₹) fully paid		10	10
Basic EPS (₹)	A/B	2,072.35	1,683.86
<b>DILUTED</b>			
Profit after tax as per statement of profit and loss	A	517.01	420.09
Weighted number of shares subscribed	B	2,49,481	2,49,481
Add: Potential equity shares on account of conversion of employee stock option	C		-
Weighted average number of shares outstanding	D=B+C	2,49,481	2,49,481
Diluted EPS (₹)	A/D	2,072.35	1,683.86

**Note 33. Contingent Liabilities at Balance Sheet date:**

Particulars	₹ in Mn	
	As at March 31, 2021	As at March 31, 2020
In respect of Income tax demand *	86.61	86.61
<b>Total</b>	<b>86.61</b>	<b>86.61</b>

\* Amount paid under protest with respect to income tax demand ₹ 17.33 Mn (P.Y. ₹ 17.33 Mn)

Management believes that the ultimate outcome of above matters will not have a material adverse impact on its financial position, results of operations and cash flows. In respect of above matters, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgements pending at various authorities.



**Note 34. Disclosure Pursuant to Ind AS 107 "Financial Instruments: Disclosures"**  
**Financial Risk Management**

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's risk management policy is approved by the board committee.

The Company's principal financial liabilities comprise trade and other payables, borrowings and other financial liabilities. The Company's principal financial assets include trade and other receivables, loans, cash and cash equivalents, investments and other financial assets that derive directly from its operations and investment.

The Company is exposed to market risk, credit risk, liquidity risk etc. The Company senior management oversees the management of these risks. The Company senior management is overseen by the audit committee with respect to risks and facilitates appropriate financial risk governance framework for the Company. Financial risks are identified, measured and managed in accordance with the Company policies and risk objectives. The Board of Directors reviews and agrees policies for managing key risks, which are summarised below.

**34A.1. Credit Risk**

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

**1) Trade and other receivables**

The Company's trade receivables primarily include receivables from mutual funds, alternative investment funds, customers under Portfolio Management scheme and Advisory services arrangements. The Company has made lifetime expected credit loss provision based on provision matrix which takes into account historical experience in collection and credit losses.

**Movement in the Expected Credit Loss/ Impairment Loss allowance with regards to trade receivables for F.Y 20-21 and F.Y 19-20 is as follows :**

Particulars	Year Ended 31st March 2021	Year Ended 31st March 2020
Balance at the beginning of the year	0.01	(0.49)
Recast effect	-	(0.49)
Movement in expected credit loss allowances on trade receivable	0.00	0.99
<b>Balance at the end of the year</b>	<b>0.01</b>	<b>0.01</b>

**2) Others**

In addition to the above, balances and deposits with banks, investments in debt securities and in units of funds, Gold PTC, REIT and Derivative financial instruments also have exposure to credit risk.

Credit risk on balances and deposits with banks is limited as these balances are generally held with banks and financial institutions with high credit ratings and/or with capital adequacy ratio above the prescribed regulatory limits.

The credit risk in respect of investments in debt securities and in units of funds, Gold PTC and REIT classified as Fair Value through Profit or Loss is priced in the fair value of the respective instruments.

Credit risk on loans is considered insignificant considering the loan is given to group companies.

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

**34A.2. Write off**

Contractual amount outstanding on financial assets that were written off during the reporting period is Nil /-(P.Y Nil)

**34B. Liquidity Risk**

Liquidity risk refers to the risk that the Company may not be able to meet its short-term financial obligations. The Company manages liquidity risk by maintaining sufficient cash and marketable securities and by having access to funding through an adequate amount of credit lines. The Company seeks to maintain flexibility in funding mix by way of sourcing the funds through money markets, debt markets and banks to meet its business and liquidity requirements.

The following table shows the maturity profile of Financial liabilities:

Financial liabilities	As at 31st March 2021				
	Total	Less than 1 months	1 months to 6 months	6 months to 1 year	Between 1 to 5 years
Trade Payables	72.83	9.84	62.99		
Other financial liabilities	117.37	28.58		88.79	
<b>Total</b>	<b>190.20</b>	<b>38.42</b>	<b>62.99</b>	<b>88.79</b>	<b>-</b>

Financial liabilities	As at 31st March 2020				
	Total	Less than 1 months	1 months to 6 months	6 months to 1 year	Between 1 to 5 years
Trade Payables	54.29	54.29			
Other financial liabilities	114.06	23.72		90.34	
<b>Total</b>	<b>168.35</b>	<b>78.01</b>	<b>-</b>	<b>90.34</b>	<b>-</b>

For Finance Lease Obligation maturity refer note no. 14

**34C. Market Risk**

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

**34C.1 Currency Risk**

The Company does not run a proprietary trading position in foreign currencies and foreign currency denominated instruments.

**34C.2 Interest rate risk**

The Company has measured interest rate risk sensitivity on financial assets and liabilities on financial instruments accounted for on amortised cost basis. There is no floating rate lending, hence there is no interest rate risk.

**34C.3. Other Price Risk (including Equity Linked Investments)**

Other price risk is related to the change in market reference price of the investments and debt securities which are fair valued and exposes the Company to price risks.

The carrying amount of financial assets and liabilities subject to price risk is as below:

Particulars	As at 31st March 2021	As at 31st March 2020
Financial Assets		
Derivative financial instruments	146.00	-



FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)

Notes forming part of Financial Statements for the year ended March 31, 2021

Investments	1,764.30	1,144.63
	<b>1,910.30</b>	<b>1,144.63</b>
<b>Financial Liabilities</b>		
Derivative financial instruments	-	-
Debt securities	-	-
	-	-

Sensitivity to change in prices of the above assets and liabilities are measured on the following parameters

Investments in Mutual Funds and Derivative Financial Instruments	1% change in the NAV/ Price
Investments in Debt securities are linked to underlying interest/price movements in the interest bearing securities	0.25% change in yield over duration of the instruments considering PV(0,1) as a measure of change in value

A hypothetical 100 basis point shift in the benchmark rate will have impact on the profit and loss as below:

	2020-21	2019-20
<b>Increase of 100 basis point in price / 25 basis point decrease in yield</b>		
Impact on Profit and Loss after tax	2.73	8.15
Impact on Equity	2.73	8.15
<b>Decrease of 100 basis point in price / 25 basis point increase in yield</b>		
Impact on Profit and Loss after tax	(2.73)	(8.15)
Impact on Equity	(2.73)	(8.15)

34D. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

34E. Category Wise Classification for applicable Financial Assets and Liabilities

₹ in Mn

Sr No.	Particulars	As at 31st March 2021			Total
		Measure at amortised cost	Measured at fair value through profit or loss(P/L)	Measured at fair value through other comprehensive income (OCI)	
	<b>Financial Assets</b>				
(a)	Cash and cash equivalents	386.27	-	-	386.27
(b)	Bank balance other than (a) above	2.87	-	-	2.87
(c)	Derivative financial instruments	-	146.00	-	146.00
(b)	Receivables				-
	(I) Trade receivables	282.91	-	-	282.91
	(II) Other receivables	9.93	-	-	9.93
(c)	Loans	0.28	-	-	0.28
(d)	Investments	-	1,764.30	-	1,764.30
(e)	Other financial assets	0.80	-	-	0.80
	<b>Total</b>	<b>683.07</b>	<b>1,910.30</b>	<b>-</b>	<b>2,593.37</b>
	<b>Financial Liabilities</b>				
(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	72.83	-	-	72.83
(b)	Financial Lease Obligation	1.38	-	-	1.38
(c)	Other financial liabilities	117.37	-	-	117.37
	<b>Total</b>	<b>191.59</b>	<b>-</b>	<b>-</b>	<b>191.59</b>

Sr No.	Particulars	As at 31st March 2020			Total
		Measure at amortised cost	Measured at fair value through profit or loss(P/L)	Measured at fair value through other comprehensive income (OCI)	
	<b>Financial Assets</b>				
(a)	Cash and cash equivalents	111.64	-	-	111.64
(b)	Bank balance other than (a) above	-	-	-	-
(c)	Derivative financial instruments	-	-	-	-
(b)	Receivables				-
	(I) Trade receivables	286.24	-	-	286.24
	(II) Other receivables	344.34	-	-	344.34
(c)	Loans	650.00	-	-	650.00
(d)	Investments	-	1,144.63	-	1,144.63
(e)	Other financial assets	58.02	-	-	58.02
	<b>Total</b>	<b>1,450.25</b>	<b>1,144.63</b>	<b>-</b>	<b>2,594.88</b>
	<b>Financial Liabilities</b>				
(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	54.29	-	-	54.29
(b)	Debt securities	-	-	-	-



*[Handwritten signature]*

**FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)**

**Notes forming part of Financial Statements for the year ended March 31, 2021**

(d)	Borrowings (other than debt securities)	-	-	-	-
(e)	Financial Lease Obligation	2.52	-	-	2.52
(f)	Other financial liabilities	114.06	-	-	114.06
	<b>Total</b>	<b>170.87</b>	-	-	<b>170.87</b>

**34E.1. Fair values of financial instruments**

The Company measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments. This include NAVs of the schemes of mutual funds.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The Company uses widely recognised valuation methods to determine the fair value of common and simple financial instruments, such as interest rate swaps, options, which use only observable market data as far as practicable. Observable prices or model inputs are usually available in the market for listed debt and equity securities, exchange-traded derivatives and simple OTC derivatives such as interest rate swaps. The availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determining fair values.

**34E. 1a. Financial instruments measured at fair value – Fair value hierarchy**

The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised.

The amounts are based on the values recognised in the statement of financial position. The fair values include any deferred differences between the transaction price and the fair value on initial recognition when the fair value is based on a valuation technique that uses unobservable inputs.

₹ in Mn

Financial instruments measured at fair value	Recurring fair value measurements at 31st March, 2021			
	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Derivative financial instruments		146.00		146.00
Investments in Mutual Funds	1.49	-	-	1.49
Investments in debt securities	-	992.07	-	992.07
Investments in Alternate Investment Funds*	-	-	758.19	758.19
Investments in others		12.55		12.55
<b>Total Assets</b>	<b>1.49</b>	<b>1,150.62</b>	<b>758.19</b>	<b>1,910.30</b>
<b>Financial Liabilities</b>				
Debt securities	-	-	-	-
<b>Total Liabilities</b>	-	-	-	-

Financial instruments measured at fair value	Recurring fair value measurements at 31st March 2020			
	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Derivative financial instruments		-		-
Investments in Mutual Funds	263.39			263.39
Investments in debt securities	-	725.80	-	725.80
Investments in Alternate Investment Funds*	-	-	155.44	155.44
<b>Total Assets</b>	<b>263.39</b>	<b>725.80</b>	<b>155.44</b>	<b>1,144.63</b>
<b>Financial Liabilities</b>				
Debt securities	-	-	-	-
<b>Total Liabilities</b>	-	-	-	-

\*The fair values of these investments are determined basis the unaudited NAV published by the funds.

**Reconciliation of Level 3 fair value measurements**

₹ in Mn

Particulars	As at 31st March 2021	As at 31st March 2020
Opening Balance	155.44	125.84
Total gains or losses	-	-
- in profit or loss	8.12	0.51
MTM Gain / ( Loss )	161.02	(42.14)
Purchases	3,181.65	268.16
Disposal/ Settlements	(2,748.04)	(196.93)
Transfer out of Level 3	-	-
Closing Balance	<b>758.18</b>	<b>155.44</b>

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

₹ in Mn

Financial Assets and liabilities which are measured at amortised cost for which fair	As at 31st March 2021		As at 31st March 2020	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets</b>				
Cash and cash equivalents	386.27	386.27	111.64	111.64
Bank balance other than above	2.87	2.87	-	-
Receivables				
(I) Trade receivables	282.91	282.91	286.24	286.24
(II) Other receivables	9.93	9.93	344.34	344.34
Loans	0.28	0.28	650.00	650.00
Other financial assets	0.80	0.80	58.02	58.02
<b>Financial Liabilities</b>				
(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	72.83	72.83	54.29	54.29
Debt securities	-	-	-	-
Borrowings (other than debt securities)	-	-	-	-
Financial Lease Obligation	1.38	1.38	2.52	2.52



*[Handwritten signature]*

FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)

Notes forming part of Financial Statements for the year ended March 31, 2021

Other financial liabilities	117.37	117.37	114.06	114.06
-----------------------------	--------	--------	--------	--------

**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.





Note 35. Maturity analysis of assets and liabilities as at March 31, 2021 ₹ in Mn

SR. No.	Particulars	Within 12 months	After 12 months	As at March 31, 2021
	<b>ASSETS</b>			
<b>1</b>	<b>Financial Assets</b>			
(a)	Cash and cash equivalents	386.27	-	386.27
(b)	Bank balance other than (a) above	2.87	-	2.87
(c)	Derivative financial instruments	146.00	-	146.00
(b)	Receivables			
(I)	Trade receivables	282.91	-	282.91
(II)	Other receivables	9.93	-	9.93
(c)	Loans	0.28	-	0.28
(d)	Investments	1,504.75	259.55	1,764.30
(e)	Other financial assets	0.71	0.09	0.80
<b>2</b>	<b>Non-Financial Assets</b>			
(a)	Current tax assets (net)	-	79.32	79.32
(c)	Property, plant and equipment	-	0.03	0.03
(d)	Capital work-in-progress	-	7.40	7.40
(d)	Other intangible assets	-	0.11	0.11
(e)	Right to Use Asset	-	1.25	1.25
(f)	Other non-financial assets	25.45	0.32	25.78
<b>3</b>	<b>Assets classified as held for sale</b>			-
	<b>Total Assets</b>	<b>2,359.18</b>	<b>348.07</b>	<b>2,707.25</b>
	<b>LIABILITIES AND EQUITY</b>			
	<b>LIABILITIES</b>			
<b>1</b>	<b>Financial Liabilities</b>			
(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	72.83	-	72.83
(b)	Financial Lease Obligation	0.68	0.70	1.38
(c)	Other financial liabilities	117.37	-	117.37
<b>2</b>	<b>Non-Financial Liabilities</b>			
(a)	Current tax liabilities (net)	94.48	-	94.48
(b)	Provisions	2.94	11.21	14.15
(c)	Deferred tax liabilities (net)	18.23	-	18.23
(d)	Other non-financial liabilities	41.37	-	41.37
<b>3</b>	<b>EQUITY</b>			
(a)	Equity share capital	-	2.49	2.49
(b)	Other equity	-	2,344.95	2,344.95
	<b>Total Liabilities and Equity</b>	<b>347.90</b>	<b>2,359.35</b>	<b>2,707.25</b>

Maturity analysis of assets and liabilities as at March 31, 2020 ₹ in Mn

SR. No.	Particulars	Within 12 months	After 12 months	As at March 31, 2020
	<b>ASSETS</b>			
<b>1</b>	<b>Financial Assets</b>			
(a)	Cash and cash equivalents	111.64	-	111.64
(b)	Receivables			
(I)	Trade receivables	286.24	-	286.24
(II)	Other receivables	26.23	318.11	344.34
(c)	Loans	650.00	-	650.00
(d)	Investments	429.80	714.83	1,144.63
(e)	Other financial assets	57.93	0.09	58.02
<b>2</b>	<b>Non-Financial Assets</b>			
(a)	Current tax assets (net)	-	28.41	28.41
(b)	Deferred tax assets (net)	-	8.57	8.57
(c)	Property, plant and equipment	-	0.08	0.08
(d)	Other intangible assets	-	0.73	0.73
(e)	Right to Use Asset	-	2.40	2.40
(f)	Other non-financial assets	2.88	0.15	3.03
<b>3</b>	<b>Assets classified as held for sale</b>			-
	<b>Total Assets</b>	<b>1,564.72</b>	<b>1,073.37</b>	<b>2,638.09</b>
	<b>LIABILITIES AND EQUITY</b>			
	<b>LIABILITIES</b>			
<b>1</b>	<b>Financial Liabilities</b>			
(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	54.29	-	54.29
(b)	Financial Lease Obligation	1.15	1.37	2.52
(c)	Other financial liabilities	114.06	-	114.06
<b>2</b>	<b>Non-Financial Liabilities</b>			
(a)	Current tax liabilities (net)	72.57	-	72.57
(b)	Provisions	0.73	8.79	9.52
(c)	Other non-financial liabilities	25.43	-	25.43
<b>3</b>	<b>EQUITY</b>			
(a)	Equity share capital	-	2.49	2.49
(b)	Other equity	-	2,357.21	2,357.21
	<b>Total Liabilities and Equity</b>	<b>268.23</b>	<b>2,369.86</b>	<b>2,638.09</b>



**FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
Notes forming part of Financial Statements for the year ended March 31, 2021**

**Note 36. Business Combination**

During the previous year ended March 31, 2020, the Company had carried out certain transactions involving Business Combination. The details of the transactions are as follows:

During the year 2019-20, the Company acquired the PMS Business vide a business transfer arrangement with IIFL Wealth Management Limited (holding company) with effect from January 1, 2020. In terms of the said agreement the IIFL Wealth Management Ltd. has transferred, inter-alia, Employees, Assets, Liabilities, Contracts, Intangible Assets, relating to distribution business for a lump sum consideration. This, being a common control business combination within the meaning of IND AS 103, the financial statements of previous reported periods hereunder are recast. the details of the transaction and recast are given below:

₹ in Mn	
Particulars	Amount
Purchase Consideration	110.00
Net Assets Transferred	109.78
<b>Excess/ (Deficit)</b>	<b>0.22</b>

The net assets have been acquired by the company at a net excess consideration of ₹ 0.22 mn. Such excess consideration has been recognised as debit to Capital Reserves

The effect of such transfer on the Statement of Balance Sheet and Profit and Loss for the year ended 31 March 2020 and its comparative period is as below:

**Profit and Loss Account**

₹ in Mn

Sr. No.	Particulars	2019-2020 (including financial performance for the period April – Dec 2019 in respect of acquired business)	2019-2020 (excluding financial performance for the period April – Dec 2019 in respect of acquired business)
<b>1</b>	<b>Revenue from operations</b>		
(a)	Interest income	179.52	179.52
(b)	Dividend & Distribution income on investments	0.61	0.61
(c)	Fees and commission income	533.91	317.39
(d)	Net gain on fair value changes	193.87	193.87
(e)	Sale of products(including Excise Duty)	410.41	410.41
	<b>Total revenue from operations</b>	<b>1,318.32</b>	<b>1,101.80</b>
<b>2</b>	<b>Other income</b>	-	-
<b>3</b>	<b>Total income (1+2)</b>	<b>1,318.32</b>	<b>1,101.80</b>
	<b>Expenses</b>		
(a)	Finance costs	85.26	85.24
(b)	Fees and commission expenses	133.18	130.42
(c)	Impairment on financial instruments	0.02	0.01
(d)	Purchases of Stock-in-trade	420.48	420.48
(e)	Employee benefits expenses	67.21	42.20
(f)	Depreciation, amortization and impairment	1.83	1.63
(g)	Other expenses	36.72	24.00
<b>4</b>	<b>Total expenses</b>	<b>744.70</b>	<b>703.98</b>
<b>5</b>	<b>Profit before tax (3-4)</b>	<b>573.62</b>	<b>397.82</b>
<b>6</b>	<b>Tax expense:</b>		
(a)	Current tax	158.19	114.07
(b)	Deferred tax	(4.66)	(4.76)
<b>7</b>	<b>Profit for the year (5-6)</b>	<b>420.09</b>	<b>288.51</b>
<b>8</b>	<b>Other comprehensive income</b>		
(a)	(i) Items that will not be reclassified to profit or loss	-	-
	- Remeasurements of Employee Benefits	(2.69)	(2.62)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.68	0.66
	<b>Other comprehensive income/(loss) (a+b)</b>	<b>(2.01)</b>	<b>(1.96)</b>
<b>9</b>	<b>Total comprehensive income for the period (7+8) (Comprising profit and other comprehensive income/(loss) for the year)</b>	<b>418.08</b>	<b>286.55</b>



**FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
Notes forming part of Financial Statements for the year ended March 31, 2021**

**Note 37.** The Company operates from and uses the premises, infrastructure and other facilities and services as provided to it by its holding Company/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/recoverable from the Company 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 expenses were difficult to determine.

**Note 38. Corporate Social Responsibility**

During the year 2020-21, the Company has spent its entire liability of ₹ 3.91 mn (PY ₹ 0.25 mn) as required to be spent as per section 135 of the Companies Act 2013 in respect of Corporate Social Responsibility (CSR). The Company is committed to supporting development of the country by contributing in achieving sustainable development goals and all its activities are directed towards this. Going forward these projects will be consolidated and scaled to achieve a larger and deeper impact. The key focus areas include education and healthcare including COVID Relief. (Refer Note 40 on Related Party Disclosures)

**Note 39. Segment Reporting**

In the opinion of the management, there is only one reportable business segment - Investment Manager and Portfolio Management as envisaged by Ind AS 108 'Operating Segments', as prescribed under section 133 of the Act. Accordingly, no separate disclosure for segment reporting is required to be made in the financial statements of the Company. Secondary segment based on geography has not been presented as the Company operates primarily in India and the Company perceives that there is no significant difference in its risk and returns in operating from different geographic areas within India.



FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
Notes forming part of Financial Statements for the year ended March 31, 2021

Note 40. Related Party Disclosures:  
Related party disclosures for the year ended 31st March, 2021

a) List of Related Parties:

Nature of relationship	Name of party	
Director/ Key Managerial Personnel	Mr. Yatin Shah, Director	
	Mr. Umang Papneja, Director (Resigned w.e.f. May 29, 2020)	
	Mr. Pankaj Fitkariwala, Director (Resigned w.e.f. May 29, 2020)	
	Mr. Himadri Chatterjee, Director (Appointed w.e.f. March 25, 2021)	
	Mr. Sandeep Jethwani, Whole Time Director (Resigned w.e.f. March 30, 2021)	
	Mr. A Pramod Kumar, Whole Time Director (appointed w.e.f May 26, 2020)	
Holding Company	IIFL Wealth Management Limited	
Fellow Subsidiaries	IIFL Wealth Prime Limited (Formerly known as IIFL Wealth Finance Limited)	
	IIFL Asset Management Limited	
	IIFL Investment Adviser and Trustee Services Limited	
	IIFL Trustee Limited	
	IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services Limited)	
	IIFL Wealth Securities IFSC Limited (w.e.f June 22, 2018)	
	IIFL Wealth Altiore Limited (Formerly known as IIFL Altiore Advisors Limited)	
	IIFL Wealth Advisors (India) Limited (amalgamated with IIFL Wealth Management Ltd w.e.f December 27, 2019)	
	IIFL Wealth Employee Welfare benefit Trust (w.e.f August 01, 2018)	
	IIFL Private Wealth Management (Dubai) Limited	
	IIFL Inc.	
	IIFL Private Wealth Hong Kong Limited *	
	IIFL Asset Management (Mauritius) Limited (Formerly Known as IIFL Private Wealth (Mauritius) Ltd)	
	IIFL (Asia) Pte. Limited	
	IIFL Capital Pte. Limited	
	IIFL Securities Pte. Limited	
	IIFL Capital (Canada) Limited	
	IIFLW CSR Foundation (w.e.f Jan 20, 2020)	
	IIFL Wealth Capital Markets Limited (Formerly known as L & T Capital Markets Limited) **	
	Other Related Parties	IIFL Finance Limited (Formerly known as IIFL Holdings Limited)
		IIFL Securities Limited (Formerly known as India Infoline Limited)
		IIFL Commodities Limited (Formerly known as India Infoline Commodities Limited)
		IIFL Insurance Brokers Limited (Formerly known as India Infoline Insurance Brokers Limited)
IIFL Management Services Limited (Formerly known as India Infoline Insurance Services Limited)		
IIFL Wealth (UK) Limited		
IIFL Capital Inc.		
IIFL Facilities Services Limited (Formerly known as IIFL Real Estate Limited)		
IIFL Securities Services IFSC Limited		
IIFL Corporate Services Limited (Formerly known as IIFL Asset Reconstruction Limited)		
IIFL Home Finance Limited		
Samasta Microfinance Limited (w.e.f March 01, 2017)		
Meenakshi Tower LLP (Joint Venture of IIFL Management Services Limited)		
Shreyans Foundation LLP		
FIH Mauritius Investment Limited		
India Infoline Foundation		
Spaia Capital Limited		
Spaia P2P Limited		
Spaia Insurance Brokers Limited		
Spaia Trading Limited		
General Atlantic Singapore Fund Pte Limited		
Mr. Karan Bhagat		
Mrs. Shilpa Bhagat (Spouse of Mr. Karan Bhagat)		
Kush Family Private Trust		
Kyra Family Private Trust		
Kyrush Investments		
Bhagat Family Private Trust		
Kyrush Family Private Trust		
Kyrush Trading & Investments Private Limited (Formerly known as Kyrush Realty Private Limited)		
Mrs. Ami Yatin Shah (Spouse of Mr. Yatin Shah)		
Mr. Prakashchandra Shah (Father of Mr. Yatin Shah)		
Yatin Prakash Shah HUF		
Yatin Investments		
Naykia Realty Private Limited		
Naykia Family Private Trust		
Prakash Shah Family Private Trust		
Naysa Shah Family Private Trust		
Kiaan Shah Family Private Trust		
India Alternatives Investment Advisors Private Limited resigned w.e.f. 31.05.2020		
Financial advisors (India) Private Limited		
CDE Real Estate Private Limited Resigned w.e.f January 19, 2021		
Mr. Nirmal Jain		
Mrs. Madhu Jain (Spouse of Mr. Nirmal Jain)		
Ardent Impex Private Limited		
Orpheous Trading Private Limited		
Sunder Bhawar Ventures Private Limited		
Nirmal Madhu Family Private Trust		
MNJ Consultants Private Limited		
Mr. Venkataraman Rajamani		
Ms. Aditi Athavankar (Spouse of Mr. Venkataraman Rajamani)		
Kalki Family Private Trust		



FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
Notes forming part of Financial Statements for the year ended March 31, 2021

Note 40. Related Party Disclosures:

b) Significant Transactions with Related Parties

₹ in Mn

Nature of Transaction	Director/Key Managerial Personnel	Holding Company	Fellow Subsidiaries	Other related Parties	Total
<b>Slump Sale/Business Transfer</b>					
IIFL Wealth Management Limited	-	-	-	-	-
	-	(110.00)	-	-	(110.00)
<b>Amount paid/payable on account of reimbursement of Expenses for transition period and creditors paid</b>					
IIFL Wealth Management Limited	-	-	-	-	-
	-	(3.34)	-	-	(3.34)
<b>Amount received/ receivable on account of Transfer of Revenue for transition period &amp; realisation of debtors</b>					
IIFL Wealth Management Limited	-	26.55	-	-	26.55
	-	(89.34)	-	-	(89.34)
<b>Remuneration Paid to Director/KMP</b>					
Mr. A Pramod Kumar	16.59	-	-	-	16.59
	-	-	-	-	-
Mr. Sandeep Jethwani	25.13	-	-	-	25.13
	-	-	-	-	-
<b>Dividend Paid</b>					
IIFL Wealth Management Limited	-	528.90	-	-	528.90
	-	(199.58)	-	-	(199.58)
<b>Purchase of Commodity</b>					
IIFL Investment Adviser & Trustee Services Limited	-	-	-	-	-
	-	-	(198.23)	-	(198.23)
<b>Subscription of NCD</b>					
IIFL Wealth Finance Limited	-	-	2,492.26	-	2,492.26
	-	-	(2,342.38)	-	(2,342.38)
IIFL Finance Limited (Formerly known as IIFL Holdings Limited)	-	-	-	-	-
	-	-	-	(500.00)	(500.00)
<b>Purchase of Investment:</b>					
IIFL Wealth Management Limited	-	0.00	-	-	0.00
	-	(33.52)	-	-	(33.52)
IIFL Asset Management Limited	-	-	302.46	-	302.46
	-	-	-	-	-
IIFL Wealth Finance Limited	-	-	1,356.34	-	1,356.34
	-	-	-	-	-
IIFL Management Services Limited	-	-	-	1.09	1.09
	-	-	-	-	-
<b>Sell of Investment:</b>					
IIFL Wealth Management Limited	-	900.97	-	-	900.97
	-	-	-	-	-
IIFL Wealth Finance Limited	-	-	31,237.48	-	31,237.48
	-	-	(19,426.44)	-	(19,426.44)
IIFL Asset Management Limited	-	-	310.04	-	310.04
	-	-	-	-	-
<b>ICD Given:</b>					
IIFL Wealth Management Limited	-	10,960.00	-	-	10,960.00
	-	(8,562.15)	-	-	(8,562.15)
IIFL Distribution Services Limited	-	-	250.00	-	250.00
	-	-	-	-	-
IIFL Wealth Finance Limited	-	-	1,520.00	-	1,520.00
	-	-	(1,130.30)	-	(1,130.30)
<b>ICD Received Back :</b>					
IIFL Wealth Management Limited	-	11,610.00	-	-	11,610.00
	-	(10,093.75)	-	-	(10,093.75)
IIFL Distribution Services Limited	-	-	250.00	-	250.00
	-	-	-	-	-
IIFL Wealth Finance Limited	-	-	1,520.00	-	1,520.00
	-	-	(1,142.30)	-	(1,142.30)



Text here

21

<b>ICD Taken:</b>					
IIFL Wealth Management Limited	-	16,610.00	-	-	16,610.00
	-	(6,119.10)	-	-	(6,119.10)
IIFL Distribution Services Limited	-	-	100.00	-	100.00
	-	-	(340.00)	-	(340.00)
IIFL Investment Adviser & Trustee Services Limited	-	-	60.00	-	60.00
	-	-	(313.62)	-	(313.62)
IIFL Wealth Finance Limited	-	-	39,178.00	-	39,178.00
	-	-	(43,559.20)	-	(43,559.20)
IIFL Asset Management Limited	-	-	3,920.00	-	3,920.00
	-	-	(2,027.10)	-	(2,027.10)
<b>ICD Repaid:</b>					
IIFL Wealth Management Limited	-	16,610.00	-	-	16,610.00
	-	(6,119.10)	-	-	(6,119.10)
IIFL Distribution Services Limited	-	-	100.00	-	100.00
	-	-	(340.00)	-	(340.00)
IIFL Investment Adviser & Trustee Services Limited	-	-	60.00	-	60.00
	-	-	(313.62)	-	(313.62)
IIFL Wealth Finance Limited	-	-	39,178.00	-	39,178.00
	-	-	(43,559.20)	-	(43,559.20)
IIFL Asset Management Limited	-	-	3,920.00	-	3,920.00
	-	-	(2,027.10)	-	(2,027.10)
<b>Interest Income on ICD :</b>					
IIFL Wealth Management Limited	-	36.33	-	-	36.33
	-	(144.71)	-	-	(144.71)
IIFL Wealth Finance Limited	-	-	0.11	-	0.11
	-	-	(0.80)	-	(0.80)
<b>Interest Expenses on ICD :</b>					
IIFL Wealth Management Limited	-	22.42	-	-	22.42
	-	(8.83)	-	-	(8.83)
IIFL Distribution Services Limited	-	-	0.02	-	0.02
	-	-	-	-	-
IIFL Investment Adviser & Trustee Services Limited	-	-	0.01	-	0.01
	-	-	(0.03)	-	(0.03)
IIFL Wealth Finance Limited	-	-	39.12	-	39.12
	-	-	(72.30)	-	(72.30)
IIFL Asset Management Limited	-	-	5.80	-	5.80
	-	-	(2.60)	-	(2.60)
<b>Interest income on NCD</b>					
IIFL Wealth Finance Limited	-	-	-	-	-
	-	-	(23.14)	-	(23.14)
<b>Fees/Expenses incurred/Reimbursed For Services Procured</b>					
IIFL Wealth Management Limited	-	9.06	-	-	9.06
	-	(2.26)	-	-	(2.26)
IIFL Wealth Finance Ltd - Distribution Business	-	-	118.24	-	118.24
	-	-	-	-	-
IIFL Investment Adviser & Trustee Services Limited	-	-	5.50	-	5.50
	-	-	(9.74)	-	(9.74)
IIFL Distribution Services Limited	-	-	5.84	-	5.84
	-	-	(0.57)	-	(0.57)
IIFL Asset Management Limited	-	-	32.55	-	32.55
	-	-	(8.64)	-	(8.64)
<b>Corporate Social Responsibility Expense (CSR)</b>					
India Infoline Foundation Limited	-	-	-	-	-
	-	-	-	(0.25)	(0.25)
IIFLW CSR Foundation	-	-	4.99	-	4.99
	-	-	-	-	-
<b>Fees Earned For Services (including Brokerage) rendered</b>					
IIFL Wealth Management Limited	-	-	-	-	-
	-	(15.00)	-	-	(15.00)
<b>Allocation / Reimbursement of expenses Received:</b>					
IIFL Wealth Management Limited	-	-	-	-	-
	-	(18.27)	-	-	(18.27)
<b>Allocation / Reimbursement of expenses Paid:</b>					
IIFL Wealth Management Limited	-	20.17	-	-	20.17
	-	(4.49)	-	-	(4.49)



24

<b>Other Funds Received:</b>					
IIFL Wealth Management Limited	-	1.83	-	-	1.83
	-	(0.09)	-	-	(0.09)
IIFL Investment Adviser & Trustee Services Limited	-	-	0.19	-	0.19
	-	-	(5.49)	-	(5.49)
IIFL Wealth Finance Ltd	-	-	2.97	-	2.97
	-	-	(0.16)	-	(0.16)
IIFL ALTIORRE ADVISORS LIMITED	-	-	0.12	-	0.12
	-	-	-	-	-
IIFL Asset Management Limited	-	-	0.02	-	0.02
	-	-	-	-	-
<b>Other Funds Paid:</b>					
IIFL Wealth Management Limited	-	8.03	-	-	8.03
	-	(10.87)	-	-	(10.87)
IIFL Wealth Finance Ltd	-	-	1.73	-	1.73
	-	-	-	-	-
IIFL Investment Adviser & Trustee Services Limited	-	-	3.25	-	3.25
	-	-	(0.06)	-	(0.06)
IIFL Asset Management Limited	-	-	0.00	-	0.00
	-	-	-	-	-
IIFL Altiore Advisors Ltd	-	-	0.19	-	0.19
	-	-	(0.00)	-	(0.00)

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

₹ in Mn

Nature of Transaction	Whole Time Director/Key Managerial Personnel	Holding Company	Fellow Subsidiaries	Other related Parties	Total
<b>Sundry Payables</b>					
IIFL Wealth Management Limited	-	3.89	-	-	3.89
	-	(9.32)	-	-	(9.32)
IIFL Wealth Prime Limited (Formerly known as IIFL Wealth Finance Limited)	-	-	39.78	-	39.78
	-	-	-	-	-
IIFL Asset Management Limited	-	-	24.58	-	24.58
	-	-	(4.73)	-	(4.73)
IIFL Altiore Advisors Ltd	-	-	-	-	-
	-	-	(0.00)	-	(0.00)
IIFL Investment Adviser & Trustee Services Limited	-	-	6.18	-	6.18
	-	-	(5.39)	-	(5.39)
<b>Sundry Receivables :</b>					
IIFL Wealth Finance Limited	-	-	-	-	-
	-	-	(55.92)	-	(55.92)
<b>Broking a/c balance:</b>					
IIFL Distribution Services Limited	-	-	3.83	-	3.83
	-	-	(294.50)	-	(294.50)
<b>ICD Given:</b>					
IIFL Wealth Management Limited	-	-	-	-	-
	-	(650.00)	-	-	(650.00)



*[Handwritten signature]*

**FINANCIAL STATEMENT OF IIFL WEALTH PORTFOLIO MANAGERS LIMITED  
(FORMERLY KNOWN AS IIFL ALTERNATE ASSET ADVISORS LIMITED)  
Notes forming part of Financial Statements for the year ended March 31, 2021**

**Note 41. Subsequent Events**

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

**Note 42.** The spread of COVID-19 across the globe and India contributed to significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The full impact on the business due to a COVID-19 related economic slowdown, changes in client sentiment and investment behaviour are as yet unknown. The Company has continued to engage with clients and employees through extensive business continuity planning and robust technology platform with minimal disruption on any business activity during the lockdown phase. Further, the Company has assessed that it would be able to navigate currently prevailing uncertain economic conditions based on its business model, profile of assets and liabilities, availability of liquidity and capital at its disposal. The extent to which the COVID-19 pandemic (including the current "second wave") will impact the Company's operations and results will depend on future developments, which remain uncertain. Accordingly, the Company has undertaken extensive scenario planning to better prepare itself and will continue to actively monitor any material changes to the future economic conditions.

**Note 43. Approval of Financial Statements**

The financial statements were approved for issuance by the Board of Directors on May 14, 2021.

**Note 44.** The previous year figures have been regrouped, reclassified and rearranged wherever considered necessary to confirm to current year's presentation



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

A handwritten signature in blue ink, appearing to read 'Yatin Shah'.

**Yatin Shah**  
Director  
(DIN: 03231090)

A handwritten signature in blue ink, appearing to read 'A Pramod Kumar'.

**A Pramod Kumar**  
Whole Time Director  
(DIN: 00820684)

Place : Mumbai  
Dated: May 14, 2021