

IIFL Wealth Securities IFSC Limited
BALANCE SHEET AS AT MARCH 31, 2022

(₹ in Thousands)

SR. No.	Particulars	Note No.	As at Mar 31, 2022	As at Mar 31, 2021
	ASSETS			
1	Financial Assets			
(a)	Cash and cash equivalents	3	0.16	0.16
(b)	Other financial assets	4	559.28	487.64
2	Non-Financial Assets			
(a)	Right to Use Asset	15	2,854.31	2,691.90
(b)	Other non-financial assets	5	108.45	94.55
	Total Assets		3,522.20	3,274.25
	LIABILITIES AND EQUITY			
	LIABILITIES			
1	Financial Liabilities			
(a)	Payables			
	(I) Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	6	487.74	288.00
(b)	Finance Lease Obligation	15	3,344.07	3,019.77
(c)	Borrowings (other than debt securities)	7	550.00	550.00
(d)	Other financial liabilities	8	2,633.80	1,763.86
2	Non-Financial Liabilities			
(a)	Other non-financial liabilities	9	5.57	3.47
3	EQUITY			
(a)	Equity share capital	10	1,000.00	1,000.00
(b)	Other equity	11	(4,498.99)	(3,350.85)
	Total Liabilities and Equity		3,522.20	3,274.25

See accompanying Notes to the Financial Statements

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Pallavi A. Gorakshakar
Partner

Anu Jain
Director
(DIN: 01001502)

Yatin Shah
Director
(DIN: 03231090)

Place : Mumbai
Dated: April 29, 2022

IIFL Wealth Securities IFSC Limited
PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Thousands)

SR. No.	Particulars	Note No.	2021-22	2020-21
1	Revenue from operations		-	-
2	Other income		-	-
3	Total income (1+2)		-	-
	Expenses			
(a)	Finance costs	12	314.48	327.88
(b)	Depreciation, amortization and impairment	17	435.45	409.76
(c)	Others expenses	13	398.21	364.81
4	Total expenses		1,148.14	1,102.45
5	Loss before tax (3-4)		(1,148.14)	(1,102.45)
6	Tax expense:			
(a)	Current tax		-	-
(b)	Deferred tax		-	-
7	Loss for the year (5-6)		(1,148.14)	(1,102.45)
8	Other comprehensive income			
(a)	(i) Items that will not be reclassified to profit or loss			
	- Remeasurements of Employee Benefits		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	Subtotal (a)		-	-
(b)	(i) Items that will be reclassified to profit or loss			
	- Foreign currency translation reserve		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Subtotal (b)		-	-
	Other comprehensive income (a+b)		-	-
9	Total comprehensive loss for the period (7+8) (Comprising loss and other comprehensive income for the year)		(1,148.14)	(1,102.45)
10	Earnings per equity share			
	Basic (Rs.)	14	(11.48)	(11.02)
	Diluted (Rs.)	14	(11.48)	(11.02)

See accompanying Notes to the Financial Statements

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Place : Mumbai
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IIFL Wealth Securities IFSC Limited
CASHFLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Thousands)

Particulars	2021-22	2020-21
A. Cash flows from operating activities		
Net profit/(loss) before taxation and extraordinary item	(1,148.14)	(1,102.45)
Adjustments for:		
Interest expenses	45.29	51.32
Operating profit/(loss) before working capital changes	(1,102.85)	(1,051.13)
Changes in working Capital :		
(Increase)/ Decrease in Financial/Non-financial Assets	(247.94)	372.09
Increase/ (Decrease) in Financial/Non-financial Liabilities	1,355.25	683.11
Cash generated from/(used in) operating activities	4.46	4.07
Net income tax(paid) / refunds	-	-
Net cash generated from/(used in) operating activities (A)	4.46	4.07
B. Cash flows from investing activities		
Net cash generated from/(used in) investing activities (B)	-	-
C. Cash flows from financing activities		
Inter Corporate Deposits - taken	-	-
Interest paid	(4.46)	(4.07)
Net cash (used in)/generated from financing activities (C)	(4.46)	(4.07)
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(0.00)	(0.00)
Opening Cash & cash equivalents	0.16	0.16
Closing Cash & cash equivalents	0.16	0.16
See accompanying Notes to the Financial Statements		

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Chartered Accountants

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Place : Mumbai
Dated: April 29, 2022

IIFL Wealth Securities IFSC Limited

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

STATEMENT OF CHANGES IN EQUITY SHARE CAPITAL FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Thousands)

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
1,000.00	-	1,000.00	-	1,000.00

STATEMENT OF CHANGES IN EQUITY SHARE CAPITAL FOR THE YEAR ENDED MARCH 31, 2021

(₹ in Thousands)

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
1,000.00	-	1,000.00	-	1,000.00

STATEMENT OF CHANGES IN OTHER EQUITY FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Thousands)

Particulars	Equity attributable to owners of the Company		Total
	Other Equity		
	Retained Earnings	Total Other Equity	
Balance at the beginning of the reporting year	(3,350.85)	(3,350.85)	(2,350.85)
Profit/(loss) for the year	(1,148.14)	(1,148.14)	(1,148.14)
Balance at the end of the reporting year	(4,498.99)	(4,498.99)	(3,498.99)

STATEMENT OF CHANGES IN OTHER EQUITY FOR THE YEAR ENDED MARCH 31, 2021

(₹ in Thousands)

Particulars	Equity attributable to owners of the Company		Total
	Other Equity		
	Retained Earnings	Total Other Equity	
Balance at the beginning of the reporting year	(2,248.40)	(2,248.40)	(1,248.40)
Profit/(loss) for the year	(1,102.45)	(1,102.45)	(1,102.45)
Balance at the end of the reporting year	(3,350.85)	(3,350.85)	(2,350.85)

Reained Earnings

The balance in Retained Earnings primarily represents losses carried forward and incurred during the year.

For Deloitte Haskins & Sells LLP

Chartered Accountants

For and on behalf of the Board of Directors

Pallavi A. Gorakshakar
Partner

Anu Jain
Director
(DIN: 01001502)

Yatin Shah
Director
(DIN: 03231090)

Place : Mumbai

Dated: April 29, 2022

Financial Statements Of IIFL Wealth Securities IFSC Limited
Notes forming part of Financial Statements for the period ended March 31, 2022

Note 1. Corporate Information:

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

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

Note 2 – Summary Statement of Significant Accounting Policies

a) Statement of Compliance:

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

b) These financials statements have been approved for issuance by the Board of Directors on April 29, 2022.

c) Financial Instruments

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

• **Financial assets**

Initial recognition and measurement:

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

Subsequent measurement:

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

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

Financial Statements Of IIFL Wealth Securities IFSC Limited
Notes forming part of Financial Statements for the period ended March 31, 2022

i. Financial assets measured at amortized cost:

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

- The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

ii. Financial assets measured at FVTOCI:

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

- The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

iii. Financial assets measured at FVTPL:

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

Derecognition:

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

- The contractual rights to cash flows from the financial asset expires;
- The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
- The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- The Company neither transfers nor retains, substantially all risk and rewards of ownership, and does not retain control over the financial asset.

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

Financial Statements Of IIFL Wealth Securities IFSC Limited
Notes forming part of Financial Statements for the period ended March 31, 2022

Impairment of financial assets:

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

- Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.
- The Company measures the loss allowance on financial assets at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for that financial asset at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the lifetime expected credit losses and represent cash shortfalls that will result if default occurs within the 12 months weighted by the probability of default after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.
- When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

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

- **Financial Liabilities**

Initial recognition and measurement:

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

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

Subsequent measurement:

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

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

Financial Statements Of IIFL Wealth Securities IFSC Limited
Notes forming part of Financial Statements for the period ended March 31, 2022

(iii) For derivatives embedded in the liability, the embedded derivative is subsequently measured at fair value through profit and loss and the liability is subsequently measured at amortised cost using the effective interest method.

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

d) Fair Value

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

- In the principal market for the asset or liability, or
 - In the absence of a principal market, in the most advantageous market for the asset or liability. (
- All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows:

. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 — inputs that are unobservable for the asset or liability

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

e) Foreign Currency Translation

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

Initial Recognition:

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

Measurement of foreign currency items at reporting date:

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

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

f) Income Taxes

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

Financial Statements Of IIFL Wealth Securities IFSC Limited
Notes forming part of Financial Statements for the period ended March 31, 2022

Current tax:

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

Deferred tax:

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

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

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

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

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

Presentation of current and deferred tax:

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

g) Provisions and Contingencies

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

Financial Statements Of IIFL Wealth Securities IFSC Limited
Notes forming part of Financial Statements for the period ended March 31, 2022

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

h) Cash and Cash Equivalents

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

i) Lease accounting

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 Statements Of IIFL Wealth Securities IFSC Limited
Notes forming part of Financial Statements for the period ended March 31, 2022

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.

j) Earnings Per Share:

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

Financial Statements Of IIFL Wealth Securities IFSC Limited
Notes forming part of Financial Statements for the period ended March 31, 2022

k) Key Accounting Estimates and Judgements

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

Critical accounting estimates and assumptions

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

- Fair value measurement of Financial Instruments

When the fair values of 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.

FINANCIAL STATEMENTS OF IIFL Wealth Securities IFSC Limited
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 3. Cash and Cash Equivalents

(₹ in Thousands)

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Cash and Cash Equivalents (As per Ind AS 7 Statement of Cashflows)		
Balance with banks		
-In current accounts	0.16	0.16
Cash and cash equivalents (As per Ind AS 7 Statement of Cashflows)	0.16	0.16

Note 4. Other financial assets

(₹ in Thousands)

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Security deposits	559.28	487.64
Total	559.28	487.64

Note 5. Other Non Financial Assets

(₹ in Thousands)

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Prepaid expenses	29.97	31.00
Goods and service tax input credit receivable	78.48	63.55
Total	108.45	94.55

Note 6. Payables

(₹ in Thousands)

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
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	487.74	288.00
Total	487.74	288.00

Trade payables aging schedule for the year ended March 31, 2022

(₹ in Thousands)

Particulars	Outstanding for following periods from due date of payment				Unbilled / Provision	Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	487.74	487.74
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iii) Disputed dues - others	-	-	-	-	-	-
Total trade payables as on 31st March 2022	-	-	-	-	487.74	487.74

Trade payables aging schedule for the year ended March 31, 2021

(₹ in Thousands)

Particulars	Outstanding for following periods from due date of payment				Unbilled / Provision	Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	288.00	288.00
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iii) Disputed dues - others	-	-	-	-	-	-
Total trade payables as on 31st March 2021	-	-	-	-	288.00	288.00

6.1. 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	2021-22	2020-21
(a) Principal amount remaining unpaid to any supplier at the year end	-	-
(b) Interest due thereon remaining unpaid to any supplier at the year end	-	-
(c) Amount of interest paid and payments made to the supplier beyond the appointed day during the year	-	-
(d) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
(e) Amount of interest accrued and remaining unpaid at the year end	-	-
(f) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Act	-	-

FINANCIAL STATEMENTS OF IIFL Wealth Securities IFSC Limited
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 7. Borrowings (other than Debt securities)

Particulars	As at Mar 31, 2022				As at Mar 31, 2021			
	At Amortised Cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total
	1	2	3	4=1+2+3	1	2	3	4=1+2+3
(a)Loans from related parties (unsecured)	550.00	-	-	550.00	550.00	-	-	550.00
Total	550.00	-	-	550.00	550.00	-	-	550.00

Residual maturity	As at March 31, 2022		As at March 31, 2021	
	Balance outstanding	Interest rate % (p.a)	Balance outstanding	Interest rate % (p.a)
At Amortised cost				
Less than 1 year	550.00	8.24%	550.00	9.03%
1-5 years	-	-	-	-
Above 5 years	-	-	-	-

Note 8. Other Financial Liabilities

Particulars	(₹ in Thousands)	
	As at Mar 31, 2022	As at Mar 31, 2021
Payable to holding co / group companies	2,495.04	1,665.94
Interest accrued and not due	138.76	97.92
Total	2,633.80	1,763.86

Note 9. Other Non Financial Liabilities:

Particulars	(₹ in Thousands)	
	As at Mar 31, 2022	As at Mar 31, 2021
Statutory Liabilities Payable	5.57	3.47
Total	5.57	3.47

FINANCIAL STATEMENTS OF IIFL Wealth Securities IFSC Limited
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 10. Share Capital:

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

(₹ in Thousands)

Authorised :	As at Mar 31, 2022	As at Mar 31, 2021
2,000,000 (PY - 2,000,000) Equity shares of ₹ 10/- each with voting rights	20,000.00	20,000.00
Issued, Subscribed and Paid Up:		
100,000 (PY - 100,000) Equity shares of ₹ 10/- each with voting rights	1,000.00	1,000.00
Total	1,000.00	1,000.00

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

Particulars	As at Mar 31, 2022		As at Mar 31, 2021	
	No. of shares	₹ in Thousands	No. of shares	₹ in Thousands
At the beginning of the year	100,000	1,000	100,000	1,000
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	100,000	1,000	100,000	1,000

(c) Terms/rights attached to equity shares:

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/- each. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) Details of shares held by Holding Company:

Particulars	As at Mar 31, 2022		As at Mar 31, 2021	
	No. of shares	% holding	No. of shares	% holding
IIFL Wealth Management Limited & its nominees	100,000	100.0%	100,000	100.0%

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

Particulars	As at Mar 31, 2022		As at Mar 31, 2021	
	No. of shares	% holding	No. of shares	% holding
IIFL Wealth Management Limited & its nominees	100,000	100.0%	100,000	100.0%

(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.

(f) Details of Promoter's Shareholding

Promoters Name	As at March 31, 2022		% change during the year
	No of shares	%holding	
IIFL Wealth Management Limited	100,000	100.0%	0.0%

Promoters Name	As at March 31, 2022		% change during the year
	No of shares	%holding	
IIFL Wealth Management Limited	100,000	100%	0.0%

FINANCIAL STATEMENTS OF IIFL Wealth Securities IFSC Limited
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 11. Other Equity:

Particulars	(₹ in Thousands)	
	As at Mar 31, 2022	As at Mar 31, 2021
Retained earnings (Refer Statement of Changes in Equity)	(4,498.99)	(3,350.85)
Total	(4,498.99)	(3,350.85)

Note 12. Finance Cost

Particulars	(₹ in Thousands)					
	2021-22			2020-21		
	On financial liabilities measured at fair value through profit or loss	On financial liabilities measured at amortised cost	Total	On financial liabilities measured at fair value through profit or loss	On financial liabilities measured at amortised cost	Total
Interest on borrowings	-	45.29	45.29	-	53.21	53.21
Other interest expense	-	269.19	269.19	-	274.67	274.67
Total	-	314.48	314.48	-	327.88	327.88

Note 13. Other Expenses:-

Particulars	(₹ in Thousands)	
	2021-22	2020-21
Operations, treasury and fund management expenses	5.41	5.90
Rent and energy cost	15.67	15.14
Legal & professional fees	82.65	94.40
Office & other expenses	64.48	46.37
Remuneration to Auditors :		
Audit fees	230.00	200.00
Out Of pocket expenses	-	3.00
Total	398.21	364.81

Note 14. Earnings Per Share:

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

Particulars		2021-22	2020-21
Face value of equity shares in ₹ fully paid up		10.00	10.00
BASIC			
Loss after tax as per statement of profit and loss (₹ in Thousands)	A	(1,148.14)	(1,102.45)
Weighted average number of shares subscribed	B	100,000	100,000
Face value of equity shares (in ₹) fully paid		10.00	10.00
Basic EPS (₹)	A/B	(11.48)	(11.02)
DILUTED			
Loss after tax as per statement of profit and loss (₹ in Thousands)	A	(1,148.14)	(1,102.45)
Weighted number of shares subscribed	B	100,000	100,000
Add: Potential equity shares on account of conversion of employee stock option	C	-	-
Weighted average number of shares outstanding	D=B+C	100,000	100,000
Diluted EPS (₹)	A/D	(11.48)	(11.02)

FINANCIAL STATEMENTS OF IIFL Wealth Securities IFSC Limited
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 15. 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, 2022:

Particulars	Premises
Balance as at 01 April, 2021	2,691.91
Additions during the year	597.85
Depreciation charge for the year	(435.45)
Deletions during the year	-
Balance as at March 31, 2022	2,854.31

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

Particulars	Premises
Balance as at 01 April, 2020	3,101.66
Additions during the year	-
Depreciation charge for the year	(409.76)
Deletions during the year	-
Balance as at March 31, 2021	2,691.90

The following is the movement in lease liabilities during the year ended March 31, 2022:

Particulars	Premises
Balance as at 01 April, 2021	3,019.78
Additions	597.85
Deletion	-
Finance cost accrued during the period	268.39
Payment of lease liabilities	(541.95)
Balance as at March 31, 2022	3,344.07

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

Particulars	Premises
Balance as at 01 April, 2020	3,251.68
Additions	-
Deletion	-
Finance cost accrued during the period	277.96
Payment of lease liabilities	(509.87)
Balance as at March 31, 2021	3,019.77

Following is the break up value of the Current and Non - Current Lease Liabilities for the period ended March 31, 2022:

Particulars	As at March 31, 2022	As at March 31, 2021
Current lease liabilities	337.95	294.73
Non-current lease liabilities	3,006.12	2,725.04
Total	3,344.07	3,019.77

Maturity analysis – contractual undiscounted cash flows

Particulars	As at March 31, 2022	As at March 31, 2021
Less than one year	604.31	535.37
One to five years	3,739.43	3,106.16
More than five years	-	400.27
Total undiscounted lease liabilities	4,343.74	4,041.80
Lease liabilities included in the statement of financial position	3,344.07	3,019.77

Amounts recognised in profit or loss

Particulars	As at March 31, 2022	As at March 31, 2021
Interest on lease liabilities	268.39	277.96
Variable lease payments not included in the measurement of lease liabilities	-	-
Income from sub-leasing right-of-use assets	-	-
Expenses relating to short-term leases	-	-
Depreciation relating to leases	435.45	409.76
Total	703.84	687.72

Amounts recognised in the statement of cash flows

Particulars	As at March 31, 2022	As at March 31, 2021
Total cash outflow for leases	541.95	509.87

FINANCIAL STATEMENTS OF IIFL Wealth Securities IFSC Limited
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 16. 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 and other financial liabilities. The Company's principal financial assets include cash and cash equivalents and other financial assets that derive directly from its operations.

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.

16A.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) Others

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

16B. 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

The following table shows the maturity profile of Financial liabilities:

(₹ in Thousands)

Financial liabilities	As at 31st March 2022					
	Total	Less than 1 months	1 months to 6 months	6 months to 1 year	Between 1 to 5 years	5 years and above
Trade Payables	487.74	-	487.74	-	-	-
Borrowings (Other than Debt Securities)	550.00	-	550.00	-	-	-
Other financial liabilities	2,633.80	-	-	2,633.80	-	-
Total	3,671.54	-	1,037.74	2,633.80	-	-

For Finance Lease Obligation maturity refer note 15

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	5 years and above
Trade Payables	288.00	-	288.00	-	-	-
Borrowings (Other than Debt Securities)	550.00	-	-	550.00	-	-
Other financial liabilities	1,763.86	-	-	1,763.86	-	-
Total	2,601.86	-	288.00	2,313.86	-	-

For Finance Lease Obligation maturity refer note 15

16C. 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. The Company has no exposure to any such risk.

16C.1 Currency Risk

The Company does not run a proprietary trading position in foreign currencies and foreign currency denominated instruments. The Company also has no exposure to foreign currencies on account of business operations or by maintaining cash and cash equivalents and deposits with banks in currencies other than reporting/functional currencies. There are no Financial assets and liabilities subject to foreign exchange risk

16C.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. However the Company does not have exposure to interest rate risk.

Since the borrowings/loans outstanding as at March 31, 2021 are at fixed interest rate, hence no interest rate risk analysis has been performed by the Management.

16C3. Other Price Risk

Other price risk is related to the change in market reference price of the derivative financial instruments, investments and debt securities which are fair valued and exposes the Company to price risks. The Company has no exposure to any such risk

16D. Capital Management

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

16E. Category Wise Classification for applicable Financial Assets and Liabilities

(₹ in Thousands)

Sr No.	Particulars	As at 31st March 2022			
		Measure at Amorisred Cost	Measured At Fair Value through Profit or Loss (P/L)	Measured At Fair Value through Other Comprehensive	Total
	Financial Assets				
(a)	Cash and cash equivalents	0.16	-	-	0.16
(b)	Other financial assets	559.28	-	-	559.28
	Total	559.44	-	-	559.44
	Financial Liabilities				
(a)	Payables				-
	(i) Trade payables				-
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	487.74	-	-	487.74
(b)	Finance Lease Obligation	3,344.07	-	-	3,344.07
(c)	Borrowings (other than debt securities)	550.00	-	-	550.00
(d)	Other financial liabilities	2,633.80	-	-	2,633.80
	Total	7,015.61	-	-	7,015.61

Note 16. Disclosure Pursuant to Ind AS 107 "Financial Instruments: Disclosures" (continued)

(₹ in Thousands)					
Sr No.	Particulars	As at 31st March 2021			
		Measure at Amorisred Cost	Measured At Fair Value through Profit or Loss (P/L)	Measured At Fair Value through Other Comprehensive Income (OCI)	Total
	Financial Assets				
(a)	Cash and cash equivalents	0.16	-	-	0.16
(b)	Other financial assets	487.64	-	-	487.64
	Total	487.80	-	-	487.80
	Financial Liabilities				
(a)	Payables				-
	(I) Trade payables				-
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	288.00	-	-	288.00
(b)	Borrowings (other than debt securities)	550.00	-	-	550.00
(c)	Other financial liabilities	1,763.86	-	-	1,763.86
	Total	2,601.86	-	-	2,601.86

16E.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.

16E. 1a Fair value of financial assets and financial liabilities measured at amortised cost

(₹ in Thousands)		
Financial Assets and liabilities which are measured at amortised cost for which fair values are disclosed	As at 31st March 2022	
	Carrying Value	Fair Value
Financial Assets		
Cash and cash equivalents	0.16	0.16
Other financial assets	559.28	559.28
Financial Liabilities		
(I) Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	487.74	487.74
Finance Lease Obligation	3,344.07	3,344.07
Borrowings (other than debt securities)	550.00	550.00
Other financial liabilities	2,633.80	2,633.80
(₹ in Thousands)		
Financial Assets and liabilities which are measured at amortised cost for which fair values are disclosed	As at 31st March 2021	
	Carrying Value	Fair Value
Financial Assets		
Cash and cash equivalents	0.16	0.16
Other financial assets	487.64	487.64
Financial Liabilities		
(I) Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	288.00	288.00
Borrowings (other than debt securities)	550.00	550.00
Other financial liabilities	1,763.86	1,763.86

Financial assets measured at amortised cost:

The carrying amounts of cash and cash equivalents and other bank balances, 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, Borrowings, Finance lease obligations and other financial liabilities are considered to be the same as their fair values due to their short term nature.

FINANCIAL STATEMENTS OF IIFL Wealth Securities IFSC Limited
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 16. Related Party Disclosures:

Related party disclosures for the year ended 31st March, 2022

a) List of Related Parties:

Nature of relationship	Name of party
Director/ Key Managerial Personnel	Anu Jain, Director
	Yatin Shah, Director
	Mr. Umang Papneja, Director (appointed w.e.f. May 26, 2020)
Holding Company	IIFL Wealth Management Limited
Fellow Subsidiaries	IIFL Wealth Prime Limited
	IIFL Asset Management Limited
	IIFL Investment Adviser and Trustee Services Limited
	IIFL Trustee Limited
	IIFL Wealth Portfolio Managers Limited
	IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services Limited)
	IIFL Wealth Capital Markets Limited (Formerly known as L & T Capital Markets Limited)
	IIFL Wealth Altiore Limited (Formerly known as IIFL Altiore Advisors Limited)
	IIFL Wealth Employee Welfare benefit Trust (upto January 11, 2022)
	IIFL Private Wealth Management (Dubai) Limited
	IIFL Inc.
	IIFL Asset Management (Mauritius) Limited
	IIFL (Asia) Pte. Limited *
	IIFL Capital Pte. Limited *
	IIFL Securities Pte. Limited *
	IIFL Capital (Canada) Limited
	IIFLW CSR Foundation
Other Related Parties	IIFL Finance Limited
	IIFL Securities Limited
	IIFL Commodities Limited (Formerly known as India Infoline Commodities Limited)
	Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited w.e.f. February 22, 2022)
	IIFL Management Services Limited (Formerly known as India Infoline Insurance Services Limited)
	IIFL Wealth (UK) Limited
	IIFL Capital Inc.
	IIFL Facilities Services Limited (Formerly known as IIFL Real Estate Limited)
	IIFL Securities Services IFSC Limited
	Livlong Protection & Wellness Services Limited (Formerly known as IIFL Corporate Services Limited w.e.f. October 6, 2021)
	IIFL Home Finance Limited
	Samasta Microfinance Limited (w.e.f March 01, 2017)
	Meenakshi Tower LLP (Joint Venture of IIFL Management Services Limited)
	Shreyans Foundation LLP
	India Infoline Foundation
	Spaisa Capital Limited
	Spaisa Trading Limited
	IIFL Sales Limited
	Giskard Datatech Private Limited (Associate Company w.e.f. November 06, 2020 and Ceased to be Associate Company w.e.f. December 30, 2021)
	General Atlantic Singapore Fund Pte Limited
	Mr. Karan Bhagat
	Mr. Venkataraman Rajamani
	Mr. Nirmal Jain
	Mr. Shantanu Rastogi
	Mr. Sandeep Achyut Naik
	Mr. Gopalakrishnan Soundarajan
	Mr. Mihir Nanavati(Upto September 1, 2021)
	Mr. Amit Bhandari (Upto August 03, 2021)
	Mr. Sanjay Wadhwa (w.e.f September 2, 2021)
	Mr. Rohit Bhase (w.e.f August 04, 2021)
	Mrs. Shilpa Bhagat (Spouse of Mr. Karan Bhagat)
	Ms. Madhu Bhagat (Mother of Mr. Karan Bhagat)
	Mr. Kush Bhagat (Son of Mr. Karan Bhagat)
	Ms. Kyra Bhagat (Daughter of Mr. Karan Bhagat)
	Mr. Varun Bhagat (Brother of Mr. Karan Bhagat)
	Mrs. Ami Yatin Shah (Spouse of Mr. Yatin Shah)
	Yatin Prakash Shah HUF
	Prakashchandra Chunilal Shah HUF
	Mr. Prakashchandra Shah (Father of Mr. Yatin Shah)
	Mrs. Hansadevi Shah (Mother of Mr. Yatin Shah)
	Kiaan Shah (Son of Mr. Yatin Shah)
	Naysa Shah (Daughter of Mr. Yatin Shah)
	Ms. Yasmita Sarju Vakil (Sister of Mr. Yatin Shah)
	Ms. Shefali Devani (Sister of Mr. Yatin Shah)
	Mrs. Madhu Jain (Spouse of Mr. Nirmal Jain)
	Mr. Bhanwarlal Jain (Father of Mr. Nirmal Jain)
	Ms. Sunderben Jain (Mother of Mr. Nirmal Jain)
	Mr. Bhavya Jain (Son of Mr. Nirmal Jain)
	Ms. Kalpita Jain (Daughter of Mr. Nirmal Jain)
	Ms. Harshita Jain (Daughter of Mr. Nirmal Jain)
	Mr. Mansukh Jain and Mr. Ramesh Jain (Brother of Mr. Nirmal Jain)
	Ms. Pushpa Khokhawar (Sister of Mr. Nirmal Jain)
	Ms. Aditi Athavankar (Spouse of Mr. Venkataraman Rajamani)
	Mr. Rajamani (Father of Mr. Venkataraman Rajamani)
	Ms. Syamala (Mother of Mr. Venkataraman Rajamani)
	Mr. Vihaan Venkataraman (Son of Mr. Venkataraman Rajamani)
	Mr. Varun Venkataraman (Son of Mr. Venkataraman Rajamani)
Ms. Nandini (Sister of Mr. Venkataraman Rajamani)	
Ms. Anchal Rastogi (Spouse of Mr. Shantanu Rastogi)	
Mr. Girish Kumar Rastogi (Father of Mr. Shantanu Rastogi)	
Ms. Nisha Rastogi (Mother of Mr. Shantanu Rastogi)	
Mr. Vir Rastogi (Son of Mr. Shantanu Rastogi)	
Mr. Yug Rastogi (Son of Mr. Shantanu Rastogi)	
Mr. Shivam Rastogi (Brother of Mr. Shantanu Rastogi)	
Mrs. Bhakti Prabhu Naik (Spouse of Mr. Sandeep Naik)	

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Nature of relationship	Name of party
Other Related Parties	Mr. Achyut Madhushiva Naik (Father of Mr. Sandeep Naik)
	Ms. Suman Achyut Naik (Mother of Mr. Sandeep Naik)
	Mr. Naman Naik (Son of Mr. Sandeep Naik)
	Mr. Kian Naik (Son of Mr. Sandeep Naik)
	Deepak Achyut Naik (Brother of Mr. Sandeep Naik)
	Sunil Achyut Naik (Brother of Mr. Sandeep Naik)
	Ms. Prajakta Thakur (Sister of Mr. Sandeep Naik)
	Ms. Shalini Gopalakrishnan (Spouse of Mr. Gopalakrishnan Soundarajan)
	Mr. Govindarajan Soundarajan (Father of Mr. Gopalakrishnan Soundarajan)
	Ms. Sakunthla Soundarajan (Mother of Mr. Gopalakrishnan Soundarajan)
	Mr. Adidev Gopalakrishnan (Son of Mr. Gopalakrishnan Soundarajan)
	Ms. Srimathi Basra (Sister of Mr. Gopalakrishnan Soundarajan)
	Mr. Vinod Anand (Father of Anu Jain)
	Mrs. Manju Anand (Mother of Anu Jain)
	Mrs. Yogita Papneja (Spouse of Umang Papneja)
	Mr. Jagmohan Papneja (Father of Umang Papneja)
	Mrs. Rita Papneja (Mother of Umang Papneja)
	Mr. Pratham Papneja (Son of Umang Papneja)
	Mr. Hriday Papneja (Son of Umang Papneja)
	Mrs. Bhavya Wadhwa (Spouse of Mr. Sanjay Wadhwa)
	Mr. Tulsio Wadhwa (Father of Mr. Sanjay Wadhwa)
	Mrs. Chandra Wadhwa (Mother of Mr. Sanjay Wadhwa)
	Shail Wadhwa (Son of Mr. Sanjay Wadhwa)
	Drishti Wadhwa (Daughter of Mr. Sanjay Wadhwa)
	Mr. Girish Wadhwa (Brother of Mr. Sanjay Wadhwa)
	Mamta Wadhwa (Sister of Mr. Sanjay Wadhwa)
	Dr. Akanksha Rohit Bhasre (Spouse of Mr. Rohit Bhasre)
	Mr. Shrinivas Raghunath Bhasre (Father of Mr. Rohit Bhasre)
	Mrs. Anjali Shrinivas Bhasre (Mother of Mr. Rohit Bhasre)
	Ms. Uma Rohit Bhasre (Daughter of Mr. Rohit Bhasre)
	Yatin Investments
	Kyrush Investments
	Naykia Realty Private Limited
	Trend Analytics (India) Private Limited (Formerly known as Financial advisors (India) Private Limited)
	Kyrush Trading & Investments Private Limited (Formerly known as Kyrush Realty Private Limited)
	Orpheus Trading Private Limited
	MNJ Consultants Private Limited
	Ardent Impex Private Limited
	Sunder Bhawar Ventures Private Limited
	Chintamani Properties Private Limited
	5 Paisa P2P Limited
	5 Paisa Insurance Brokers Limited
	Kush Family Private Trust
	Kyra Family Private Trust
	Kalki Family Private Trust
	Nirmal Madhu Family Private Trust
	Naykia Family Private Trust
	Prakash Shah Family Private Trust
	Bhagat Family Private Trust
	Kyrush Family Private Trust
	Naysa Shah Family Private Trust
	Kiaan Shah Family Private Trust
	FIH Mauritius Investments Limited
	Capital Foods Private Limited
	Rubicon Research Private Limited
No Broker Technologies Solutions Private Limited	
House of Anita Dongre Private Limited	
Sorting Hat Technologies Private Limited	
Chittaranjan Properties Private Limited	
Vare Precast & Construction Private Limited	

*IIFL (Asia) Pte. Limited, IIFL Capital Pte. Limited and IIFL Securities Pte. Ltd. have Amalgamated to become IIFL Capital Pte. Limited with effect from October 27, 2021

FINANCIAL STATEMENTS OF IIFL Wealth Securities IFSC Limited
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 16. Related Party Disclosures: (continued)

b) Significant Transactions with Related Parties (₹ in Thousands)

Nature of Transaction	Holding Company	Fellow Subsidiaries	Key Managerial Person	Other Related Parties	Total
Interest Expense on ICD					
IIFL Wealth Management Limited	45.29	-	-	-	45.29
	(51.32)	-	-	-	(51.32)
Other funds Paid					
IIFL Wealth Management Limited	776.15	-	-	-	776.15
	(834.85)	-	-	-	(834.85)
IIFL Wealth Prime Limited	-	-	-	-	-
	-	(238.82)	-	-	(238.82)

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

Nature of Transaction	Holding Company	Fellow Subsidiaries	Key Managerial Personnel	Other Related Parties	Total
ICD Taken					
IIFL Wealth Management Limited	550.00	-	-	-	550.00
	(550.00)	-	-	-	(550.00)
Sundry Payables					
IIFL Wealth Management Limited	2,394.99	-	-	-	2,394.99
	(1,525.05)	-	-	-	(1,525.05)
IIFL Wealth Prime Limited	-	238.82	-	-	238.82
	-	(238.82)	-	-	(238.82)

Note:

Amounts in brackets represents previous year's figures

FINANCIAL STATEMENTS OF IIFL Wealth Securities IFSC Limited
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 18.1. Maturity analysis of assets and liabilities as at March 31, 2022

(₹ in Thousands)

SR. No.	Particulars	Within 12 months	After 12 months	Total
	ASSETS			
1	Financial Assets			
(a)	Cash and cash equivalents	0.16	-	0.16
(b)	Other financial assets	-	559.28	559.28
2	Non-Financial Assets			
(a)	Right to Use Asset	-	2,854.31	2,854.31
(b)	Other non-financial assets	29.97	78.48	108.45
	Total Assets	30.13	3,492.07	3,522.20
	LIABILITIES AND EQUITY			
	LIABILITIES			
1	Financial Liabilities			
(a)	Payables			
	(I) Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises			-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	487.74	-	487.74
(b)	Finance Lease Obligation	337.95	3,006.12	3,344.07
(c)	Borrowings (other than debt securities)	550.00	-	550.00
(d)	Other financial liabilities	2,633.80	-	2,633.80
2	Non-Financial Liabilities			
(a)	Other non-financial liabilities	5.57	-	5.57
3	EQUITY			
(a)	Equity share capital	-	1,000.00	1,000.00
(b)	Other equity	-	(4,498.99)	(4,498.99)
	Total Liabilities and Equity	4,015.06	(492.87)	3,522.20

FINANCIAL STATEMENTS OF IIFL Wealth Securities IFSC Limited
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 18.1. Maturity analysis of assets and liabilities as at March 31, 2021

(₹ in Thousands)

SR. No.	Particulars	Within 12 months	After 12 months	Total
	ASSETS			
1	Financial Assets			
(a)	Cash and cash equivalents	0.16	-	0.16
(b)	Other financial assets	-	487.64	487.64
2	Non-Financial Assets			
(a)	Right to Use Asset	-	2,691.90	2,691.90
(b)	Other non-financial assets	31.00	63.55	94.55
	Total Assets	31.16	3,243.09	3,274.25
	LIABILITIES AND EQUITY			
	LIABILITIES			
1	Financial Liabilities			
(a)	Payables			
	(I) Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises			-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	288.00	-	288.00
(b)	Finance Lease Obligation	294.73	2,725.04	3,019.77
(c)	Borrowings (other than debt securities)	550.00	-	550.00
(d)	Other financial liabilities	1,763.86	-	1,763.86
2	Non-Financial Liabilities			
(a)	Other non-financial liabilities	3.47	-	3.47
3	EQUITY			
(a)	Equity share capital	-	1,000.00	1,000.00
(b)	Other equity	-	(3,350.85)	(3,350.85)
	Total Liabilities and Equity	2,900.06	374.19	3,274.25

FINANCIAL STATEMENTS OF IIFL Wealth Securities IFSC Limited
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 19. Segment Reporting

In the opinion of the management, there is only one reportable business segment 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.

Note 20. IIFL Wealth Management Limited (the "Parent Company") had infused equity share capital of amount ₹ 1,000.00 thousands in its wholly owned subsidiary, IIFL Wealth Securities (IFSC) Limited, on August 6, 2018 and subsequently issued loans to such subsidiary on January 1, 2019, February 6, 2019, March 29, 2019 and April 30, 2019 of ₹ 200.00 thousands, ₹ 100.00 thousands, ₹ 200.00 thousands and ₹ 50.00 thousands respectively. Such remittances were not in line with Para vi (3) of the Notification No. FEMA 120/RB-2004 dated July 7, 2004, as amended from time to time (Foreign Exchange Management (Transfer or Issue of any Foreign Security) Regulations, 2004) (the 'Regulation').

Based on discussion with the the Reserve Bank of India (the "RBI") on January 9, 2020, the Parent Company has decided to submit ODI – Part I form under approval route for the transactions mentioned above.

Note 21. Going concern

The Company has reported loss of ₹ 1,148.14 thousands for the year ended March 31, 2022. The Company also has outstanding payable of ₹ 2,394.99 thousands to Parent Company as on March 31, 2022. There is significant erosion of Net Worth. However, in view of financial support available from the IIFL Wealth Management Limited (the Parent Company), there is no material uncertainty as to the ability of the Company to continue as a going concern and hence, the financial statements have been prepared on a going concern basis. The Company is assured of continuing operational and financial support from the Parent Company for the period of 12 months from April 29, 2022.

Note 22. Other Statutory Information

1. The Company does not hold any immovable property as on 31 March 2022 and 31 March 2021, whose title deeds are not in the favour of the Company.
2. No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, as at 31 March 2022 and 31 March 2021.
3. The Company is not a declared wilful defaulter by any bank or financial Institution or other lender, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India, during the year ended 31 March 2022 and 31 March 2021.
4. The Company does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended 31 March 2022 and 31 March 2021.
5. There have been no transactions which have not been recorded in the books of accounts, that have been surrendered or disclosed as income during the year ended 31 March 2022 and 31 March 2021, in the tax assessments under the Income Tax Act, 1961. There have been no previously unrecorded income and related assets which were to be properly recorded in the books of account during the year ended 31 March 2022 and 31 March 2021.
6. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
 - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
7. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
8. The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended 31 March 2022 and 31 March 2021.
9. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
10. Considering that the company is in the business of wealth management , the analytical ratios related to Capital to Risk Weighted Assets Ratio (CRAR), Tier I CRAR, Tier II CRAR and Liquidity Coverage Ratios are not applicable

FINANCIAL STATEMENTS OF IIFL Wealth Securities IFSC Limited
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 23. Events after reporting period

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

Note 24. The Company has taken into consideration the impact of COVID-19 on various elements of the financial statements basis the available external and internal information and is of the view that the events do not have any material implication for the Company.

Note 25. Approval of Financial Statements

The financial statements were approved for issuance by the Board of Directors on April 29, 2022

Note 26. Previous year figures are regrouped/reclassified/rearranged where ever considered necessary to confirm to current year's presentation.

For and on behalf of the Board of Directors

Anu Jain
Director
(DIN: 01001502)

Yatin Shah
Director
(DIN: 03231090)

Place : Mumbai
Dated: April 29, 2022