
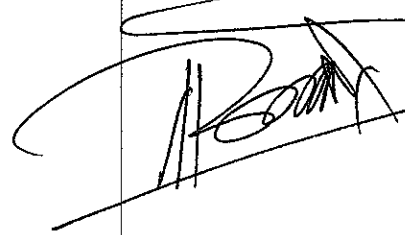
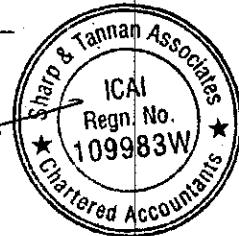



FORM A

Format of covering letter of the Annual Audit Report to be filed with stock exchanges

1.	Name of the Company	IIFL Holdings Limited
2.	Annual Financials statement for the year	March 31, 2015
3.	Type of Audit observation	Unqualified
4.	Frequency of observation	Not Applicable
5.	To be signed:-	
	CEO/Managing Director	R. Venkataraman
	CFO	
	Auditor of the Company	 
	Audit Committee chairman	N. S. G. Kary

Time is Money

Reliving the priceless decade



IIFL

IIFL HOLDINGS LIMITED

ANNUAL REPORT 2014-2015



Reliving the priceless decade

Since our listing in 2005, every moment has made us richer in terms of knowledge, experience and expertise. It has redefined our persona, pushed the limits of our possibilities and enabled us to go beyond the visible horizons.

Today, on our first decade of listing, we are reliving these priceless moments and sharing them with you.

Count on, read on.

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Reliving The Priceless Decade

2005

IPO

*Listing on
NSE and BSE*

2006

Launched financing business

*The financing business
today, is one of the
dominant business lines,
contributing more than
70% of total income*

2007

Scaled up institutional equities business

*IIFL has established
itself as the first port
of call for FIIs and
Mutual Funds*

2008

Launch of IIFL Private Wealth Management

*Total assets under
advice, distribution
and management were
₹ 700+ billion, FY15*

Transitioned to a insurance broking model

*One of the leading
insurance brokers in
India today*

2009

Enterprising India - Our first global investor conference

*Today, Enterprising
India has become
the 'must attend'
conference for
institutional investors
every year*

Registered with NHB for Housing Finance business

*India Infoline Housing
Finance has assets of
₹ 19.7 billion, FY15
and is poised for
growth*

*One of the guiding principles during our
priceless decade was to de-risk our business
from volatility of the stock market. Today,
IIFL is a diversified group engaged in the
business of financing, asset and wealth
management, capital markets and
financial products distribution,
investment banking, institutional
equities and realty services through
its various subsidiaries.*





2010

Launched Gold Loans

Gold Loans comprise 26% of the loan book for the financing business in FY15

2011

Set up a mutual fund

Launched IIFL Nifty ETF - low expense equity scheme

2013

Biggest AIF

Launched Alternative Investment Fund which raised around ₹ 6.3 billion

2014

Set up advisory services for succession and estate planning

Created a niche by providing bespoke solutions in areas of succession planning, asset protection and administration services integrated with its family office proposition

2012

Launched real estate fund


Focussed on affordable housing, the maiden fund raised ₹ 5 billion, a testimony of customer's trust

2015

Record Profits!

Consolidated income at ₹ 36.7 billion and profit after tax at ₹ 4.5 billion

Shareholders' wealth has grown at over 32% per annum in the last ten years since listing!



Achievements of the Priceless Decade



LEVERAGING TECHNOLOGY, INDUCING A PARADIGM SHIFT IN BROKING

At a time when commission and brokerage rates were as high as 100-150 paise, we introduced the lowest brokerage in the industry – 5 paise per ₹ 100 and changed the face of Indian investing forever. The launch of IIFL's Trader Terminal in 2005 with real time streaming quotes and lightning fast order execution delivered more than what the customer wanted, at a charge far lower than he could imagine.

Technology was the currency towards market expansion during the priceless decade.



MULTIPLE TOUCHPOINTS FOR OUR CLIENTS

Over the decade, there has been a fundamental shift in the way we communicate. The message may remain same, but the medium has multiplied impacting every relationship.

Earlier, the only way to connect was by a personal visit or through the phone; we provided customers with multiple and interactive service platforms – internet, email, toll free calls and in person – based on their convenience. Not to be left behind in the digital age, IIFL Markets mobile app is already a must download for any investor.

Ease was the currency towards customer loyalty.



EXPANDING THE GEOGRAPHICAL FOOTPRINT

IIFL commissioned subsidiaries in major global financial centres like New York, London, Hong Kong, Singapore, Mauritius and Dubai and built research capabilities to cover regional markets. In fact, we even won an award for being the Best Broking House with Global Presence.

Expansion was the currency for global reach.



BROADENING OUR SERVICE OFFERINGS

Our intent in the priceless decade was to be the most respected and relevant financial services provider for every customer. To fully serve every financial requirement of the customer, we broadened our service offerings and provided a wide array of secured loan products.

Today, India Infoline Finance Ltd. has a loan book of ₹ 146.7 billion and India Infoline Housing Finance Company has assets of ₹ 19.7 billion.

Diversification was the currency to 360° offerings.



A WEALTH OF EXPERIENCE IN WEALTH MANAGEMENT SERVICES



The requirements of the wealthy are different. Our unique fee structure ensures alignment of interests with those of our clients. Needless to say, our team comprises experienced professionals well qualified to manage investments of our clients across multiple asset classes.

Partnering with the client was the currency towards building trust.

RETAIL TO INSTITUTIONAL, INVESTING ALL THE WAY



We scaled up our institutional equities division with a strong research team in India, complemented with a full-fledged sales and trading team. Today, IIFL is the first port of call for quality institutions and is one of the premier institutional equities house in India. The flagship event Enterprising India is a much awaited event annually for international and domestic institutions.

World class research was the currency to serve institutions.

CREATING ALTERNATE AVENUES



Setting up a mutual fund and alternative investment fund added to our goal of becoming a fully integrated financial services group. With risk taking ability of investors varying from person to person, we offer a host of offerings and the lowest expense IIFL Nifty ETF was one of them.

Multiple avenues was our currency to serve every segment.



Chairman's Message

Time is Money
Reliving the
Priceless Decade



“OUR VALUES
CONTINUE TO DRIVE
OUR BEHAVIOUR
OF GROWING WITH
ABSOLUTELY NO
COMPROMISE ON
INTEGRITY, FAIRNESS
AND TRANSPARENCY.
WE LOOK FORWARD
TO RELIVE THE SAME
VISION AND VALUES
IN THE COMING
DECADE”



Dear Shareholders,

FROM START-UP TO START-UP

When your Company went public in 2005, most of its businesses were in early stage of growth. The work culture was like that of a start-up. Over the last 10 years, we have scaled most of our core businesses to leadership positions. Today, with revolutionary changes in digital and mobile world, it appears that all our businesses need to be reinvented. The Company has to again get into a start-up mode and look at the new realities of consumer preferences, market structure, technology trends and competition strategies. A number of time-tested management tenets, marketing mantras, customer insights and organisation theories may suddenly look redundant and have to be re-learned. For instance, several frugal managers and accountants who swore by cost cutting may miss the opportunities of removing the cost altogether. For customer service, the significance of human warmth and touch was never questioned for several centuries; the behaviour of new digital customers would be a big enigma for erstwhile gurus of the subject. The new age customer may perceive a courtesy service call as unwarranted intrusion in his privacy. On one hand, customer is spoilt for choices and on the other hand, he is far more empowered to make the right choice. Marketing is now much beyond creative design and leveraging mass media. It now hinges a lot upon social media and digitally customised unique proposition. In financial world, CEOs of all banks are focussing on digital strategy and yet there are disruptive start-ups, carving out their space. Some digital start-ups seem to have access to unlimited funding to change the rules of the game. Some established incumbent players are incubating start-up culture and trying to remain in the game.

FROM BOOM TO BOOM

When your Company was listed on May 17, 2005; we were in the midst of a strong bull market. The bull market had begun in 2003 and lasted through 2008, seeing indices multiply by about 7 times. Once again, we seem to be in a bull market for more than a year now and nobody knows how long it

will last. Between these two bull markets, we witnessed cyclical ups and downs, a bear market and unprecedented volatility. Amidst boom and bust cycles, the world witnessed financial crisis in Asia as well as developed world and remarkable bounces-backs, political upheavals, the worst terrorist attack and most effective counter terrorist responses by the world. India's GDP in real terms has more than doubled. While pundits may differ on pace of recovery, there is consensus that growth will only accelerate from the current level.

FROM INTERNET MANIA TO INTERNET MANIA

Your Company was originally founded in 1995, i.e. 20 years ago. From foundation till listing in 2005, the Company metamorphosed from a boutique research and consulting firm to a leading internet portal for business, investment and finance. Since then, your Company had a roller coaster journey of euphoric sky rocketing valuations to despondent fall from precipice. My colleague Venkat has written more about it in this annual report. In late 90s, we saw gust of capital and ventures in Internet space, at a scale unparalleled in human history. While several went bust, a few became household names and are valued more than national income of many nations. Regardless of inconsistency in returns generated by capital in Internet ventures, it did nurture some of the most amazing innovations changing human lives forever. Your Company's Internet trading platform is one modest example of such an innovation.

We thought such mania was once in a life time or in fact once in several lives phenomenon. And lo, we have another one bigger and bolder this time for e-commerce and mobile technology. There seems to be a mania driving unlimited capital to help the world change at a digital pace. Consumer behaviour, habits and market dynamics will never be the same again. It looks like all major markets will witness disruptive innovations causing serious challenges to incumbents and may produce a new set of winners.

FROM STRENGTH TO STRENGTH

Through the tumultuous times in last 10 years, the world has grown from strength to strength. India has done far better than the rest of the world. Within India, financial services sector has come of age and is ready to transform once again with innovative technologies on one hand and increasing stringencies of regulations on the other. Your Company too has grown from strength to strength. Your Company's profit after tax for FY15 was all time high at ₹ 476 crore, almost 50 times of what it was a decade ago. The consolidated net-worth of over ₹ 2,500 crore indicates its financial robustness. Your Company has delivered total shareholder return of more than 32% per annum compounded for last ten years. It has emerged as one of the premier leading players in financial services space. Its relentless quest to strengthen systems and processes with focus on risk mitigation and compliance has underpinned the strong growth with impeccable reputation.

TIME IS MONEY. RELIVING THE PRICELESS DECADE

In the emerging competitive world, ability to adapt to the changing world alone will not secure an organisation's place amongst winners, but a lot will depend on the pace at which it adapts, without losing sight of the right direction. Therefore, one is reminded of the old adage, as cliché as it may sound, that 'time is money.' Feeling triumphant from a great journey through the last decade with priceless experience, we are prepared to take on the next decade. We know it has several unknowns in its store. Our efforts are guided by our vision to be one of the most respected financial services companies in India. Our values continue to drive our behaviour of growing with absolutely no compromise on integrity, fairness and transparency. We look forward to re-live the same vision and values in the coming decade.

Yours truly,

Nirmal Jain

Managing Director's Message

The Next Decade - Looking Ahead With Confidence

“WHILE WE CONTINUE
TO INVEST IN
TECHNOLOGY, OUR
FOCUS ON AWARD-
WINNING RESEARCH
AND UNBIASED
ADVICE REMAINS
ONE OF THE KEY
DIFFERENTIATORS”





Dear Shareholders,

When Nirmal and I rang the opening bell for the stock market on May 17, 2005, to announce India Infoline's entry as a listed entity, we were at a tipping point. The IPO gave us the needed capital for growth. It also enhanced our brand and credibility in the eyes of our stakeholders. Many of you would recall, adjusted for split, the IPO price was ₹ 15.2. Incidentally, ₹ 15.7 has been distributed as dividend over the years. Your Company has delivered total shareholder return of more than 32% per annum compounded for last ten years. Our income has seen a 47.6x growth over FY 2005-15 while profit grew 20.6x.

CHANGING REVENUE PROFILE

Having completed a decade since a group of professionals formed Probit Research & Services in 1995, which later became India Infoline, our business model had already undergone one round of transformation. We converted our business from a high quality independent research provider aimed at corporates and institutional investors, to a research and information powerhouse on the internet targeted at retail. Very soon, we found out the dot com suffix was a stigma following the internet bubble burst. We forward integrated into retail financial products, including broking and distribution of life insurance and mutual funds leveraging technology and internet. Our growth was helped by funds raised from venture capital and private equity firms. The journey had more than its fair share of ups and downs, including political uncertainty, trade sanctions, IT sector boom followed by global dotcom crash and domestic stock market scams. Incidentally, we listed on the first anniversary of the first ever market-wide lower circuit, a fitting tribute to our ability to withstand difficult times and emerge stronger.

Post listing, we had to constantly overcome the challenge of growth and keeping ahead of a dynamic and ever changing business landscape. We brought on board a team from CLSA, the leading foreign brokerage, to scale up our institutional equities business. We expanded our lending business and added loans and mortgages to our capital markets lending book. We also incubated the wealth business, which has grown to one of the most respected in the country with an AUM of over ₹ 700 billion.

However, our journey was not without going through a bumpy road! We set our foot offshore and acquired broking seats in the stock exchanges of Sri Lanka and Singapore; perhaps in hindsight at an inappropriate time and had to scale back these businesses as well as our overseas ambitions there.

Over the last decade, we have successfully transformed from a brokerage driven business model to a leading finance and wealth management franchise.

Being a listed company brought in additional responsibilities and expectations. I am proud to say, we have never compromised on our integrity and remain committed to ensure highest standards of corporate governance and transparency in all we do.

IMPACT OF DIGITAL TECHNOLOGY

Change is the law of life. And those who look only to the past or present are certain to miss the future, said John F. Kennedy. After a flashback of the last 10 years of listing, allow me to take the liberty of doing some crystal ball gazing. Whether it is the past, present or future, technology and knowledge continue to play a dominant role. In 2000, the Internet was the disruptor and now Mobile or Digital Technology, is ushering in a metamorphic change in the financial services space.

The Internet of Things is underway but internet revolution in India will be played on a large scale through mobile apps. Falling smartphone prices, improving connectivity with 3G and 4G services and ever increasing mobile penetration augur well for trading on mobile. We have our finger in this pie and by now most of you would have downloaded our trading app IIFL Markets. For all our stakeholders, be it shareholders, customers and employees, most activities are being mobile-enabled, so that convenience is at your fingertips. Our suite of products will all be available to you at the touch of a screen even as our call centres will continue to assist you to migrate effortlessly into your medium of convenience.

While we continue to invest in technology, our focus on our award-winning research and unbiased advice remains one of the key differentiators. For us at IIFL, gaining, maintaining and retaining customer's trust is a must, especially since we deal with your hard earned money.

I look forward to the next decade with optimism and hope that our relationship with you, our dear shareholders, continues to blossom.

Yours truly,

R Venkataraman

About IIFL Group

OVERVIEW

IIFL Holdings Limited along with its subsidiaries is engaged, in the businesses of Non Banking Finance, Housing Finance, Wealth Management, Mutual Funds, Equities, Commodities and Currency Broking, Investment Banking, Insurance and other Financial Products Distribution.

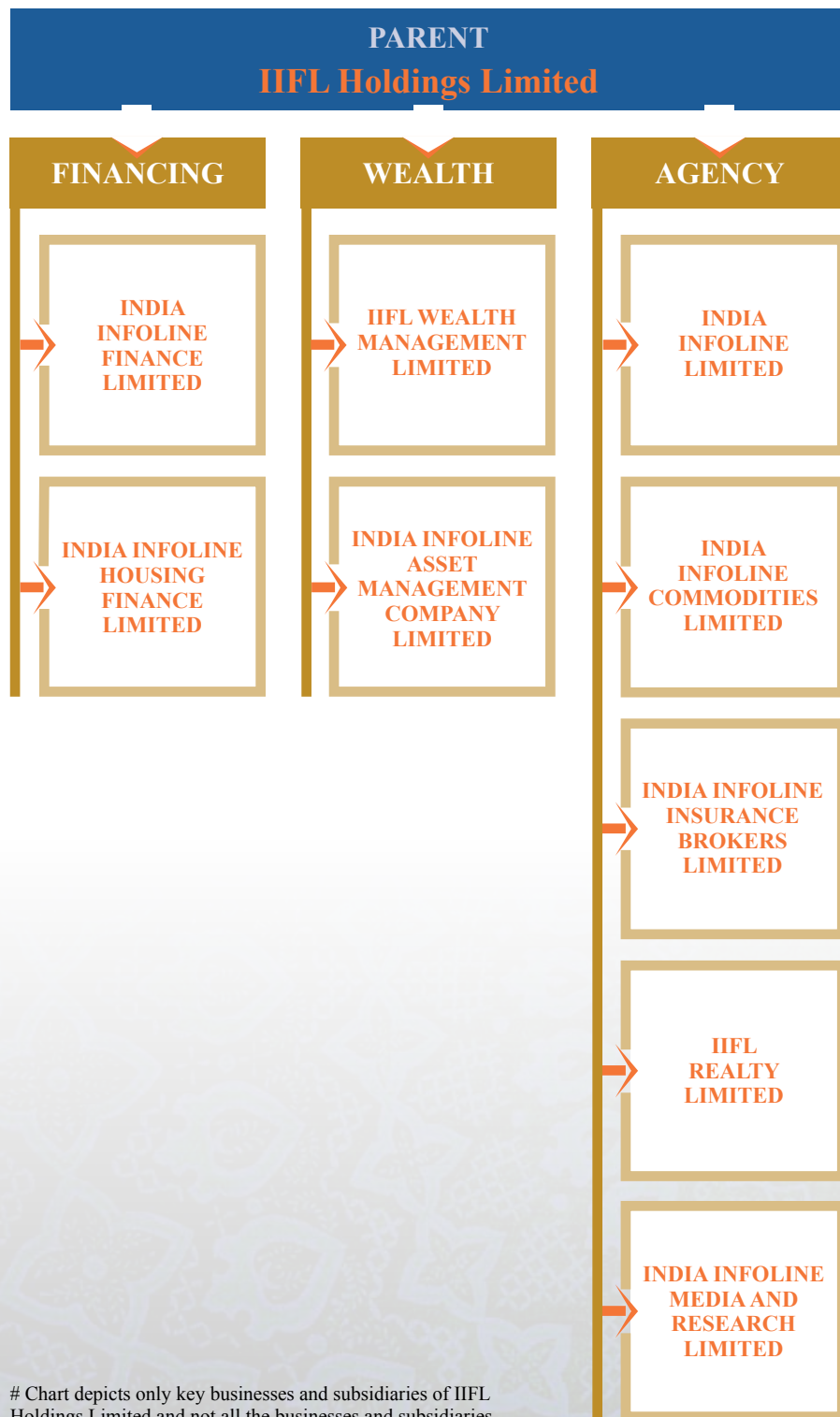


Chart depicts only key businesses and subsidiaries of IIFL Holdings Limited and not all the businesses and subsidiaries



INTERNATIONAL SUBSIDIARIES' LOCATIONS



VISION

TO BECOME THE MOST RESPECTED COMPANY IN THE FINANCIAL SERVICES SPACE IN INDIA

VALUES



GROWTH

Driven to grow faster than the rest of the industry and encourage measured risk-taking and empowerment across all levels.



INTEGRITY

Ensure utmost honesty and integrity, in letter and in spirit, in all our dealings with people – internal or external.



FAIRNESS

Believe in being fair in our transactions, bereft of any fear or favour, with all stakeholders including employees, customers and vendors.



TRANSPARENCY

Believe in as much transparency as practically possible, with our stakeholders, media, investors and the public at large.



SERVICE ORIENTATION

Service organisation, committed to delight our customers with superior advice and service, delivered with humility and sincerity.

IIFL Group Key Business



FINANCING

NBFC:

A diversified financing company, offering loans secured against collaterals of home, property, gold, medical equipment, commercial vehicles, shares and other securities.

HOUSING FINANCE COMPANY:

The Company is focussed on home loans and loans for residential project.



WEALTH MANAGEMENT

WEALTH MANAGEMENT:

One of the largest and fastest growing Wealth Management companies in India with assets under advice, management and distribution of ₹ 708.9 billion.

ASSET MANAGEMENT COMPANY:

Our AMC is wholly owned subsidiary of IIFL Wealth and is the Investment manager of IIFL Mutual Fund and rapidly growing Alternative Investment Funds.



AGENCY

FINANCIAL ADVISORY & BROKING:

One of the leading broking house with extensive presence all over the country providing financial planning and broking services in equity, commodities and currency trading.

INSTITUTIONAL EQUITIES & INVESTMENT BANKING:

Premier broker for FIIs, DIIs, financial institution, private equity funds and banks. Investment Banking division leverages its distribution reach in capital markets with strong institutional placement capabilities and a wide reach across investor segments.

DISTRIBUTION:

We are one of the largest distributors of financial products such as Life Insurance, Mutual Funds, NCDs, Tax-free bonds, IPOs etc. through our wide distribution network and business associates.

Emerged as one of the largest broker for life insurance in the country. ICICI Prudential, HDFC Standard Life, Aegon Religare, Future Generali, Bharti AXA, Reliance Life Insurance are some of the key partners.

REALTY & PROPERTY ADVISORY SERVICES:

Real estate services provider advising clients in transaction of commercial and residential properties across the country. We also provide advisory and funding services to real estate developers.



INTERNATIONAL SUBSIDIARIES

To cater to overseas Institutional Investors and NRIs for their India-centric investments, we have established subsidiaries in seven countries worldwide.

IIFL Today



No. of
customers

2.9+ million

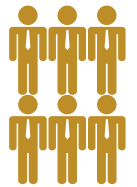


Strength in
Research

500
stocks covered

No. of
employees

12,900+



Presence across
2,500 locations
in India



Global presence -
**US, UK, Singapore,
Hong Kong, Switzerland,
Mauritius and UAE**



Facebook

/IIFLGroup

133,631



Twitter

IIFL_Live

19,471

IIFLMarkets

16,553



YouTube

/IndiainfolineGroup

818,559



Google+

/+indiainfoline

47,821

Prized Awards & Accolades

Mr. Nirmal Jain, Chairman, IIFL receiving the **'Best Broker'** award at Zee Business Award, 2014 at the hands of Mr. Amit Shah, President, BJP and Mr. Piyush Goyal, Minister of State with independent charge for power, coal, new and renewable energy.



Mr. Nirmal Jain, Chairman and Mr. R Venkataraman, MD, IIFL receiving the **'India's Most Promising'** brand 2014 from Lord Swaraj Paul and British Conservative Party's Cabinet Minister, Ms. Priti Patel, held at London.



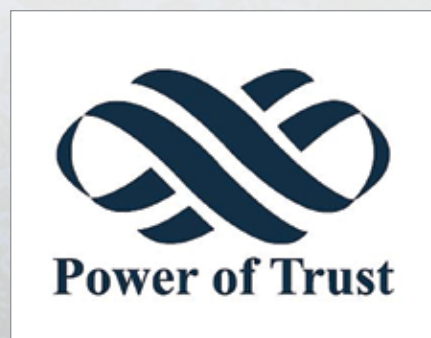
IIFL chosen as **'India's top securities trading firm'** in the Fortune's list of 500 largest corporations within the December 2014 edition.



IIFL voted **'Best Private Bank for Research and Asset Allocation'** as well as **'Best Private Bank for HNIs'** by Euromoney Private Banking Survey, 2015.



IIFL held No. 1 position in Financial Services category as per **'Brand Trust Report 2015'**, the most intensive primary research conducted across 16 cities and 17,000 brands.



India Infoline Ltd wins the prestigious NSDL Award for ‘**Top performer in Active Accounts**’.



IIFL Private Wealth Team receiving ‘**Best Wealth Management Specialist – Asia**’ by The Asset, Triple A Investment Awards, 2014.



IIFL Group bags ‘**Best HR Strategy in Line With Business**’ and ‘**Best Use of Technology for Recruiting**’ in the Global Talent Acquisition & 9th RASBIC Awards 2014-2015 organised by World HRD Congress.



IIFL’s Avi Mehta wins the ‘**No. 1 Overall Stock Picker**’ in the StarMine Analyst Awards – Asia, 2014 by Thomson Reuters



IIFL Buzz wins the Gold Award at the **54th Association of Business Communication of India (ABCI) Awards**



Events In Last Year

CONNECTING BETTER. GROWING BIGGER

The priceless decade could not have been possible without enhancing our connect with our customers. Over the years, we have consistently used value-added events to enhance our customer and industry connects. The events are a platform for learning, of forging bonds and increasing the relevance of our offerings in the lives of our customers.

IIFL'S SIXTH GLOBAL INVESTOR CONFERENCE

IIFL's Enterprising India Conference gets bigger each year, as we move towards further strengthening our investor connect. This year, almost 100 corporates from various sectors participated in a gathering, having cumulative worth of US\$ 760 billion.

The conference featured 20 specialist speakers, including renowned economist Dr. Jim Walker, top technical equity analyst Mr. Chris Roberts, RBI Deputy Governor Mr. S.S. Mundra, DFCC Managing Director Mr. Adesh Sharma, UIDAI Asst. Director General Mr. Rajesh Bansal, Aam Aadmi Party spokesman Mr. Raghav Chadha, and Defense expert Mr. Ajai Shukla.

Mr. S. S. Mundra, Deputy Governor, RBI, with Mr. Nirmal Jain, Chairman, IIFL



Mr. Chris Roberts, top technical equity analyst, addressing the participants



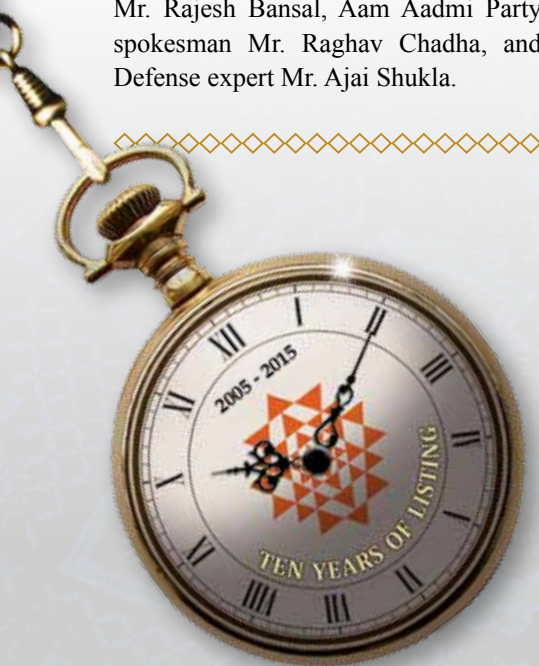
Dr. Jim Walker, Renowned Economist and Founder cum Managing Director of Asianomics with Mr. Nemkumar, President, Institutional Equities



A³ - 'ACTION ALL AROUND', 2015

This year, A³-‘Action All Around’, the event revolved around the theme of ‘amplifying and extracting the maximum potential from any given situation by examining it from different angles’. The event took place on May 8, 2015 at the Grand Hyatt Kalina, Mumbai and attracted an exclusive list of first generation entrepreneurs, industry professionals and well-known business scions and veterans.

A³ comprised eminent speakers like Mr. Miles Hilton Barber, Mr. Raghav Bahl and Mr. Nirmal Jain. In addition, a panel of leading asset managers in India shared their views on the economy and markets.



INVESTOR MEETS

Over 650 investor meets and camps conducted during FY15 helped us expand the reach of the initiative across the length and breadth of the country. The topic for the meets was ‘Economy set to Zoom, Stocks to Zoom!’

The Investor Meets held over a period of 9 months were conducted in all parts of the country covering over 230 cities.

The investor meets featured participation by senior management members such as Head – Research and Head – Broking as well as senior analysts from the research team.

Each of these events contributed to our increasing relevance in the lives of our customers, by communicating viewpoints about the economy, highlighting opportunities and trends.



Our Advisory Board

IIFL's Advisory Board comprises stalwarts with extensive experience and domain expertise, providing independent and informed perspective and oversight to the Management, while guiding the Group's strategic focus.



MR. ASHOK JHA

*Retired IAS,
Former Finance Secretary, Government of India*

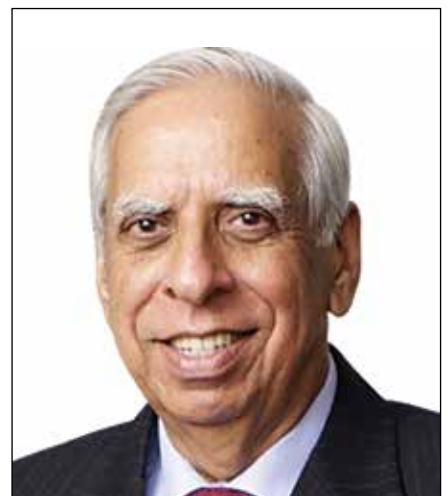
Mr. Ashok Jha, an IAS officer of the 1969 batch, has had a 38 years stint in the civil services and has held crucial positions in India's State and Central Government establishments. For about two years, Mr. Jha served in the Finance Ministry of the Government of India, first as Secretary, Economic Affairs, and later with additional responsibility as Finance Secretary. Mr. Jha was India's alternate Governor in the World Bank and the Asian Development Bank. Prior to working with Finance Ministry, Mr. Jha served as the Secretary, Department of Industrial Policy and Promotion and headed Foreign Investment Promotion Board (FIPB). He was also Advisor, International Affairs, FICCI. After retiring from Govt., Mr. Jha was President Hyundai Motors, India. He is currently an independent director on the Boards of some companies.



MR. KEKI MISTRY

*Current Vice Chairman and
CEO of HDFC Ltd.*

Mr. Keki Mistry is the Vice Chairman & Chief Executive Officer of HDFC Limited. He has been associated with HDFC Limited since 1981 and was appointed as the Executive Director of HDFC Limited in 1993. Mr. Mistry began his career with AF Ferguson & Co., a renowned Chartered Accountancy firm, followed by short stints with Hindustan Unilever and Indian Hotels. Besides being on the Board of several HDFC group companies, Mr. Mistry is also on the Board of other public limited companies such as Infrastructure Leasing Financial Services, Sun Pharmaceuticals Industries, The Great Eastern Shipping, Torrent Power, BSE and GRUH Finance, among others.



MR. SAT PAL KHATTAR

*Singapore-based prominent Lawyer and
Investor*

Mr. Khattar, a prominent lawyer, is a Singapore-based Indian community leader and businessman. He is the founder of Khattar Wong & Partners, one of Singapore's largest law firms, and the Chairman of Khattar Holdings, a private investment firm. Among the many portfolios that he holds, Mr. Khattar is the Chairman of the Singapore Business Federation, member of the President Council for Minority Rights, life trustee of the Singapore Indian Development Association (SINDA), and Co-chairman of the Singapore-India Partnership Foundation. He was awarded with the prestigious Padma Shri award by Government of India in 2011.



MR. KEKI DADISETH

Former Chairman of HUL

Mr. Keki Dadiseth, a Fellow member of the Institute of Chartered Accountants of England & Wales, is associated with various industries in India. He had joined Hindustan Lever Ltd in 1973 and became Chairman of HUL in 1996. He was appointed as Director on the Board of Unilever PLC and Unilever NV in May 2000, and served with distinction till his retirement in 2005. In India, he is on the Boards of The Indian Hotels Co Ltd, Britannia Industries, Piramal Enterprises, Siemens, Godrej Properties, ICICI Prudential Life Insurance, ICICI Prudential Asset Management Trust and JM Financial Services. He is the Chairman of the Convening Board of Marsh & McLennan Cos in India, and Non-Executive Chairman of Omnicom India. He is also on the Advisory Boards of World Gold Council, Accenture Services, Atos India and PricewaterhouseCoopers and Trustee of the Ratan Tata Trust and Breach Candy Hospital Trust. He is also on the Board of The Indian School of Business, Hyderabad.



MR. SOMASEKHAR SUNDARESAN

*Eminent Lawyer,
Partner, M/s J. Sagar Associates*

Mr. Somasekhar Sundaresan is an eminent Corporate Lawyer who heads the Securities Law practice of M/s J Sagar Associates, Advocates and Solicitors. He has extensive experience in advising clients in the areas of Securities Laws, M&A and Foreign Investment in India, including strategic Foreign Direct Investment, Portfolio Investments and Private Equity Investments. Mr. Somasekhar is a permanent invitee to the executive committee of FICCI and is an active member of its Capital Markets Committee.



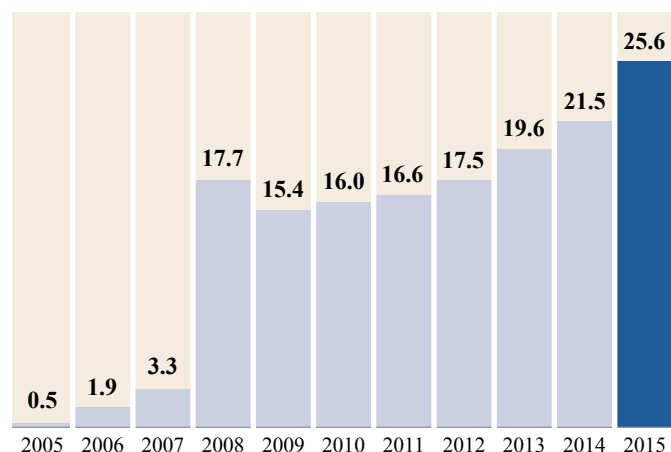
MR. S. VENKATACHALAM

*Career banker with Citibank, Chairman,
Oracle India*

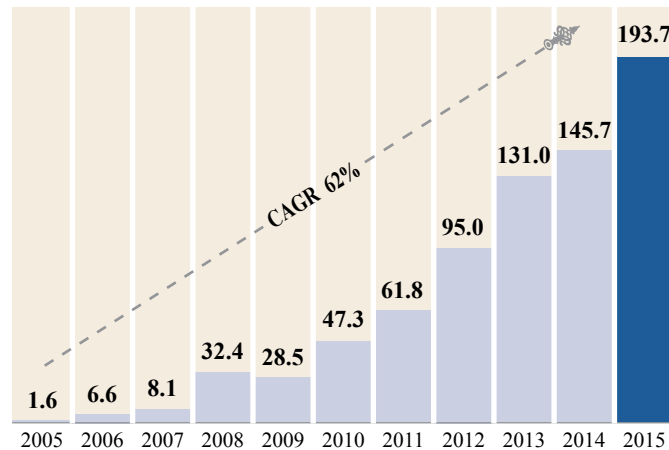
Mr. S. Venkatachalam is the Chairman of the Board of Directors of Oracle Financial Services Software Limited. He has served Citibank N. A. for nearly 30 years, holding several senior positions during his stint. He is currently on the Central Board of State Bank of India, Equifax Credit Information Services Private Limited and Canara Robeco Asset Management Company. A Chartered Accountant by profession, Mr. Venkatachalam has served as an advisor to Fullerton India Credit Corporation. He has rich experience in the field of banking, finance, administration, compliance, taxation and labour laws. He is well regarded in the financial services industry and by regulatory bodies.

Highlights of the Decade

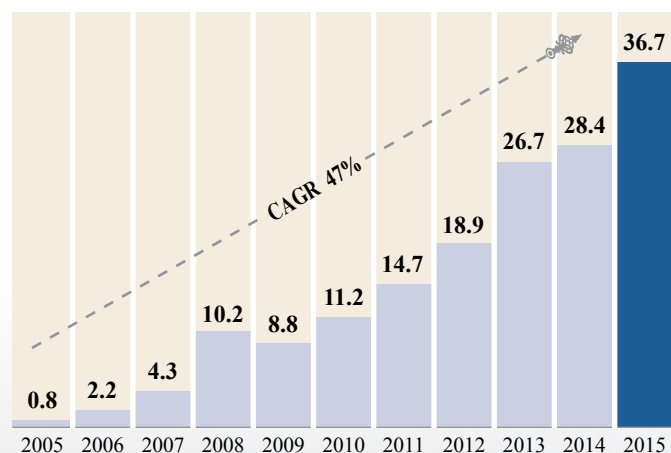
Networth (₹ Billion)



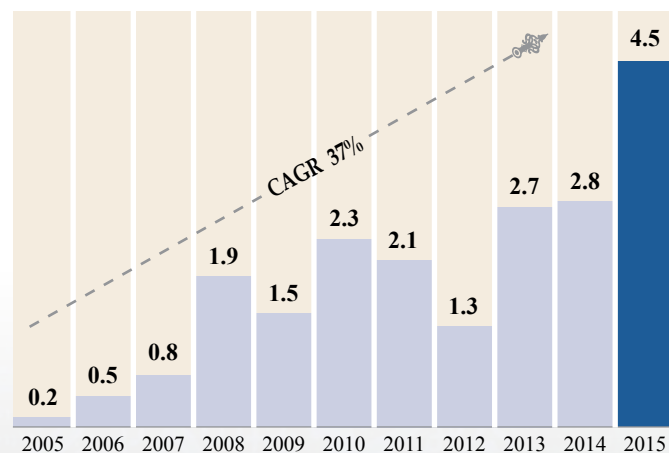
Total Assets (₹ Billion)



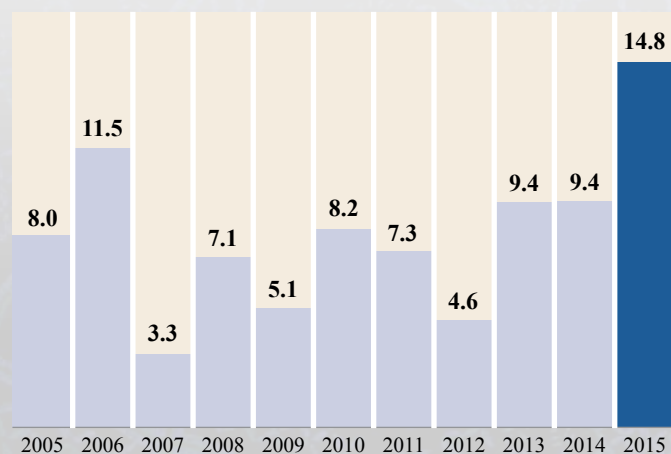
Revenue (₹ Billion)



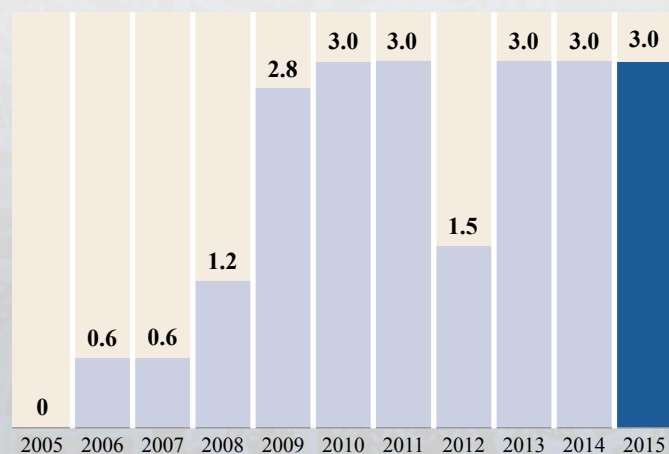
PAT (₹ Billion)



EPS (₹)



Dividend per Share (₹)





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Business Enablers

A PRICELESS DECADE POWERED BY RESEARCH

During the priceless decade, we have continuously worked towards enhancing our research capabilities and customer connect.

RESEARCH DRIVEN BY KNOWLEDGE

The award-winning research team of IIFL has achieved another first. The team now provides unparalleled research coverage on 500 companies.

OPEN DECLARATION OF CALL SUCCESS REPORTS

IIFL is possibly only one amongst the big brokerages to publish 'Call Success' reports for its recommendations based on fundamental research. This is in sync with the Company's stated goal of enhancing client servicing and transparency. During FY15, a staggering 220 research reports and updates were successful, and call closure reports were released. The average non-annualised return generated per call has been 15.2%!

This underlies the fact that during the priceless decade, we not only elevated our standard of research and advice, but offered proof of performance.

OFFERING RESEARCH INSIGHTS ON THE WEB

The research offering on the web for each of these companies covered includes information about the Company, its businesses, management, geographical presence, recent developments with a quick guide on the peer comparison and financial analysis. The financials, balance sheet and cash flow statement are presented in an easy to understand manner. An attractive company rating grid captures earnings growth, cash flow, balance sheet strength,

valuation appeal and risk. Besides key ratios, the DuPont analysis covering operating efficiency, asset use efficiency and financial leverage is provided for each of the 500 companies.

LEVERAGING MEDIA TO CONNECT WITH INVESTORS

The research team of IIFL is among the sought after in print and television media. The coverage of their recommendations in leading media stands testimony to this.

USING SOCIAL MEDIA TO EXTEND REACH

The IIFL Research team and its Head of Research continue to actively engage investors on social media platforms including Twitter through tweetinars.

IIFL aims to increase accessibility of our research to retail investors. Presence in traditional to social media ensured that our message reaches people driving investor awareness and financial penetration.

DELIVERING THOUGHT PROVOKING INSTITUTIONAL RESEARCH

IIFL Institutional research team comprises 27 analysts and covers 181 companies. The team has published several insightful reports on various themes. During the year, it published a report on India-China or 'INCH' titled "Sizing up India & China", a handy ready reckoner to compare the two major Asian economies.

Other major thematic reports were - 'Indian PSUs', 'Outlook for corporate profitability' and the Cement sector. IIFL's flagship product 'The Front Page' is a daily synopsis of Indian stock markets, in-depth analysis of companies, sectors and the economy, with actionable ideas. The product is highly



IIFL Institutional research team comprises 27 analysts and covers

181 companies



rated amongst our institutional domestic and foreign clients.

For the past six years, IIFL Institutional equities has successfully hosted the annual investor conference – Enterprising India, which attracts participation from leading international and domestic funds as well as large corporate entities.

We also hosted a conference in New York City in September 2014, which was attended by 20 Indian corporates and over 100 institutional investors from US and UK.

SET UP AND STRENGTHENED INTERNAL AUDIT

During the priceless decade, we have strengthened control systems covering the entire spectrum of activities with an aim to identify and correct gaps.

IIFL has an Audit Committee comprising respected experts with a deep market understanding who bring a wealth of their experience to the audit process. The internal auditors report to the Board of Directors and the Audit Committee. The internal audit function comprises more than 200 individuals along with engagement of multiple audit firms.

The Company has undertaken the following audits during the year:

PERIODIC BRANCH AUDITS

Audits are carried out by both internal team and external audit firms verifying adherence to regulatory and Company's internal policy requirements for effective and continuous control of processes at all the offices and branches.

REGULATORY AUDITS

Audits mandated by regulators are conducted by the team of specialised internal/external auditors. The findings are discussed with management and submitted to the regulators.

CONCURRENT AUDITS

Pre/post-audit of transactions and documents is carried out prior to a transaction or immediately subsequent to the transaction to ensure continuous control and to keep a check on any possible frauds.

PAYMENT REVIEW AUDIT

Verification of expenses subsequent to payment to eliminate leakages or operational mistakes.

CERTIFICATION AUDITS

Audits that ensure specific purpose certification required to the company, are carried out by specialised auditors in co-ordination with internal team.

RISK-BASED INTERNAL AUDITS

Based on a risk assessment of the audit universe, heat maps for audit areas are prepared; it enables to classify risk categories and define audit frequency.

SYSTEM AUDITS

System audit of our online trading, mobile and algorithmic software, back office systems, BCP and DRP systems, mutual fund operations as well as all our other softwares are conducted by specialised auditors.

KEY INITIATIVES FOR 2014-15

1. Entity-wise realignment of audit firms and risk-based internal audits
2. Upgradation of audit automation process
3. Initiated assessment and setting framework for adherence to IFC controls



The internal audit function comprises more than 200 individuals along with engagement of multiple audit firms.



FUTURE READY - INFORMATION TECHNOLOGY

❖ Never before has technology changed the lives, working habits and connect between people. In our own way, we were pioneers in adopting technology to enhance customer experience and business outcomes within our industry.



LEVERAGING BEST-IN-CLASS AND COST-EFFECTIVE TECHNOLOGY TO CREATE A SUSTAINABLE ADVANTAGE

During the year, the Company adopted best practices for digitisation of its business processes and embracing the principle for Social, Mobility, Analytics, and Cloud (SMAC) to drive productivity and offer a superior customer experience.

We are actively evaluating and implementing open source operating systems, Bring Your Own Device (BYOD), and Google Apps for work to boost employee productivity, while reducing the operational costs of technology infrastructure. We have been early adopters of Infrastructure as a Service (IaaS) on the cloud and follow the hybrid cloud model to improve uptimes, cost efficiency, agility, and manage costs by ramping the infrastructure as per business needs. The management of our centralised and distributed technology infrastructure is outsourced to reputed vendors enabling the internal technology team to focus on delivery of new products, services, and functionality to our customers anywhere and anytime.

Managing technology risk and information security is a business priority for IIFL and we have been certified with ISO 27001 for broking services, demat services and software development. Plus, we have implemented secure mobile access to prevent misuse and data leakage.

KEY INITIATIVES FOR 2014-15

1. Launched mobile trading platform IIFL Markets on Android and IOS
2. Set-up multi-location call centre integrated with CRM
3. Implemented alert-based video monitoring wherein loan branches will be centrally monitored for any physical intrusions through central command centres
4. Implemented a new human resource management system to improve administration, employee events, performance management
5. New platform for client on-boarding from centralised location improving customer acquisition and reducing the turnaround time with minimal transfer of physical documents
6. Improved pre-verification call for insurance through video recordings to reduce mis-selling and after sales complaints
7. Implementation of in-house system to track expenses resulted in reduced paper work and efficacy
8. Applications developed to optimise the back office operations of financing business

A PRICELESS DECADE ENRICHED BY LEVERAGING INTELLECTUAL CAPITAL

At IIFL, we believe that 'Knowledge is the Edge'.

We are primarily a knowledge-based business and add value through our research, insights and recommendations. IIFL has further strengthened its people, policies and practices in FY15, aligning them to the business requirements.

BUILDING MANAGEMENT TEAM

Leadership is vital for sharing the vision of the organisation and equipping the team to achieve the business goals. The non banking finance and the housing finance leadership teams have been greatly strengthened with the infusion of senior professionals from banking and financial services industry. The Company has also added talent in its technology, audit, operations and marketing functions during the year.

EVOLVING TECHNOLOGY

IIFL is technology driven organisation. The Company has replicated technology enablers in Human Resources through a comprehensive yet easy to access system. The web-based software, Adrenalin, introduced for Employee Life Cycle Management, has reduced the time spent on administrative activities. Adrenalin is accessible to every employee on mobile handsets as an app!

TRAINING AND DEVELOPMENT

IIFL believes in developing its people to become high performers at work and in life.

The Company provides learning opportunities in diverse subjects, such as financial planning, mutual funds,

fundamental and technical analysis, through classroom coaching and e-learning. The Company offers product specific training for all its businesses.

ENCOURAGING PERFORMANCE

IIFL is a meritocratic organisation and high performers are identified and mentored to take up bigger responsibilities. The Company has devised Individual Performance Measures (IPMs) for employees. This helps the Company to evaluate staff across diverse locations but with similar responsibilities at par.



IIFL has further strengthened its people, policies and practices in FY15, aligning them to the business requirements.



IMPROVING BRAND VISIBILITY AND CONNECT

During the priceless decade, we continually maintained that brand outreach is a way to improve consumer connect.

We have enhanced our presence in various media - television, print, outdoor, radio and cinema to create brand awareness and improve visibility of the IIFL Brand.

New Television Commercials in multiple languages for Broking and Finance business have been aired extensively throughout the country. There has been a big thrust on grassroots level activations including Investor Meets for customer education, and information.

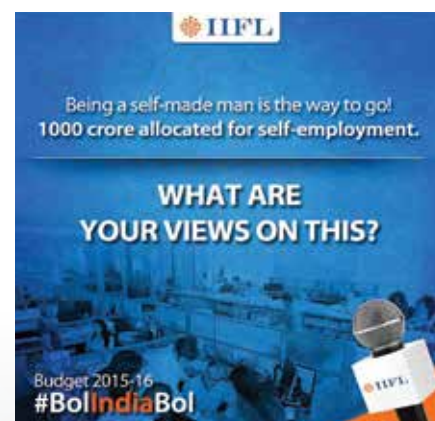
We have also been active in the online space through search and display as well as in Social Media, where we are one of the most salient brands in our industry.

Key initiatives of 2014-15

1. Participated in grassroots level events, festivals and activities
2. Extended visibility of brands through Print Advertisements, Television Commercials, Bus Shelters, Hoardings, Radio, Cable, Cinema Theatres
3. Launched television commercials for broking and campaign for NBFC business
4. Successfully conducted 650 investor meets across India
5. Pointer advertisements for gold loans across India
6. Online search and display banner activity on search engines and web
7. Launched campaign 'BolIndiaBol' on social media during Budget 2015 to build thought leadership of IIFL. The campaign reached out to over 7.5 million users across Facebook, Twitter and LinkedIn.



'BolIndiaBol' campaign reached out to over 7.5 million users across Facebook, Twitter and LinkedIn.



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• Customer Service: 40071000 • SEBI Regn. No.: BSE (Cash) INB 011097533; BSE (F&O) INF 011097533; NSE (Cash) INB 231097537; NSE (F&O) INF 231097537; NSE (CDS) INE 231097537; MCX (CDS) INE 261097537 Depository: IN DP NSDL: 1852000, IN DP CDSL: 352 2006 • Portfolio Manages Registration No: INP000002213, • Merchant Banking: INM000010940 • ARN: 47791 • MCX SX (Cash) INB 261097530
MCX, SX (FO) INF 261097530 • Loan products are offered by India Infoline Finance Ltd. • Investment in securities are subject to market risks.

Review of Key Businesses

FINANCING

❖ The priceless decade has witnessed the emergence of aspirational Indians. These include the salaried class with increasing disposable income and young entrepreneurs who seek finance to fulfil their financial goals. Fulfilling their dreams is our financing business.

DELIVERING A BROAD SPECTRUM OF LOAN PRODUCTS

IIFL offers a diversified bouquet of secured products fulfilling credit needs of vast sections of retail consumers, SMEs and corporate.

The products offered by IIFL include:



Home Loans



Loans against Property



Loans secured against Gold



Loan against Securities



Commercial Vehicle Finance



Medical Equipment Finance



SME Loans

IIFL has established appropriate credit selection process and underwriting procedures that consider both the adequacy and quality of collateral, profile and cash flow of the borrower. IIFL also has well-defined collection process and an experienced team. The business is supported by robust risk management and audit systems.

OVERVIEW FY15

- The loan book grew by 35% to ₹ 146.7 billion as at March 31, 2015, year-on-year
- Gross and Net NPAs (Non performing assets) were 1.27% and 0.54% respectively
- Provision coverage (including provision for standard assets) was 87%
- Higher safety margins were maintained as reflected in the capital adequacy ratio of 18.02%, comprising Tier I capital ratio of 11.26% and Tier II capital ratio of 6.76%

OUTLOOK

Home Loans:

The Company believes that 'Housing for All' vision of the government will drive the demand for affordable housing segment in the country. The Company focusses on in-house sourcing and has built up a direct sales team to drive retail business. The demand for affordable housing and retail focus form key elements of future growth for the business.

Loans secured against Gold:

Loan against gold business continues to focus on providing short-term loans for working capital needs to MSME as well as need-based credit to households for marriage, education, medical etc. IIFL has time-tested policies to ensure margin of safety in loan-to-value ratio, KYC process and stringent checks to ensure fair valuation of jewellery.

Commercial Vehicle Finance:

The commercial vehicles industry reported a 2.8% de-growth in sales volume during the year under review. This underperformance was a result of light commercial vehicles segment contracting by 2.2%, the small commercial vehicles segment by 13.2%. With recovery in economic growth, demand for commercial vehicles loans is expected to rebound strongly.

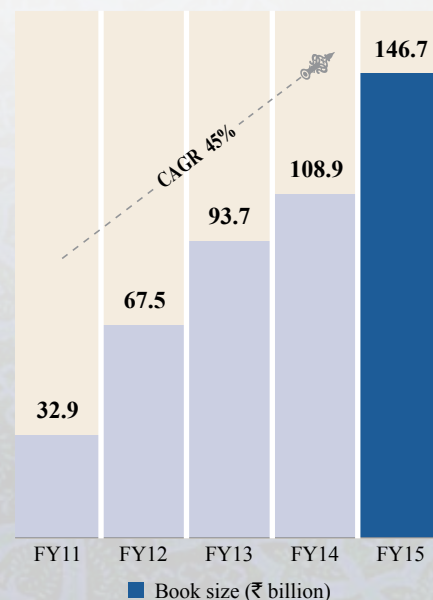
Medical Equipment Finance:

It is targeted at doctors or clinics needing finance for purchase of medical equipment. India has a large population with healthcare needs and facilities at small clinics and hospitals need upgrade, driving demand for this segment.

STRATEGY

Invest in technology, enhance brand visibility, build capacity and grow customer base through retail focus, keeping risk under control with a diversified portfolio

Loan book



WEALTH AND ASSET MANAGEMENT

Since its inception in 2008, IIFL Private Wealth has been at the forefront of Industry Innovation. A deep desire to veer away from the stated norms helped us focus and drive away the core issues that affected most wealth management firms at that time.

OUR FOUNDING PRINCIPLES

‘Alignment of Interest’ that helps us sit on the same side of the table as clients and ‘Innovation’ such as fixed fee structures, independent fixed-income trading platform and pioneering first-in-class products have propelled our growth while helping us gain market share. Over the years, our client-centric strategy, enhanced by the power of technological initiatives, has also attracted innumerable clients and their glowing testimonials, enabling us to become one of the largest private wealth management firms in India.

OVERVIEW FY15

- The Indian Wealth Management industry had a stellar 2014. Increased pace of wealth creation in India, improved market sentiments and buoyant markets helped IIFL Private Wealth to record its best year ever.
- The revenue jumped up by 89%, year-on-year (y-o-y), touching ₹ 4,573 million, while, profit after tax stood at ₹ 1,115 million, up 118%, y-o-y.
- The growth for the year was broad-based and came from various business segments – Distribution Services, Asset Management and Advisory & Wealth structuring solutions.
- We deepened our product offerings, launched innovative new products, entered into new partnerships, engaged

with new clients and gained market share in key businesses.

- Within distribution business, we distributed new and innovative products – IIFL Private Wealth is the single biggest distributor of Alternative Investment Funds. In addition, we entered into partnerships with top performing asset managers and were instrumental in getting our clients to increase allocation towards equity.
- In our asset management business, we launched our first actively managed equity mutual fund offering.

OUTLOOK

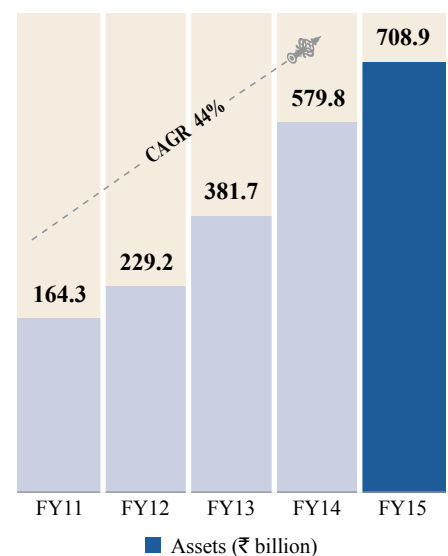
In the recent years, India has seen growth in wealth creation and a rise in High Net-worth Individual (HNI) families. According to a recent study done by BCG, the population of Ultra High Net-Worth (UHNWs) in India will grow at 22% per annum till FY19, the highest projected growth rate in the world. The report also says UHNWs having over US\$ 1 million own 36% of overall private wealth. Moreover, it is estimated that such figure may grow up to 38% by FY19. This explosive growth in wealth will provide ample growth opportunities to market leaders in the industry.

STRATEGY

Over the next few years, we are confident of maintaining robust growth by sticking to the guiding principles that has ensured our success since our inception while, at the same time, adapting ourselves to meet the evolving needs of our clients.

Our key pillars for growth would be – expanding distribution strength across India, giving client access to new and innovative products, meeting our client requirements and using technology to provide better experience for our clients.

Total Assets



We intend to:

- Attract best talent from the industry and increase our geographical reach
- Expand our product universe and constantly launch new and innovative products across asset classes
- Use digital medium to reach out to clients, enable them to view their portfolio and eventually transact online

AGENCY

Over the past decade, IIFL has created a brand, powered by informed research, systemic uptime, transaction speed, cutting-edge technology, extensive footprint, high service standards and competitive brokerage.

INTRODUCTION

IIFL is a leading online and offline broking and advisory services provider to retail and institutional clients in the cash and derivative segments. Over the past decade, the Company has created a brand, powered by informed research, systemic uptime, transaction speed, cutting-edge technology, extensive footprint, high service standards and competitive brokerage. We also offer currency and commodities broking clients.

Strong distribution across different investor sections

IIFL is a premier broker for Foreign Institutional Investors (FIIs), mutual funds, insurance and private equity funds. IIFL's institutional team has facilitated block trades, including some marquee trades. Our investment banking practice is well placed to leverage our in-depth research capabilities, institutional placement capabilities, and wide reach across retail and high net-worth individuals. IIFL is arguably the only investment bank in India with a very strong distribution franchise across all the investor channels.

Distributing wide array of financial services

Additionally, IIFL is one of the leading distributors of financial services products such as Life Insurance, Mutual Funds, Fixed Deposits, NCDs, Tax Free Bonds, National Pension System, IPOs, etc. IIFL

has an extensive distribution network with close to 2,500 business locations pan India catering to the investors, even at remote locations.

IIFL follows an 'open architecture' policy to distribute products. The Company distributes mutual fund schemes through its countrywide network of qualified personnel, online transaction facility and experienced business associates. The Company offers research assistance as well encourages use of technology platform as an enabler to deliver investment solutions in a reliable way.

IIFL is a leading insurance broker and has partners like ICICI Prudential Life Insurance, HDFC Standard Life Insurance, Reliance Life Insurance, Bharti AXA Life Insurance, AEGON Religare Life Insurance and Future Generali Life Insurance.

OVERVIEW

- With buoyancy in equity markets, trading volumes have shown an uptrend this year. The average daily turnover in the equities segment was ₹ 71 billion in FY15 compared with ₹ 56 billion in the previous year
- In the currency segment, the total exchange traded volumes have witnessed a fall of 25% year-on-year; the average daily turnover for the business stood at ₹ 842 million during FY15 against ₹ 2,430 million in the previous year. This year, the average daily commodity turnover was ₹ 8,098 million versus ₹ 10,890 million in FY14 at the back of lower exchange traded volumes, which declined 38%, y-o-y
- The gross sales in equity mutual funds were over ₹ 100 billion during the year. This has put IIFL among the top mutual fund distributors in the country



An extensive distribution network with presence in close to

2,500

business locations pan India

POSITIVE OUTLOOK

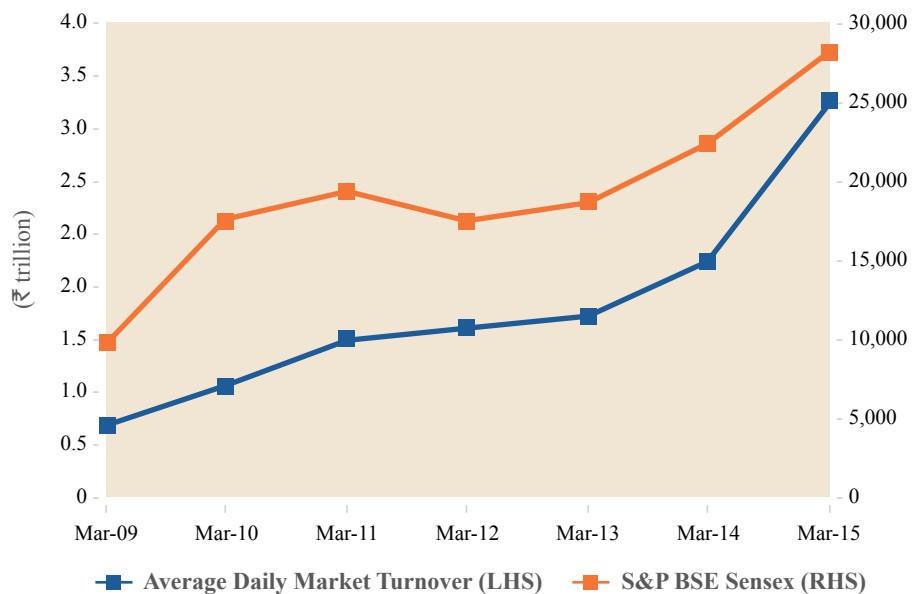
With the Modi government completing a year in office and factors such as falling inflation, supportive crude oil prices, the Indian equity markets, represented by S&P BSE Sensex have risen 25% over the last one year period ended March 31, 2015. We believe that reduction in interest rates will continue and the business environment will show signs of improvement. Moreover, several policy decisions such as Goods and Services Tax (GST), Land Acquisition Bill are on the anvil. The economy will start gathering pace and the direct impact will be reflected in Indian markets. Equity as an asset class will continue to give robust returns to retail investors over the long term.

STRATEGY

IIFL will continue focussing on a diversified financial planning and advisory model with primary focus being client profitability. IIFL will continue to leverage its research capabilities to expand its retail customer base, acquire fresh clients as well as activate dormant clients in the capital markets space.

The Company will invest in technology for better analysis and productivity of tele-callers. With introduction of online sales in insurance, the Company intends to increase persistency, enhance customer satisfaction, with lower cost allocation. Online sales will also ease and improve overall customer experience.

Long-term trend positive



Committed To Responsible Growth

IIFL Holdings Limited aims to undertake initiatives that create sustainable growth and empower underprivileged sections of society.

Key focus areas under Corporate Social Responsibility (CSR) for IIFL Group are as follows:

- Education
- Health
- Economic Empowerment of Women
- Sustainable Livelihood

During the year, IIFL has established the India Infoline Foundation (referred as IIFL Foundation) to manage CSR projects on behalf of the group.

The CSR Policy adopted by IIFL Holdings Limited can be accessed at: <http://www.indiaonline.com/aboutus/iifl-csr-policy>



FLAME initiative in rural schools



Women micro enterprise and empowerment programme



FLAME initiative in rural schools

COMPOSITION OF THE CSR COMMITTEE

IIFL Holdings Limited has constituted a CSR Committee of the Board that fulfils all requirements of Section 135 of the Companies Act 2013 (hereafter referred to as Section 135). The members constituting the Committee as well as their designations have been listed below:

- Mr. Nirmal Jain
Chairman
- Mr. R Venkataraman
Managing Director
- Mr. Nilesh Vikamsey
Independent Director

PRESCRIBED CSR SPEND OF IIFL HOLDINGS LIMITED

a) Average net profit of the Company for last three financial years

Average net profit of IIFL Holdings Limited (standalone) as per Section 135 of the Companies Act 2013 was calculated to be ₹ 329,546,013.

b) Prescribed CSR expenditure

The recommended CSR expenditure for IIFL Holdings Limited (standalone) as per Section 135 for the FY15 was ₹ 6,590,920.

c) Amount unspent

During FY15, IIFL Holdings Limited (standalone) was unable to spend ₹ 2,677,480 of the CSR expenditure prescribed under Section 135.



Van for Mid-day meal programme for municipal schools



Women have started businesses in poultry, roadside food stalls, tailoring



Health camp, Pandharpur



Support for infrastructure development at IIM Ahmedabad

IIFL has undertaken several CSR projects in FY15. These include:

- **Vocational training:** The Company supported projects that provide vocational training to tribal youth in the Palghar district and young girls in war ravaged regions of Jammu and Kashmir, to enhance their employment potential. Over 500 young tribal boys in Palghar and girls in Jammu and Kashmir, have been trained and given employment in different industries through these projects. As a result of this project, these youths who were earlier unemployed are now earning an average salary of ₹ 6,500/- per month.
- **Career counselling for school children:** Through the “Pre Livelihood Awareness and Career Counselling Programme”, the Company is reaching out to school children in tribal regions of Palghar district in Maharashtra to educate them about employment opportunities they can avail of after completing school education. The programme is at reducing

high drop-out rates being experienced at schools in this region by making children aware about the importance of completing school education.

- **Health interventions:** The Company has undertaken the various projects to provide the rural poor access to healthcare services. Amongst various measures, free health check-up camps were conducted in rural areas. Over 2 lakh people were checked and screened in these camps organised by the Company. The Company has also taken up projects in remote tribal regions in Amravati, in Maharashtra, that focus on reducing Infant Mortality Rate (IMR), Maternal Mortality Rate (MMR) and Malnutrition through several interventions.
- **Women micro enterprise and empowerment programme:** Through this programme, the Company has trained over 500 women living in remote tribal regions in the Palghar district of Maharashtra in various skills like tailoring, poultry farming and

dosa-making. To help them become self-employed, these women were also trained in the nuances of enterprise creation and other skills to kickstart sustainable micro-enterprises. Women have started businesses in poultry, roadside food stalls, tailoring amongst others. Currently, they earn an average monthly income between ₹ 2,500 - ₹ 6,000 from these enterprises.

- **FLAME:** In order to ensure sustainable growth, IIFL's financial inclusion initiatives especially targeted towards children, women and in rural areas through its flagship programme - FLAME - has been unparalleled.

DIRECTORS' REPORT

Dear Shareholders,

Your Directors present the Twentieth Annual Report of IIFL Holdings Limited ('your Company') together with the Audited Financial Statements for the financial year ended March 31, 2015.

1. Financial results:

A summary of the financial performance of your Company and its major subsidiaries/associates, for the financial year ended March 31, 2015 is as under:

Name of Company	(₹ in million)	
	Revenues	Profit after tax
Consolidated	36,663.5	4,763.7
IIFL Holdings Limited	1,100.5	982.2
India Infoline Finance Limited	22,791.3	2,477.3
India Infoline Housing Finance Limited	2,366.3	535.0
India Infoline Limited	5,459.8	710.5
India Infoline Insurance Brokers Limited	605.1	82.0
India Infoline Commodities Limited	236.1	57.9
IIFL Wealth Management Limited	3,705.5	991.8
India Infoline Asset Management Company Limited	384.7	76.6
IIFL Distribution Services Limited	85.8	2.3
IIFL Alternate Asset Advisors Limited	17.6	6.1
India Alternatives Investment Advisors Private Limited	35.7	(21.9)
IIFL Realty Limited	984.3	27.3
India Infoline Media and Research Services Limited	395.5	(295.8)
IIFL Capital Limited	113.7	35.3
IIFL Capital Inc.	121.4	14.2
IIFL Inc.	43.9	(12.0)
IIFL Private Wealth Management (Dubai) Limited	74.1	19.9
IIFL Private Wealth (Mauritius) Limited	409.9	35.0
IIFL Wealth (UK) Limited	43.7	2.4
IIFL Capital Pte. Limited	157.8	38.3
IIFL Securities Pte Limited	79.7	9.5
IIFL Private Wealth Hong Kong Limited	37.9	19.4
Others	36.2	(89.2)
Inter Company Adjustments	(2623.0)	(940.4)



Consolidated Financial Results

A summary of the consolidated financial performance of your Company, for the financial year ended March 31, 2015, is as under:

	(₹ in million)	
	2014-15	2013-14
Gross total income	36,663.5	28,372.9
Profit before interest, depreciation and taxation	22,168.5	16,409.3
Interest and financial charges	14,338.2	11,532.3
Depreciation	591.6	678.9
Profit before tax	7,238.6	4,198.1
Taxation - Current	2,823.5	1,593.9
- Deferred	(377.1)	(301.5)
- Short or excess provision for income tax	28.6	(8.1)
Net profit for the year	4,763.7	2,913.8
Less: Exceptional item (net of tax)	-	-
Net profit before minority interest	4,763.7	2,913.8
Less: Minority interest	(290.4)	(133.0)
Net profit after minority interest	4,473.3	2,780.8
Less: Appropriations		
Dividend	(942.8)	(888.1)
Dividend Distribution Tax	(168.6)	(157.8)
Minority interest – opening retained earnings	-	(24.4)
Goodwill write off	-	(4.5)
Transfer to General Reserve	-	(341.5)
Transfer to Special Reserve	(615.5)	(427.2)
Debenture Redemption Reserve	(697.9)	(1,190.0)
Deferred tax Liability	(9.8)	-
Add: Balance brought forward from the previous year	3,435.6	3,688.3
Balance to be carried forward	5,474.4	3,435.6

Standalone Financial Results:

A summary of the standalone financial performance of your Company, for the financial year ended March 31, 2015, is as under:

	(₹ in million)	
Particulars	2014-15	2013-14
Gross total income	1,100.5	886.7
Profit before interest, depreciation and taxation	1,056.3	826.8
Interest and financial charges	43.3	-
Depreciation	0.7	0.7
Profit before tax	1,012.3	826.1
Taxation - Current	9.3	-
- Deferred	15.5	(151.6)
- Short or excess provision for income tax	5.3	-
Net profit for the year	982.2	977.7
Less: Appropriations	-	-
Interim Dividend	(906.8)	(888.1)
Dividend Distribution tax	(0.7)	(0.2)
Transfer to General Reserve	-	(98.0)
Transfer to Debenture Redemption Reserve	(0.6)	-
Add: Balance brought forward from the previous year	1,803.0	1,811.6
Balance to be carried forward	1,877.1	1,803.0

2. Review of Business and Operations and state of your Company's affairs:

During the year, your Company's income, on a consolidated basis, increased to ₹ 36,664 million, up 29% year-on-year (y-o-y). Profit before tax increased to ₹ 7,239 million, up 72% y-o-y and Profit after tax before minority interest increased to ₹ 4,764 million, up 64% y-o-y.

The financing activities continue to be a major contributor to the Group's income with 72% share of the total income. The income from financing business has increased to ₹ 26,234 million from ₹ 20,272 million in the previous year, up 29% y-o-y. The income from capital market activities, equity broking and related income stood at ₹ 4,476 million, up 29% y-o-y while, income from marketing and distribution of financial products such as mutual fund, life insurance etc. increased to ₹ 5,827 million from ₹ 4,484 million in the previous year, up 30% y-o-y.

3. Macroeconomic Overview:

India's Real GDP growth picked-up to 7.3% in FY15 (source: mospi.nic.in) and is likely to improve further in the current fiscal year. While agriculture growth has been weak due to poor monsoon, manufacturing and industrial growth saw an improvement. Agriculture growth may continue to remain weak in the current fiscal, given the uncertainty in monsoon. Overall, the pick-up in government-led infrastructure spending combined with revival in consumer demand are likely to provide the necessary thrust to economic growth.

We expect weakness in commodity prices, especially crude oil, should help manage both the current account deficit (CAD) and fiscal deficit. CAD is likely to remain below 1% of GDP in FY16 and recent steps to reduce fuel subsidies through decontrol of diesel prices and direct transfer of LPG subsidies to bank accounts of beneficiaries, should help contain fiscal deficit to the targeted 3.9% of GDP in FY16.

Inflation has been on a downward trajectory over the last one year. While there are upside risks to inflation from rising fuel prices, weakening currency and below-normal rains, the consumer price inflation is expected below the RBI's target of 6% by January 2016. We expect the interest rates to ease albeit weak monsoon and food inflation may limit rate cuts.

4. Dividend on Equity Shares:

During the year 2014-15, your Company declared and paid an interim dividend of ₹ 3/- per share (i.e. 150% of face value of ₹ 2/- per share) and this led to an outgo of ₹ 907 million excluding dividend distribution tax. The same is considered as final. The total dividend paid during the previous year was ₹ 3/- per share.

5. Key initiatives:

- i. Further to the restructuring through demerger of broking business into the wholly owned subsidiary of the Company implemented in the last quarter of FY14, your Company has obtained registration for undertaking activities of investment adviser from SEBI and has commenced the business. The merchant

banking registration held under the financial services activities was transferred to the Company from India Infoline Limited (formerly India Infoline Distribution Company Limited) with due regulatory compliances.

As a core business, your Company is focusing on merchant banking and investment advisory services.

- ii. The overseas subsidiaries, located in the US, Switzerland, Dubai, Mauritius, Singapore and Hong Kong, engaged in fund management, distribution and advisory activities were shifted to IIFL Wealth Management Limited with due regulatory approvals for synergistic functioning.
- iii. Your Company has strengthened the management and operations of NBFC and housing finance subsidiaries through appointment of several key officials with rich and proven experience from the respective fields, brief synopsis of which are as follows:

- a. In India Infoline Finance Limited, the NBFC, Ms. Rajashree Nambiar was appointed as the CEO with effect from July 30, 2014. She was appointed as the Executive Director effective January 29, 2015. Ms. Nambiar holds a Masters Degree in Management from Jamnalal Bajaj Institute of Management Studies and a Bachelor of Science in Physics (Honours). She is an experienced banker with 22 years of rich work experience with ANZ and the Standard Chartered Group. She has held several leadership positions within the SCB group; last position held was, General Manager, Retail Banking Products, Brand & Marketing, India & South Asia.

- b. In India Infoline Housing Finance Limited, Mr. Monu Ratra has joined as the CEO on August 2, 2014.

Mr. Monu Ratra has over 16 years of experience, especially in mortgages with companies like HDFC Ltd., ICICI Bank and Indiabulls Housing. His last assignment was with Indiabulls Housing as National Business Manager for mortgage business, where he has played a key role in scaling and transforming the business to a retail housing player of significant size. He has experience in various facets of mortgage business i.e. credit collections, distribution, property services and has also been involved in development of systems and processes for the business.

The leadership team has been strengthened by adding experienced people at senior management and middle levels across businesses.

iv. Asset Management:

During the year, India Infoline Asset Management Company Limited (IIFL AMC) under IIFL Mutual Fund Platform launched IIFL India Growth Fund in October – 2014 which garnered ₹ 1,121 million from public subscription.



Under the IIFL's Alternative Investment Fund(s) platform (IIFL AIF), IIFL AMC launched IIFL National Development Agenda Fund, Category III AIF investing into equities and IIFL Real Estate Fund Domestic Series II, investing primarily in securities issued by real estate entities, which garnered collectively ₹ 5,305 million (till March 31, 2015) from high networth investors.

During the year, IIFL AMC has also received license from SEBI to conduct Portfolio Management Services and commenced its operations as Portfolio Manager.

As on March 31, 2015 the total assets under management by IIFL AMC under IIFL Mutual Fund, IIFL Alternative Investment Fund and Portfolio Management were ₹ 22,056 million.

With a view to provide focused trustee function for our asset management business, the trustee of IIFL Mutual Fund i.e. India Infoline Trustee Company Limited was appointed as the trustee of AIF.

- v. IIFL in its broking business initiated the mobile trading app, 'IIFL Markets' in January 2015. The app is available on Android and IOS. With rising penetration of smart phones and faster data speed, we believe that mobile trading will materially pick up in the coming years. IIFL Markets app turns the smart phone into a powerful mobile trading and monitoring platform. It provides access to live NSE, BSE stocks, futures and options, commodity and currency data. The app allows users to get access to IIFL Research, companies' information, stock charts and allows users to monitor their portfolio and trade.

vi. Investor Conference:

Wealth Management Conference: A³-Action All Around, 2015

A³- Action All Around, this year's wealth management conference, revolved around the theme of 'amplifying and extracting the maximum potential from any given situation by examining it from different angles'. The event took place on May 8, 2015 at the Grand Hyatt Kalina, Mumbai. It attracted an exclusive list of first generation entrepreneurs, industry professionals and well-known business scions and veterans.

A3 featured eminent speakers such as Mr. Miles Hilton Barber, Mr. Raghav Bahl and Mr. Nirmal Jain. In addition, a panel of leading asset managers of India shared their views on economy and markets.

Global investor conferences

For the past 6 years, IIFL Institutional equities has successfully hosted the annual institutional investor conference – Enterprising India, which sees participation from leading international and domestic funds as well as large corporates. The conference featured 20 specialist

speakers, including renowned economist Dr. Jim Walker, top technical equity analyst Mr. Chris Roberts, RBI Deputy Governor Mr. S. S. Mundra, DFCC Managing Director Mr. Adesh Sharma, UIDAI Asst. Director General Mr. Rajesh Bansal, Aam Aadmi Party spokesman Mr. Raghav Chadha, and Defence expert Mr. Ajai Shukla.

The company also hosted an international conference in New York City in September 2014, which was attended by 20 Indian corporates and over 100 institutional investors from US and UK.

vii. Corporate Social Responsibility (CSR):

During the financial year, your Company deployed 1.19 % of its average net profits (computed as per the relevant provisions of Companies Act 2013) of the preceding three years on CSR projects. At the group level, besides the Company, seven subsidiary companies came under the purview of the provisions for CSR for the year. A total deployment of ₹ 25 million has been made towards CSR during the fiscal year 2014-15 by the group.

All CSR efforts have been directed towards identifying and undertaking projects that hold the potential to create long-term social impact, to empower marginalised communities and enhance their quality of life. In alignment with this objective, in FY15, the company undertook a number of projects in the core areas of healthcare and education.

To ensure that CSR projects undertaken are implemented and monitored in a systematic manner, during the year, efforts were focussed on establishing systems and processes for the same. Going forward, your Company seeks to broaden the scope of CSR projects and employ more funds towards a larger number of projects.

The Annual Report on CSR activities by the Company is annexed herewith as "Annexure - 1".

viii. Awards and Recognitions:

The following awards were conferred in FY15:

1. The prestigious "Best Broker" award at the Zee Business Awards in December 2014
2. "India's most promising brand" in the integrated financial services category from Lord Swaraj Paul at the WCRC Global Excellence Summit, London
3. "Ranked No.1 in the Financial services" in the All India Brand Trust Ranking, 2014-15
4. "India's top securities trading firm" by the Fortune's list of 500 large corporations in India in December 2014
5. "Best HR strategy in line with business" and "Best use of technology for recruiting" at the 9TH RASBIC (Recruiting And Staffing Best In Class

Awards) Awards 2014-2015 organized by the HR Development Management Committee of the World HRD Congress

6. "Gold Award" for its newsletter IIFL Buzz at the 54th annual awards of ABCI (Association of Business Communicators of India)
7. "Overall No. 1 in Stock Pickers" award to institutional research analyst, Avi Mehta, at the Starmine Analyst Awards, India
8. "Best Private Bank for Research and Asset Allocation" by Euromoney Private Banking Survey, 2015
9. "Best Private Bank for High Net Worth Clients" by Euromoney Private Banking Survey, 2015
10. "Asia's best private bank for innovation in technology, 2014" by the Euromoney Innovations in Wealth Management Technology Awards, 2014
11. "Best Wealth Management Specialist - Asia" and "Best Wealth Manager - India" by The Asset Triple A Investment Awards, 2014

6. Share Capital:

During the year under review, the total share capital of the Company has increased from ₹ 592,398,006/- to ₹ 620,467,896/- pursuant to allotment of 863,245 equity shares of ₹ 2/- each under the Employee Stock Option Scheme 2007 and 13,171,700 equity shares of ₹ 2/- each under Employee Stock Option Scheme 2008 of the Company to the eligible employees.

7. Employees Stock Option Schemes (ESOS):

The Company granted 400,000 stock options to employees during the year under its Employee Stock Option Scheme 2008. The details of such grant and other particulars regarding Employee Stock Options are attached as Annexure - 2.

8. Non Convertible Debenture:

During the year under review, the Company issued secured redeemable Non-Convertible Debentures on private placement basis aggregating to ₹ 500 million.

9. Particulars of Loans, Guarantees or Investments:

Particulars of investments made, loans given, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilised are given in the standalone financial statement (please refer to Notes 10, 15 and 26 to the standalone financial statement).

10. Subsidiary Companies:

As on March 31, 2015, the Company had 30 (thirty) subsidiaries (including step down subsidiaries) located in India and overseas. During the financial year, IIFL Realty Limited, a subsidiary of the Company, acquired IIFL Properties Limited (formerly known as Ultra Sign And Display Private Limited) which holds premises. During the financial year, the company has incorporated a subsidiary i.e. IIFL Asset Reconstruction

Limited (ARC Company) to carry on the business of asset reconstruction. However, the said Company is yet to obtain the necessary permissions / registrations from RBI and is presently dormant. IIFL Wealth Management Limited "IIFL Wealth", subsidiary of the Company, acquired majority stake in India Alternatives Investment Advisors Private Limited, the investment manager to India Alternatives Private Equity Fund with effect on April 04, 2014.

As per Section 134 and 136 of the Companies Act 2013 read with applicable Rules, the Board of Directors had at their meeting held on May 07, 2015 approved the consolidated financials of all the subsidiaries of the company along with that of the company's financial statements. Copies of the Balance Sheet, Profit and Loss Account, Report of the Board of Directors and Report of the Auditors of each of the subsidiary companies are not attached to the accounts of the Company for the financial year 2014-15. The Company will make these documents/details available upon request by any member of the company. These documents/ details will also be available for inspection by any member of the Company at its registered office and also at the registered offices of the concerned subsidiaries. The Annual Report of all the subsidiaries shall be uploaded on the website of the Company. As required by Companies Act, 2013 and Accounting Standard - 21 (AS 21) issued by the Institute of Chartered Accountants of India, the Company's consolidated financial statements included in this Annual Report incorporates the accounts of its subsidiaries. A report on the performance and financial position of each of the subsidiaries, associates and joint ventures companies as per the Companies Act, 2013 is provided as Annexure A to the consolidated financial statement and hence not repeated here for the sake of brevity.

The Company, in relation to its downstream investment in commodities broking has submitted an application to Foreign Investment Promotion Board for appropriate approvals and compliances under the FDI regulations governing indirect foreign investments. The approval on the said application is awaited.

11. Management discussion and analysis report:

In accordance with Clause 49 of the Listing Agreement, the Management Discussion and Analysis Report forms part of this report.

12. Directors and Key Managerial Personnel:

a. Directors:

The Board consists of Mr. Nirmal Jain and Mr. R. Venkataraman as Executive Directors of the Company in their capacity of Chairman and Managing Director respectively, Mr. Nilesh Vikamsey, Mr. A. K. Purwar, Mr. Kranti Sinha, Dr S. Narayan and Ms. Geeta Mathur are Independent Directors of the Company and Mr. Chandran Ratnaswami and Mr. Sunil Kaul are non-executive Directors of the Company.

- i. In accordance with Section 152 of the Companies Act, 2013 ("Act") read with Article 137 of the Articles of Association of the Company, Mr. Chandran Ratnaswami is liable to retire by rotation at the ensuing annual



general meeting. Being eligible, he offers himself for reappointment. The Board recommends the same for shareholders' approval.

- ii. IntermsoftheprovisionsofSection149oftheCompanies Act, 2013 and Clause 49 of the Listing Agreement, Ms. Geeta Mathur has been appointed by the Board of Directors as an Additional Director of the Company with effect from September 18, 2014. As per the provisions of Section 161 of the Companies Act, 2013, Ms. Geeta Mathur holds the position till the date of the ensuing Annual General Meeting of the Company. The Company has received notice in writing from a member under Section 160 of the Companies Act, 2013 proposing appointment of Ms. Geeta Mathur as a Director of the Company. The Company has also received declarations from Ms. Geeta Mathur confirming that she meets the criteria of independence as prescribed both under the Companies Act, 2013 and Clause 49 of the Listing Agreements with the Stock Exchanges. Pursuant to Section 149 and other applicable provisions of the Companies Act, 2013, your Directors recommend appointment of Ms. Geeta Mathur as an Independent Director for a term of five consecutive years effective from September 18, 2014.

➤ **Meetings of the Board of Directors:**

The Board met 5 (five) times during the year to discuss and approve various matters including financials, appointment of auditor, declaration of dividend, appointment of Key Management Personnel (KMP) & director, review of audit reports and other board businesses. For further details please refer to the report on Corporate Governance.

➤ **Committees of the Board:**

In accordance with the applicable provisions of the Companies Act, 2013 and Listing Agreements with Stock Exchanges, the Board constituted the following Committees:

- Audit Committee
 - Nomination and Remuneration Committee
 - Corporate Social Responsibility Committee
 - Stakeholders Relationship Committee
 - Risk Management Committee
- **Audit Committee**
- The Audit Committee comprises of Mr. Nilesh Vikamsey, Mr. Kranti Sinha and Mr. R. Venkataraman. The role, terms of reference and powers of the Audit Committee are in conformity with the requirements of the Companies Act 2013 and Clause 49 of the Listing Agreement. The Committee met 4 (four) times during the year under review and discussed on financials, audit reports and appointment of auditors. During the period under review, all the recommendations of the Audit Committee were accepted by the Board of Directors of the Company.
- The terms of reference of Audit Committee and other details thereof has been provided in the Corporate Governance Report.

• **Nomination and Remuneration Committee**

The Nomination and Remuneration Committee comprises of three Independent Directors with Mr. Kranti Sinha as the Chairman of the Committee, Mr. Nilesh Vikamsey and Mr. A. K. Purwar as members of the Committee.

In compliance with the provision of section 178 of the Companies Act, 2013 and the Listing Agreement with the Stock Exchanges, the Board has renamed the existing "Compensation and Remuneration Committee" as the "Nomination and Remuneration Committee".

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a Nomination and Remuneration policy in compliance with the aforesaid provisions for selection and appointment of directors, KMP, senior management personnel of the company. The said policy is elaborated in the Corporate Governance Report of the Company.

• **Corporate Social Responsibility Committee:**

As per the provision of Section 135 of the Companies Act, 2013, the company has constituted Corporate Social Responsibility (CSR) Committee, consisting of Mr. Nilesh Vikamsey, Mr. Nirmal Jain and Mr. R. Venkataraman. The Committee has approved CSR Policy of the Company. The group has set-up India Infoline Foundation (referred as "IIFL Foundation") a Section 8 Company under the Companies Act, 2013, which will act as the principal arm to undertake CSR initiatives on behalf of the IIFL Group.

• **Stakeholders Relationship Committee:**

In compliance with the provision of section 178 of the Companies Act, 2013 and the Listing Agreements with the Stock Exchanges, the Board has renamed the existing "Share Transfer and Investor Grievance Committee as the "Stakeholders' Relationship Committee". The terms of reference of committee has been provided in the Corporate Governance Report.

The Stakeholders Relationship Committee comprises of Mr. Kranti Sinha, Independent Director as the Chairman and Mr. Nirmal Jain and Mr. R. Venkataraman, Executive Directors as the Members. During the financial year 2014-15, the Company received 40 complaints from investors under SEBI's SCORES portal. All complaints were redressed to the satisfaction of the shareholders. No complaints were pending either at beginning or at the end of the year.

In terms of Section 205A of the Companies Act, 1956, the unclaimed dividend amount is required to be transferred to the Investor Education and Protection Fund after completion of seven years from the date of transfer to unpaid Dividend Account. Accordingly, during the year, the Company has transferred the balance unclaimed dividend ₹ 2,76,918/- (Rupees Two Lakhs Seventy Six Thousand Nine Hundred Eighteen only) held in Dividend Account No. 4010201072703 relating to the year 2006-2007 to the Investor Education and Protection Fund by issuing pay order in favour of "Pay

& Accounts Officer, Ministry of Corporate Affairs, New Delhi, payable at Mumbai.

The allotted and balance unclaimed 9780 equity shares of the Company pursuant to the Company's IPO in 2005 are maintained in a dedicated demat account on behalf of 21 investors. Several reminders/notices have been sent to those investors for submission of necessary details/documents for transfer. Investors responses are still awaited.

• Risk Management Committee

In compliance with the revised Clause 49 of the Listing Agreement with the Stock Exchanges, the Company has constituted a Risk Management Committee on October 21, 2014. The objective of the Committee is to oversee the risk management governance structure, define and review the framework for identification, assessment, monitoring, mitigation and reporting of risks.

The Risk Management Committee consists of Mr. A. K. Purwar, Independent Director, Mr. Sunil Kaul, Non-Executive Director, Mr. Nilesh Vikamsey, Independent Director and Mr. Nirmal Jain, Executive Director.

• Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and revised Clause 49 of the Listing Agreements with Stock Exchanges, the Board has carried out an annual performance evaluation of its own performance, the individual directors performance including independent directors. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

In compliance with the provisions of the Companies Act, 2013 and revised Clause 49 of the Listing Agreement with the Stock Exchanges, the Independent Directors held a meeting on March 27, 2015, and:

- Reviewed the performance of non-independent directors and the Board as a whole
- Reviewed the performance of the Chairperson of the Company
- Assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board, which is necessary for the Board to effectively and reasonably perform their duties

Necessary implementations of their suggestions have been initiated.

b. Key Managerial Personnel:

As per the definition of the term Key Managerial Personnel as contained in section 2(51) of the Companies Act, 2013. The "Key Managerial Personnel" in relation to a Company are:

- Chief Executive Officer or Managing Director
- Company Secretary
- Whole-time Director
- Chief Financial Officer
- And, such other officer as may be prescribed

During the period Mr. Nirmal Jain (Holding DIN 00010535) was appointed as the Whole Time Director designated as the Executive Chairman for a term of five years with effect from April 23, 2015 and Mr. R. Venkataraman (holding DIN 00011919) was appointed as the Whole Time Director designated as the Managing Director of the Company with effect from April 23, 2015.

Mr. Parag Shah was appointed as the Chief Financial Officer of the Company with effect from July 29, 2014 in place of Mr. Dhruv Jain who resigned from the services of the Company.

Mr. Ashutosh Naik was appointed as the Company Secretary with effect from April 1, 2015 pursuant to resignation of Mr. Sunil Lotke as Company Secretary of the Company.

13. Risk Management

During the year, your Directors have constituted a Risk Management Committee consisting of Mr. A.K. Purwar, Mr. Nilesh Vikamsey, Mr. Sunil Kaul and Mr. Nirmal Jain to assist the Board in (a) overseeing and approving the Company's enterprise wide risk management framework; and (b) overseeing that all the risks that the organisation faces such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks have been identified and assessed. There is an adequate risk management infrastructure in place capable of addressing those risks.

The Company's management monitors and reports principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The company's management systems, organisational structures, processes, standards and code of conduct together form the risk management governance system of the company.

Your Company has introduced several process improvements to internal controls systems and processes to drive a common integrated view of risks and optimal and mitigation responses. This integration is enabled through suitable co-ordination across group wide Risk Management, Internal Control and Internal Audit methodologies and processes.

14. Internal Financial Controls

Your Company has in place adequate internal financial controls with reference to financial statements. During the year such controls were reviewed and no reportable material weakness in the design or operation of financial controls was observed.

15. Contracts and arrangements with Related Parties

Your Company has put in place a policy for Related Party Transactions (RPT Policy) which has been approved by the Board of Directors. The policy provides for identification of RPTs, necessary approvals by the Audit Committee/ Board/Shareholders, reporting and disclosure requirements in compliance with Companies Act, 2013 and Listing Agreements.



All contracts executed by the Company during the financial year with related parties were on arm's length basis. All such Related Party Transactions were placed before the Audit Committee for approval, wherever applicable.

During the year, the Company has not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with Clause 49 of the Listing agreements with Stock Exchanges and the policy of the Company on materiality of related party transactions. The policy for determining 'material' subsidiaries and the policy on materiality of Related Party Transactions and dealing with Related Party Transactions as approved by the Board may be accessed on the Company's website at the link <http://www.indiaonline.com/aboutifl/corporate-governance/policies>. You may refer to Note no. 31 to the financial statement which contains related party disclosures. Since all related party transactions entered into by the Company were on an arm's length basis and the company had not entered into any material related party contracts, Form AOC-2 disclosure is not required to be provided.

16. Extract of Annual Return

The details forming part of the extract of the Annual Return of the Company in form MGT - 9 is annexed herewith as "Annexure - 3".

17. Material changes and commitments affecting the financial position of the Company:

There have been no material changes and commitments affecting the financial position of the company, which have occurred between the end of the financial year of the company to which the financial statements relate and the date of this annual report.

18. Secretarial Audit

The Board had appointed M/s. Vinod Kothari & Company, Company Secretary to conduct Secretarial Audit of the Company for the year 2014-15. The Auditor had conducted the audit and their report thereon was placed before the Board. The report of the Secretarial Audit is annexed herewith as "Annexure - 4". There are no qualifications or observations in the Report.

19. Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

The additional information on energy conservation, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is appended as "Annexure - 5" to and forms part of this Report.

20. Whistle Blower Policy/ Vigil Mechanism:

In Compliance of the Companies Act, 2013 and Clause 49 of the Listing Agreements with the Stock Exchanges, the Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for Directors and employees to report genuine concerns about unethical

behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.

21. Particulars of Employees

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are provided in the Annual Report.

Having regard to the provisions of the first proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the company. The said information is available for inspection at the registered office of the company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request. The full Annual Report is being sent electronically to all those members who have registered their email addresses and is available on the Company's website.

Disclosures pertaining to remuneration and other details as required under section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in Annexure - 6

22. Statutory Auditors

M/s. Sharp & Tannan Associates, Chartered Accountants, Mumbai (Firm Registration Number: 109983W), retire at the ensuing Annual General Meeting holding office as such till the conclusion of the ensuing Annual General Meeting (AGM) and being eligible have offered themselves for re-appointment. Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules framed there under, the Board proposes reappointment of M/s. Sharp & Tannan Associates as Statutory Auditors of the Company from conclusion of this AGM till the conclusion of the next AGM. M/s. Sharp & Tannan Associates have furnished a certificate to the effect that the proposed re-appointment, if made, will be in accordance with the provisions of Section 139 and 141 of the Companies Act, 2013.

23. Corporate Governance

As per Clause 49 of the Listing Agreement with the Stock Exchanges, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Report.

24. General

Your Directors state that during the financial year 2014-15:

1. Your Company did not accept/renew any deposits within the meaning of Section 73 of the Companies Act, 2013 and the rules made there under and as such, no amount of principal or interest was outstanding as on the balance-sheet date.
2. The Company has not issued equity shares with differential rights as to dividend, voting or otherwise.

3. The Company has not issued any sweat equity shares during the year.
4. There are no significant and material orders passed against the Company by the Regulators or Courts or Tribunals, which would impact the going concern status of the Company and its future operations.

Your Company has in place Policy on prevention of Sexual Harassment of Women at workplace. Your Directors further state that, during the fiscal year 2014-15, there were no complaints filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

25. Directors' Responsibility Statement

Pursuant to Section 134(3)(c) of the Companies Act, 2013 and based on the information provided by the management, your Directors state that:

- a) in the preparation of the annual accounts for the year ended March 31, 2015, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015 and of the profit of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

26. Appreciation:

Your Directors place on record their sincere appreciation for the assistance and guidance provided by the government, regulators, stock exchanges, other statutory bodies and the Company's bankers for their assistance, cooperation and encouragement extended to the Company.

Your Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. Our employees are instrumental for the Company to scale new heights, year after year. Their commitment and contribution is deeply acknowledged. Your involvement as shareholders is also greatly valued. Your Directors look forward to your continuing support.

For and on behalf of the Board

Nirmal Jain

Chairman

DIN: 00010535

Date: May 07, 2015

Place: Mumbai



Annexure – 1 to Directors' Report

The Annual Report on Corporate Social Responsibility (CSR) Activities

[Pursuant to clause (o) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs

As a socially responsible corporate citizen, the IIFL Group is committed to the core values of collective progress and welfare. IIFL Holdings Limited aims to undertake initiatives that create sustainable growth and empowers under privileged sections of society. The areas of focus of CSR for IIFL Holdings Limited are as follows:

- Education
- Health
- Economic Empowerment of Women
- Sustainable livelihood

The IIFL Group has established India Infoline Foundation (referred as 'IIFL Foundation') to manage CSR projects on behalf of the group companies.

The CSR Policy adopted by IIFL Holdings Limited can be accessed at: <http://www.indiaonline.com/aboutus/iifl-csr-policy>

2. The Composition of the CSR Committee

The CSR Committee of your company comprises of Mr. Nirmal Jain, Mr. Nilesh Vikamsey and Mr. R. Venkataraman.

3. Average net profit of the Company for last three financial years

Average Net Profit of IIFL Holdings Ltd. as per Section 135 of the Companies Act 2013 was calculated to be ₹ 329,546,013/-.

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)

The recommended CSR expenditure for IIFL Holdings Limited as per Section 135 for the financial year 2014-15 was ₹ 6,590,920/-.

5. Details of CSR Spent during the financial year:

- Total amount spent for the financial year: During the financial year 2014-15, IIFL Holdings Limited spent a total of ₹ 3,913,440/- on carrying out CSR projects as part of the Section 135 obligation.
- Amount unspent, if any: ₹ 2,677,480/-

(c) Manner in which the amount spent during the financial year is detailed below:

S. No.	CSR Project or activity identified	Sector in which project is covered	Projects or Programs	Amount Outlay (budget) on Project or Programs (₹)	Amount spent on the projects or programs (₹)	Cumulative expenditure up to the reporting period (₹)	Amount Spent: Direct or through implementing agency
			1. Local area or other 2. Specified Location		1. Direct Expenditure 2. Overhead		
1	Supporting the establishment of a centre learning for higher education	Promotion of Education	Other Gurgaon, Haryana	2,611,572	2,611,572	2,611,572	Through Implementing Agency: International Foundation for Research
2	Supporting health camps	Promoting Preventive Healthcare	Other Solapur District; Maharashtra	313,389	313,389	313,389	Through Implementing Agency: Sri Chaitanya Trust (Bhakti Vendant Hospital)
3	Supporting Swachch Bharat Initiative	Promoting Preventive Healthcare	Local Mumbai; Maharashtra	62,678	62,678	62,678	Through Implementing Agency: TIMSR Foundation
4	Mid-day meal programme for students from municipal schools	Eradicating Hunger, Poverty & Malnutrition	Local Mumbai; Maharashtra	799,601	799,601	799,601	Through Implementing Agency: ISKCON Foundation
5	CSR capacity building costs	N.A	Local Mumbai; Maharashtra	126,200	126,200	126,200	Self Implemented

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report:

During the year, IIFL was engaged in several community and social welfare projects or programmes. Based on evaluation of particular project/programme and finalisation by the CSR Committee, the Company has been contributing towards such projects/programmes.

Accordingly, during the financial year 2014-15, the Company successfully deployed 1.19% of its average net profits of the preceding three years on CSR projects. The Company is committed to CSR spend, enhance the scope of its CSR projects and will make concerted efforts to deploy the prescribed amount in the coming years. In order to ensure that CSR projects undertaken are selected, implemented and monitored in a strategic and systematic manner, so that the impact can be sustainable, the Company's efforts for the financial year 2014-15 included establishing systems and processes. Towards this end the Company has been working on the following projects:

- By adopting villages in Palghar District to address a holistic transformation and development of the area. This would be a long term project spread over 3 – 5 year period. During FY15, an exhaustive stakeholder engagement was done and priority setting was done for smooth interventions during the coming years.
- By increasing geographic expanse of CSR interventions - IIFL will work in the tribal belt of Rajasthan (Rajsamand District) to ensure that these areas join the development wagon of India starting from FY16. The flagship FLAME program will also expand in reach to include rural areas to enhance financial literacy.

Going forward, the Company will assign high priority to undertaking CSR projects that focus on generating sustainable rural livelihoods by spreading financial literacy.

In order to ensure sustainable growth, IIFL's focus on financial inclusion, especially with a focus on children, women and in the rural areas through its flagship program – FLAME – has been unparalleled.

7. Responsibility statement of the CSR Committee

Through this report, the Company seeks to communicate its commitment towards CSR to the Stakeholders. The implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and policies as laid down in this report. The Board of the company and the CSR Committee is responsible for the integrity and the objectivity of all the information provided in the disclosure above. All projects reported have been selected based on careful evaluation of the extent to which they create sustainable positive outcomes for marginalized segments of society. The company has adopted measures to ensure that these projects are implemented in an effective and efficient manner so that they are able to deliver maximum potential impact. In line with the requirements of Section 135, the company has also established a monitoring mechanism to track the progress of its CSR projects.

For IIFL Holdings Limited

Nirmal Jain

Chairman

DIN: 00010535

R. Venkataraman

Managing Director

DIN: 00011919

Date: May 07, 2015

Place: Mumbai



Annexure – 2 to Directors' Report

Disclosure in the Directors' Report as per SEBI Guidelines and Companies Act, 2013:

	Particulars	ESOP 2007	ESOP 2008
	Options outstanding as at the beginning of the year	4,075,100	24,248,350
a	Options granted during the year	-	400,000
b	Pricing Formula		The Exercise Price may be decided by the Nomination and Remuneration Committee in accordance with Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines and any amendments thereto, subject to a maximum discount of 35% to the market price.
c	Options Vested**	750,000	1,631,000
d	Options Exercised**	863,245	13,171,700
e	Total no. of shares arising as result of exercise of Options	863,245	13,171,700
f	Options lapsed*	912,100	131,000
g	Variation in terms of Options	None	None
h	Money realised by exercise of Options (In millions)	59.15	632.13
i	Total number of options in force**	2,299,755	11,345,650
	** The number of options have been reported as on 31-03-2015		
	* Lapsed Options includes options cancelled/lapsed.		
		ESOP 2008	
j	Employee wise details of options granted to:		
	- Senior Management (Including Key Managerial Personnel)		Nil
	- any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year		Nil
	- identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding warrants and conversions) of the company at the time of grant		Nil
k	Diluted earnings per share pursuant to issue of shares on exercise of option calculated in accordance with AS 20 'Earnings per Share'		
l	Pro Forma Adjusted Net Income and Earning Per Share		
	Particulars		₹
	Net Income		
	As Reported		982,220,012
	Add: Intrinsic Value Compensation Cost		-
	Less: Fair Value Compensation Cost		-
	Adjusted Pro Forma Net Income		982,220,012
	Earning Per Share: Basic		
	As Reported		3.24
	Adjusted Pro Forma		3.24
	Earning Per Share: Diluted		
	As Reported		3.15
	Adjusted Pro Forma		3.15

m	Weighted average exercise price of Options granted during the year whose	ESOP 2008
(a)	Exercise price equals market price	159.01
(b)	Exercise price is greater than market price	N.A.
(c)	Exercise price is less than market price	N.A.
	Weighted average fair value of options granted during the year whose	
(a)	Exercise price equals market price	43.49
(b)	Exercise price is greater than market price	N.A.
(c)	Exercise price is less than market price	N.A.
n	Description of method and significant assumptions used to estimate the fair value of options	The fair value of the options granted has been estimated using the Black-Scholes option pricing Model. Each tranche of vesting have been considered as a separate grant for the purpose of valuation. The assumptions used in the estimation of the same has been detailed below:
		Weighted average values for options granted during the year
	Variables	ESOP 2008
	Stock Price	162.08
	Expected Volatility	38.01%
	Riskfree interest Rate	8.31%
	Exercise Price	159.01
	Time To Maturity	4.94
	Dividend yield	8.46%
		43.49

Stock Price: Closing price on NSE as on the date of grant has been considered for valuing the grants.

Volatility: We have considered the historical volatility of the stock till the date of grant to calculate the fair value.

Risk-free rate of return: The risk-free interest rate being considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero-coupon yield curve for Government Securities.

Exercise Price: The Exercise Price may be decided by the Nomination and Remuneration committee in accordance with Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines and any amendments thereto, subject to a maximum discount of 35% to the market price.

Time to Maturity: Time to Maturity / Expected Life of options is the period for which the Company expects the options to be live. The minimum life of a stock option is the minimum period before which the options cannot be exercised and the maximum life is the maximum period after which the options cannot be exercised.

Expected dividend yield: Expected dividend yield has been calculated as an average of dividend yields for the four financial years preceding the date of the grant.



Annexure – 3 to Directors' Report

Form No. MGT-9 EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. Registration and other details:

i) CIN:	L74999MH1995PLC093797
ii) Registration Date	18/10/1995
iii) Name of the Company	IIFL Holdings Limited
iv) Category / Sub-Category of the Company	Public Company Limited by shares
v) Address of the Registered office and contact details	IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, Thane Industrial Area, Wagle Estate, Thane-400604 Tel No.: 022-42499000 Fax No.: 022-25806654
vi) Whether listed company	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (W), Mumbai - 400 078 Tel No.: 022-2596 3838 Tel No.: 022-2594 6969 E-mail : mumbai@linkintime.co.in Website: www.linkintime.co.in

II. Principal business activities of the company

All the business activities contributing 10% or more of the total turnover of the company are given below:-

Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
Financial Services activities - Merchant Banking, Investment Advisory and others	6599	100%

* As per National Industrial Classification – Ministry of Statistics and Programme Implementation

III. Particulars of holding, subsidiary and associate companies

Name and Address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held*	Applicable section
India Infoline Finance Limited	U67120MH2004PLC147365	Subsidiary	98.87	2(87)
India Infoline Housing Finance Limited	U65993MH2006PLC166475	Step-down subsidiary	98.87	2(87)
India Infoline Limited	U99999MH1996PLC132983	Subsidiary	100	2(87)
IIFL Wealth Management Limited	U74140MH2008PLC177884	Subsidiary	76.77	2(87)
India Alternatives Investment Advisors Private Limited	U74140MH2010PTC198879	Step-down subsidiary	54.51	2(87)
India Infoline Asset Management Company Limited	U74900MH2010PLC201113	Step-down subsidiary	76.77	2(87)
India Infoline Commodities Limited	U51100TN2004PLC077573	Subsidiary	100	2(87)
India Infoline Foundation	U80901MH2014NPL253380	Subsidiary [Section 8 Company]	100	2(87)
India Infoline Insurance Brokers Limited	U66010MH2005PLC154486	Subsidiary	100	2(87)
India Infoline Insurance Services Limited	U74140MH2000PLC129816	Subsidiary	100	2(87)
India Infoline Media and Research Services Limited	U93090MH2006PLC165592	Subsidiary	100	2(87)
India Infoline Trustee Company Limited	U74990MH2009PLC193063	Step-down subsidiary	76.77	2(87)
IIFL Alternate Asset Advisors Limited	U74120MH2011PLC219930	Step-down subsidiary	76.77	2(87)
IIFL Asset Reconstruction Limited	U74120MH2014PLC260200	Subsidiary	100	2(87)
IIFL Capital Limited	U67190TN2007PLC081895	Subsidiary	100	2(87)
IIFL Distribution Services Limited	U45201MH1995PLC228043	Step-down subsidiary	76.77	2(87)
IIFL Investment Adviser and Trustee Services Limited	U74990MH2010PLC211334	Step-down subsidiary	76.77	2(87)
IIFL Properties Private Limited (formerly Ultra Sign and Display Private Limited)	U28999MH1997PTC110615	Step-down subsidiary	100	2(87)
IIFL Realty Limited	U70102MH2007PLC176401	Subsidiary	100	2(87)
India Infoline Commodities DMCC	Not Applicable	Subsidiary	100	2(87)
IIFL Private Wealth Hong Kong Limited	Not Applicable	Step-down subsidiary	76.77	2(87)
IIFL Private Wealth Management (Dubai) Limited	Not Applicable	Step-down subsidiary	76.77	2(87)
IIFL Inc	Not Applicable	Step-down subsidiary	76.77	2(87)
IIFL Wealth (UK) Limited	Not Applicable	Subsidiary	100	2(87)
IIFL Private Wealth (Suisse) SA	Not Applicable	Step-down subsidiary	76.77	2(87)
IIFL Capital Inc.	Not Applicable	Subsidiary	100	2(87)
IIFL Private Wealth (Mauritius) Ltd	Not Applicable	Step-down subsidiary	76.77	2(87)
IIFL (Asia) Pte. Limited	Not Applicable	Step-down subsidiary	76.77	2(87)
IIFL Capital Pte. Limited	Not Applicable	Step-down subsidiary	76.77	2(87)
IIFL Securities Pte. Limited	Not Applicable	Step-down subsidiary	76.77	2(87)
Meenakshi Towers LLP	Not Applicable	Associate	50	2(6)

* Representing aggregate % of equity shares held by the Company and / or its subsidiaries.



IV. Share holding pattern (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-04-2014)				No. of Shares held at the end of the year (As on 31-03-2015)				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	88,361,432	0	88,361,432	29.83	88,361,432	0	88,361,432	28.48	(1.35)
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	4,000,000	0	4,000,000	1.35	4,000,000	0	4,000,000	1.29	(0.06)
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):-	92,361,432	0	92,361,432	31.18	92,361,432	0	92,361,432	29.77	(1.41)
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other- Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	92,361,432	0	92,361,432	31.18	92,361,432	0	92,361,432	29.77	(1.41)
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	99,467	0	99,467	0.03	2,106,313	0	2,106,313	0.68	0.65
b) Banks / FI	2,093,142	0	2,093,142	0.71	37366	0	37,366	0.01	(0.70)
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	127,236,904	0	127,236,904	42.96	122,090,621	0	122,090,621	39.35	(3.61)
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	129,429,513	0	129,429,513	43.70	124,234,300	0	124,234,300	40.05	(3.65)

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-04-2014)				No. of Shares held at the end of the year (As on 31-03-2015)				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	5,138,712	0	5,138,712	1.73	12,163,259	0	12,163,259	3.92	2.19
ii) Overseas	2,250,170	0	2,250,170	0.76	0	0	0	0	(0.76)
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	11,195,653	119,545	11,315,198	3.82	8,458,524	183,305	8,641,829	2.79	(1.03)
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	23,125,154	0	23,125,154	7.81	30,788,033	1,177,372	31,965,405	10.30	2.49
C. Any Other									
Office Bearers	1,126,304	0	1,126,304	0.38	0	0	0	0	(0.38)
Qualified Foreign Investor	1,193,000	0	1,193,000	0.40	1,000,000	0	1,000,000	0.32	(0.08)
Non Resident Indians (Repatriable)	19,795,534	225,000	20,020,534	6.76	18,179,445	225,000	18,404,445	5.93	(0.83)
Non Resident Indians (Non Repatriable)	6,814,324	0	6,814,324	2.30	6,597,493	0	6,597,493	2.13	(0.17)
Foreign Nationals	1,079,996	0	1,079,996	0.36	1,079,996	0	1,079,996	0.35	(0.01)
Clearing Member	212,066	0	212,066	0.07	656,145	0	656,145	0.21	0.14
Directors/Relatives	232,500	0	232,500	0.08	0	0	0	0	(0.08)
Trusts	75,100	0	75,100	0.03	75,000	0	75,000	0.02	(0.01)
Foreign Company	1,825,000	0	1,825,000	0.62	800,000	0	800,000	0.26	(0.36)
Foreign Portfolio Investor (Corporate)	0	0	0	0	12,254,644	0	12,254,644	3.95	3.95
Sub-total (B)(2):-	74,063,513	344,545	74,408,058	25.12	92,052,539	1,585,677	93,638,216	30.18	5.06
Total Public Shareholding	203,493,026	344,545	203,837,571	68.82	216,286,839	1,585,677	217,872,516	70.23	1.41
Public Group (B)=(B)(1)+(B)(2)Group (B)=(B)(1)+ (B)(2)									
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	295,854,458	344,545	296,199,003	100	308,648,271	1,585,677	310,233,948	100	



ii) Shareholding of Promoters:-

Shareholder's Name	Share holding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
	(As on 01-04-2014)			(As on 31-03-2015)			
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
Nirmal Jain	51,252,000	17.30	NA	51,252,000	16.52	NA	(0.78)
Venkataraman Rajamani	19,909,432	6.72	NA	19,909,432	6.42	NA	(0.30)
Madhu N Jain	17,000,000	5.74	NA	17,000,000	5.48	NA	(0.26)
Ardent Impex Pvt Ltd	2,700,000	0.91	NA	2,700,000	0.87	NA	(0.04)
Orpheus Trading Pvt Ltd.	1,300,000	0.44	NA	1,300,000	0.42	NA	(0.02)
Aditi Athavankar	200,000	0.07	NA	200,000	0.06	NA	(0.01)
Total	92,361,432	31.18	NA	92,361,432	29.77	NA	(1.41)

iii) Change in Promoters Shareholding

	Shareholding at the beginning of the year			Cumulative Shareholding during the year		
	No. of shares	% of total shares of the company		No. of shares	% of total shares of the company	
At the beginning of the year (01.04.2014)	92,361,432	31.18		92,361,432	31.18	
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	N.A.	N.A.		N.A.	N.A.	
At the end of the year (31.03.2015)	92,361,432	29.77 *		92,361,432	29.77*	

Note: - * There is no change in total shareholdings of Promoters between April 01, 2014 to March 31, 2015. The decrease in % of Promoter group shareholding from 31.18 to 29.77 is due to ESOS allotment of 14,034,945 shares to employees at various dates during the year as per the Company's ESOS Schemes.

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name of shareholders	Shareholdings at the beginning of the year		Change in Shareholdings (No. of shares)		Shareholdings at the end of the year	
		No. of shares	% of total shares of the Company	Increase	Decrease	No. of shares	% of total shares of the Company*
1	Carlyle Mauritius Investment Advisors, Ltd. A/C Carlyle Mauritius lii	28,761,409	9.71	0	0	28,761,409	9.27
2	HWIC Asia Fund Class A Shares	27,910,000	9.42	0	0	27,910,000	9.00
3	Copthall Mauritius Investment Limited	9,423,000	3.18	6,882,530	0	16,305,530	5.26
4	Bank Muscat S A O G A/C Bankmuscat India Fund	12,598,222	4.25	0	0	12,598,222	4.06
5	Deutsche Securities Mauritius Limited	10,352,623	3.50	0	0	10,352,623	3.34
6	Bharat H Parajia	16,221,778	5.48	0	500,000	15,721,778	5.07
7	Merrill Lynch Capital Markets Espana S.A. S.V.	9,597,606	3.24	0	2,050	9,595,556	3.09
8	Satpal Khattar	8,950,085	3.02	0	100,000	7,950,085	2.56
9	Morgan Stanley Asia (Singapore) Pte.	0	0	5,925,652	0	5,925,652	1.91
10	Ashish Dhawan	0	0	4,441,035	0	4,441,035	1.43

Note:

* The changes in the % of the shareholdings of the above shareholders as at the end of the year was due to allotment of shares upon exercising of ESOS into 14,034,945 shares by the employees and purchase/sales made by the shareholders during the year.



v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of Directors and KMP	Shareholding at the beginning of the year (01.04.2014)		Changes in Shareholding (No. of Shares)		Shareholding at the end of the year (31.03.2015)	
		No. of shares	% of total shares of the company	Increase	Decrease	No. of shares	% of total shares of the company
1	Mr. Nirmal Jain	51,252,000	17.30	0	0	51,252,000	16.52*
2	Mr. R. Venkataraman	19,909,432	6.72	0	0	19,909,432	6.41*
3	Mr. Nilesch Vikamsey	90,000	0.03	25,000	0	115,000	0.04
4	Mr. Kranti R Sinha	77,500	0.03	12,500	0	90,000	0.03
5	Mr. Arun Kumar Purwar	65,000	0.02	50,000	65,000	50,000	0.02

* The decrease in % of total shares is due to allotment into 14,034,945 shares upon exercising of ESOS by employees during the year.

V. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payments

	Secured Loans excluding Deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of year				
(i) Principal amount	0	0	0	0
(ii) Int. due but not paid	0	0	0	0
(iii) Int. accrued but not due	0	0	0	0
Total (i+ii+iii)	0	0	0	0
Changes in Indebtedness during the year				
Addition	500,000,000	0	0	500,000,000
Reduction	0	0	0	0
Net Change	500,000,000	0	0	500,000,000
Indebtedness at the end of the financial year (31.03.2015)				
(ii) Int. due but not paid	0	0	0	0
(iii) Int. accrued but not due	770,547	0	0	770,547
Total (i+ii+iii)	500,770,547	0	0	500,770,547

VI. Remuneration of directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount (₹)
Name of MD/WTD/Manager	*Mr. Nirmal Jain	*Mr. R. Venkataraman		
Gross salary				
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	27,833,072	19,806,199		47,639,271
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	120,000		120,000
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0		0
Stock Option	0	0		0
Sweat Equity	0	0		0
Commission	0	0		0
- as % of profit				
- others, specify				
Others, [Company's contribution towards PF and pension fund]	16,500	16,500		33,000
Total (A)	27,849,572	19,942,699		47,792,271
Ceiling as per the Act	₹ 101,229,339/- being 10% of the net profit of the Company calculated as per Section 198 of the Companies, 2013.			

* Entire Remuneration is paid by the subsidiaries of the Company i.e. India Infoline Finance Limited and India Infoline Limited to Mr. Nimal Jain and Mr. R. Venkataraman respectively.

B. Remuneration to other directors:

Particulars of Remuneration	Name of Directors						Total Amount (₹)
Name of Director	Mr. A. K. Purwar	Mr. Nilesh Vikamsey	Mr. Kranti Sinha	Mr. S Narayan	Ms. Geeta Mathur	Mr. Sunil Kaul	Mr. Chandran Ratnaswami
1. Independent Directors							
- Fees for attending board/ committee meetings	120,000	160,000	200,000	120,000	60,000	-	-
- Commission							
- Others	1,000,000	1,000,000	1,000,000	1,000,000	500,000	-	-
Total (1)	1,120,000	1,160,000	1,200,000	1,120,000	560,000	-	-
2. Other Non-Executive Directors							
- Fees for attending board/ committee meetings							
- Commission							
- Others							
Total (2)	-	-	-	-	-	-	-
Total (B)=(1+2)	1,120,000	1,160,000	1,200,000	1,120,000	560,000	-	-
Total Managerial Remuneration							52,292,271*
Overall Ceiling as per the Act	₹ 111,352,273/- being 11% of the net profit of the Company calculated as per Section 198 of the Companies, 2013.						

* Total of remuneration paid to Managing and Whole Time Director and Commission paid to Non Executive Directors.

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTB**

Particulars of Remuneration Name of KMP	Key Managerial Personnel			
	@Mr. Dhruv Jain (Chief Financial Officer)	*Mr. Parag Shah (Chief Financial Officer)	#Mr. Sunil Lotke (Company Secretary)	Total
Gross salary				
(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	1,258,308	3,093,240	2,183,959	6,535,507
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	843,975	843,975
(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-	-
Stock Option	-	-	-	-
Sweat Equity	-	-	-	-
Commission	-	-	-	-
- as % of profit	-	-	-	-
Others, please specify [Company's contribution towards PF and pension fund]	-	158,400	12,900	171,300
Total	1,258,308	3,251,640	3,040,834	7,550,782

@ Mr. Dhruv Jain was the Chief Financial Officer of the Company till June 03, 2015.

* Mr. Parag Shah was in employment with IIFL Group for the full financial year and was appointed as Chief Financial Officer of the Company w.e.f. July 29, 2014.

Mr. Sunil Lotke, Company Secretary, was in service till January 29, 2015.

VII. Penalties / Punishment/ Compounding of offences

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY Penalty Punishment Compounding					
B. DIRECTORS Penalty Punishment Compounding					
C. OTHER OFFICERS IN DEFAULT Penalty Punishment Compounding					

NIL

Annexure – 4 to Directors' Report

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE PERIOD FROM APRIL 1, 2014 TO MARCH 31, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule no.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members
IIFL Holdings Limited

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company as specified in Annexure I and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the period covered by our audit, that is to say, from April 01, 2014 to March 31, 2015 (hereinafter referred to as "Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the Audit Period according to the provisions of:

1. The Companies Act, 2013 ("the Act, 2013") and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
3. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder for Foreign Direct Investment and Overseas Direct Investment;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
 1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 3. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 4. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 5. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 6. Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say
 - a. The Securities and Exchange Board of India (Investment Advisors) Regulations, 2013;

Management Responsibility:

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

We report that:

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned



above. Also, with respect to FDI Regulations, appropriate disclosures are being made in the Board Report.

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

- a. The Listing Agreements entered into by the Company with the stock exchanges.

Recommendations as a matter of best practice:

In the course of our audit, we have made certain recommendations for good corporate practices, separately placed before the Board, for its necessary consideration and implementation by the Company.

We further report that:

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda

items before the meeting and for meaningful participation at the meeting.

Resolutions have been approved by majority directors. During the Audit Period, there were no agenda items on which any of the directors dissented.

We further report that there are systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the Audit Period, the Company has not incurred any specific event/ action that can have a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.,

We further report that during the Audit Period, the Company has;

- (i) Passed special resolution, in terms of section 180 (1) (a) in the Annual general meeting held on July 30, 2014 for approval of limits, and in terms of Section 180 (1) (c) by way of Postal Ballot on 14th January, 2015;

- (ii) Issued on Private Placement basis following Non-Convertible Debentures:-

Amount of Debentures	Secured/ Unsecured	Privately Placed/ Public Issue	Name of subscribers	Nature of Security	Terms of Security	Date of entering Debenture Trust deed
25,00,00,000	Secured	Privately Placed	HDFC Trustee Company Limited –HDFC Short Term Plan	Immovable Property and Receivables of the company both present & future, current assets, book debts & such other assets of the co.	As per Debenture Trust Deed dated 20/03/2015	20/3/2015
25,00,00,000	Secured	Privately Placed	HDFC Trustee Company Limited- HDFC Corporate Debt Opportunities Fund	Immovable Property and Receivables of the company both present & future, current assets, book debts & such other assets of the co.	As per Debenture Trust Deed dated 20/03/2015	20/3/2015

Place: Kolkata
Date: May 7, 2015

For Vinod Kothari & Company
Company Secretaries in Practice

Vinod Kothari
ACS 4718

Annexure I to Secretarial Audit Report

LIST OF DOCUMENTS

1. Corporate Matters
 - 1.1 Minutes book of the following meetings were provided in original:
 - 1.1.1 Board Meeting
 - 1.1.2 Audit Committee
 - 1.1.3 Remuneration and Compensation Committee
 - 1.1.4 General Meeting
 - 1.1.5 Debenture Allotment Committee.
 - 1.2 Agenda papers for Board meetings along with Notice.
 - 1.3 Agenda papers of Audit committee meetings
 - 1.4 Annual Report 2014 and Provisional financials for period ended 31st December, 2014
 - 1.5 Memorandum and Articles of Association
 - 1.6 CSR Policy
 - 1.7 Forms and Returns filed with the ROC and RBI.
 - 1.8 Statutory Registers maintained under the Act, 2013
 - 1.9 ESOP PLAN-2012.
 - 1.10 Disclosure under Act,2013
 - 1.11 Documents pertaining to proof of payment of Dividend.
 - 1.12 Information Memorandum



Annexure – 5 to Directors' Report

Information relating to conservation of energy, technology absorption and innovation and foreign exchange earnings/outgo forming part of the Directors' Report in terms Section 134(3) (m) of the Companies Act, 2013.

Conservation of energy:

The Company is engaged in providing finance and financial services and as such its operations do not account for substantial energy consumption. However, the Company is taking all possible measures to conserve energy. Several environment friendly measures were adopted by the Company such as:

- Installation of capacitors to save power,
- Installed Thin Film Transistor (TFT) monitors that saves power,
- Light Emitting Diode (LED) lights,
- Automatic power shutdown of idle monitors,
- Creating environmental awareness by way of distributing the information in electronic form,
- Minimising air-conditioning usage,
- Shutting off all the lights when not in use, and
- Education and awareness programs for employees.

The Management frequently puts circulars on corporate intranet, IWIN for the employees educating them on ways and means to conserve the electricity and other natural resources and ensures strict compliance of the same.

Technology:

During the year, 2014-2015, the Company has adopted best practices for digitisation of its business processes and has embraced the principle for Social, Mobility, Analytics, and Cloud (SMAC) to offer superior customer experience. The Company is actively evaluating and implementing open source operating systems, Bring Your Own Device (BYOD), and Google Apps for workplace to boost employee productivity, while reducing the operational costs for technology infrastructure. The Company follows the hybrid cloud model to improve uptimes, cost efficiency, agility,

and manage costs through usage of infrastructure as per business cycles and needs. The management of centralised and distributed technology infrastructure is outsourced to reputed vendors, enabling the internal technology team to focus on delivery of new products, services, and functionality to our customers anywhere, anytime, and on devices of their choice.

Managing Technology risk and Information Security is a business priority. The Company has been certified with ISO 27001 covering broking services, demat services and software development. Furthermore, the Company has implemented secure mobile access to control tablets/smart phones being distributed to sales/collection force to prevent misuse and data leakage. The Company has also implemented alert based monitoring whereby, around 300 loan branches will be centrally monitored for any intrusions through central command centre, and plan is to cover the remaining 300 branches in 2015-2016. This will improve the physical security at the branches while reducing operating costs.

Foreign exchange earnings/outgo of the Company:

- The foreign exchange earnings : NIL
- The foreign exchange expenditure: ₹ 41,189 (Travel related)

Research and Development (R & D):

The Company is engaged in finance and financial services and so there were no activities in the nature of research and development involved in the business. Being in financial services, we provide financial and equity research to the customers, which is not in the nature of research and development.

Amount of expenditure incurred on Research and Development:

Particulars	March 31, 2015	March 31, 2014
Capital	Nil	Nil
Revenue	Nil	Nil

Annexure – 6 to Directors' Report

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr. No.	Requirement	Disclosure	
I	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year	Executive Chairman#	20.11x
		Managing Director#	14.31x
II	The percentage increase in remuneration of each director, CFO, CEO, CS in the financial year	Executive Chairman	25%
		Managing Director	25%
		CFO	10%
		CS	12%
III	The percentage increase in the median remuneration of employees in the financial year	The median remuneration of the employees in the financial year had increased by 12%. The calculation of % increase in Median Remuneration is done based on comparable employees. For this the employees who were not eligible for any increment have been excluded.	
IV	The number of permanent employees on the rolls of the Company	The Company had 28 employees on the rolls as on March 31, 2015	
V	The explanation on the relationship between average increase in remuneration and Company performance	<p>While recommending increase in remuneration, the Company takes into account various factors like financial performance of the Company and the group, comparison with peers, industry benchmarking and consideration towards cost of living adjustments and inflation.</p> <p>Average increase in employee remuneration for the FY 2014-15 is 24% (computed based on weighted average basis considering total cost to the company and accrued bonus). The calculation of average increase in employees' remuneration is done based on comparable employees. For this the Company has excluded employees who were not eligible for increment). The Company follows holistic performance review mechanism to ensure that the increase is commensurate with the performance of employee and company.</p>	
VI	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	For the FY 2014-15, KMPs were paid approx 5.63% of the standalone profit after tax for the year.	
VII	<p>Variations in the market capitalization of the Company</p> <p>Price earnings ratio as at the closing date of the current FY and previous FY</p> <p>Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer.</p>	<p>The market capitalisation as on March 31, 2015 was ₹ 55,299 million (₹ 23,148 million as on March 31, 2014)</p> <p>Price Earnings ratio of the Company was 12.08 as at March 31, 2015 and was 8.30 as at March 31, 2014 considering the basic EPS of consolidated financial statements.</p> <p>The Company's stock price as at March 31, 2015 has increased by approximately 1073% to ₹ 178.25 per share having face value of ₹ 2/- each over the last public offering i.e. IPO in May 2005 at the price of ₹ 76/- per share with face value of ₹ 10/- each [Proportionately converted issue price to ₹ 15.2 per share having face value of ₹ 2/- each for calculation of percentage increase]</p>	
VIII	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Not Applicable to the Company, as all the employees under Managerial role.	



Sr. No.	Requirement	Disclosure	
IX	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company	The comparison of remuneration of each of the Key Managerial Personnel against the performance of the Company is as under:	
		Particulars	% of standalone profit after tax for FY 2014-15
		Executive Chairman#	2.84%
		Managing Director#	2.03%
		CS	0.31%
		CFO	0.46%
X	The key parameters for any variable component of remuneration availed by the directors.	The broad factors and guidelines considered for the variable remuneration of directors are: (a) Annual Performance Review of the Directors; and (b) Financial outcomes and profitability of the Company and the group	
XI	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	Not Applicable	
XII	Affirmation that the remuneration is as per the remuneration policy of the Company	It is hereby affirmed that the remuneration paid is as per the Nomination and Remuneration Policy of the Company.	

The remuneration to Executive Chairman and Managing Director are being paid by subsidiaries of the Company viz. India Infoline Finance Limited and India Infoline Limited respectively.

MANAGEMENT DISCUSSION AND ANALYSIS

Macro-economic Overview

The Indian economy showed signs of recovery, with GDP growth rising to 7.3% (source – mospi.nic.in) for the financial year ended March 31, 2015 (FY15). Growth prospects are likely to improve in the current fiscal, driven by the government's development initiatives and pick-up in business cycle. While agriculture growth remained weak due to poor monsoon, manufacturing and industrial growth saw an improvement in FY15. Agriculture growth could continue to remain sluggish in FY16 owing to uncertainty in monsoon.

Overall, the momentum in government-led infrastructure spending, combined with revival in consumer demand, is likely to provide the necessary impetus for economic growth. We expect weakness in commodity prices, especially in crude oil, can help manage both, the current account deficit (CAD) and the fiscal deficit. CAD is likely to remain below 1% of GDP in FY16, and recent steps to reduce fuel subsidies, through decontrol of diesel prices and direct transfer of LPG subsidies to bank accounts of beneficiaries, can contain fiscal deficit to the targeted 3.9% of GDP.

Inflation has been on a downward trajectory over the last one year. While there are upside risks from rising crude oil prices, weakening currency and below-normal rains, consumer price inflation is expected to remain below RBI's target of 6% by January 2016.

At the back of moderating inflation, we expect interest rates to ease albeit, weak monsoon and food inflation may limit rate cuts.

IIFL Group Overview

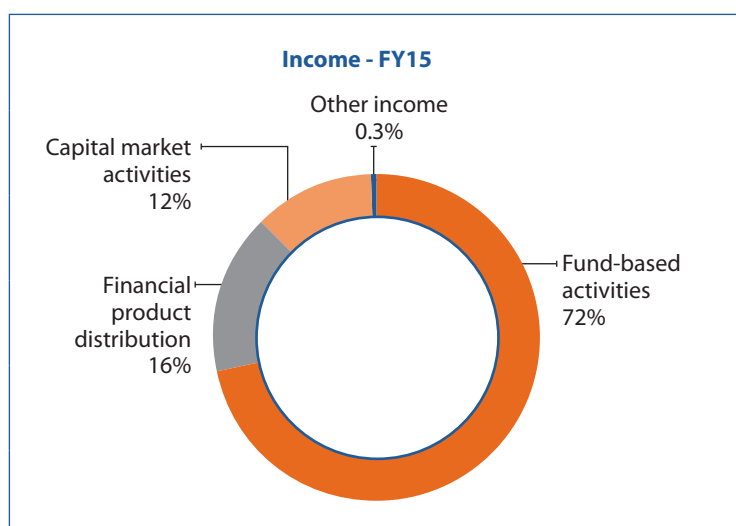
The IIFL group, a leading financial services provider in India, offers a gamut of services including financing, wealth and asset management, broking, financial product distribution, investment banking, institutional equities and related services. The group has a well-entrenched network of close to 2,500 business locations spread across the country. This extensive presence has given the Company the ability to expand and reach out to different segments of the society. IIFL group has more than 2.9 million satisfied customers across various business segments throughout the country and is continuously building on its strengths to deliver excellent service to its expanding customer base.

IIFL Segment Overview

As a significant part of the Company's business is conducted through its subsidiaries; the consolidated accounts provide a more accurate representation of the Company's performance as compared to the standalone. Therefore, the Management Discussion and Analysis pertains to consolidated results.

The consolidated income for the year under review was as follows:

₹ million (mn)	FY15	FY14
Fund Based Activities	26,234.2	20,271.8
Financial Product Distribution	5,827.0	4,484.3
Capital Market Activities	4,475.7	3,462.9
Other Income	126.6	153.9
Total Income	36,663.5	28,372.9



Fund Based activities

For the year, the income from financing activities was ₹ 26,234, up 29% year-on-year (y-o-y). The Company's loan portfolio continues to show steady growth; the loan book stood at ₹ 146,680 million as at March 31, 2015 versus ₹ 108,898 million as at March 31, 2014 (FY14), up 35% y-o-y.

Home loans, loans against property, gold loans, commercial vehicle loans, loan against securities, medical equipment finance and SME business loans are the various offerings of the Company within this business segment. Out of the overall loan book, mortgage loans was at ₹ 70,606 million (₹ 51,694 million in FY14) followed by gold loans at



₹ 37,897 million (₹ 39,124 million in FY14), loan against securities at ₹ 24,692 million (₹ 9,538 million in FY14), while other loans stood at ₹ 13,485 million (₹ 8,542 million in FY14). The growth in loan book in FY15 was driven by the Company's focus on retail customer base and supported by its nationwide distribution network. The Company has strong presence in more than 600 towns and cities and close to 1,200 branches in its NBFC subsidiary, India Infoline Finance Ltd.

The capital adequacy ratio of India Infoline Finance Ltd., the NBFC subsidiary, stood at 18.0% as at March 31, 2015, while the Tier I capital ratio was 11.3% and Tier II capital ratio was 6.7%. Similarly, the capital adequacy ratio of India Infoline Housing Finance stood at 29.1% as on March 31, 2015 against the mandated 12%, thus giving adequate room to grow the loan book.

Financial Products Distribution

During FY15, the Company's income from financial products distribution was ₹ 5,827 million, up 30% y-o-y.

Financial products distribution income comprises commission, brokerage and related income generated from distribution of third party products, such as insurance, mutual funds, wealth management products, besides online marketing on the Company's website. In mutual funds, the Company has established itself as one of the top distributors in the country leveraging retail and affluent channels. IIFL provides research-based guidance in mutual fund scheme selection supported by a reliable technology platform for seamless execution. In the insurance business, key partners are ICICI Prudential Life Insurance, Reliance Life Insurance, HDFC Life Insurance, Bharti AXA Life Insurance, AEGON Religare Life Insurance and Future Generali Life Insurance. Under the wealth management business, total assets stood at ₹ 708,890 million, up 22% y-o-y.

Capital Market Activities

Income from capital market activities includes brokerage & related income from cash & derivatives segments and currency segments at BSE and NSE, as well as commodities trading on MCX and NCDEX and investment banking services.

During the year, capital market activities income was up by 29% y-o-y to ₹ 4,476 million. This revenue growth was pushed mainly by buoyancy in equity markets, which resulted in an increase in average daily turnover. In FY15, the average daily turnover in the equities segment was ₹ 70,978 million compared with ₹ 56,245 million in the previous year.

The exchange traded volumes in both currency (NSE) and commodity (MCX and NCDEX) segment have registered a fall of 25% and 38%, y-o-y, respectively. Within currency segment, the average daily currency turnover for the business during FY15 was ₹ 842 million versus ₹ 2,430 million in the previous year, while the average daily volume in the commodities segment was ₹ 8,098 million during FY15 as compared to ₹ 10,890 million in FY14.

Costs

The following section provides details of the expenditure incurred by the Company under various heads during the year.

Employee Benefits Expense

Employee costs were ₹ 6,049 million for FY15 against ₹ 4,938 million in FY14, up 23% on a y-o-y basis, as a result of increase in headcount, from 10,669 in FY14 to 12,903 in FY15, as well as salary increments.

Finance Cost

Finance cost increased to ₹ 14,338 million from ₹ 11,532 million in FY14, an increase of 24%. This increase was primarily driven by incremental borrowings to fund the loan book growth, which was up 35%, y-o-y. The cost of funds for the NBFC business has reduced by 94 bps to 11.06% in FY15.

Depreciation Expense

Depreciation expense in FY15 was ₹ 592 million compared to ₹ 679 million in FY14, a decrease of 13%. The Company depreciates assets on straight-line basis, writing off computer and technology assets completely in three years, and furniture, electrical and office equipment etc assets in five years. Some of the assets completely written off earlier do not require further provisioning, resulting in lower provision in the year under review.

Other Expenses

Other expenses include direct costs and administrative cost. Direct costs include brokerage-related charges paid to sub brokers, agents etc., exchange and statutory charges, marketing expenses and commissions, and other direct costs related to business. Administrative costs comprise expenses incurred on rent, electricity, telecommunication, technology, printing & stationery, travel, postage & courier, advertisement, legal & professional fees etc. Expenses under both these heads put together increased to ₹ 7,397 million in FY15 from ₹ 6,586 million in FY14, an increase of 12%.

Provisions and Write-offs

The Company makes provisions and write-offs as per management estimates, subject to minimum provision requirement in accordance with the directions and asset classification norms issued by the Reserve Bank of India and National Housing Bank. During the year, provisions and write-off increased to ₹ 1,049 million from ₹ 440 million in the previous fiscal.

With a strong focus on prudent financial management, the Company continued to maintain high quality of assets. This was evident in low levels of NPAs for the year – gross NPAs and net NPAs stood at 1.27% and at 0.54% respectively, as on March 31, 2015. Against gross NPA of ₹ 1,857 million, the Company has non-standard asset provision of ₹ 1,070 million, and hence the net NPA stands at 0.54%. Besides this, the Company has a provision of ₹ 550 million for standard assets, as per statutory requirement. The total provision coverage, including provision for standards assets, was 87% of gross NPAs.

Sources of Funds

Share Capital

The Company's share capital has increased from ₹ 592 million to ₹ 620 million, on account of allotment of 14,034,945 equity shares of ₹ 2 each to employees upon exercise of ESOPs under the Company's employee stock options schemes.

	FY15		FY14	
	Equity shares (No.)	₹ million	Equity shares (No.)	₹ million
Share Capital - beginning of the year (paid up ₹ 2 per share)	296,199,003	592.4	295,229,883	590.5
ESOPs exercised	14,034,945	28.0	969,120	1.9
Share capital at the end of the year	310,233,948	620.4	296,199,003	592.4

Reserves and Surplus

The Company's net worth (excluding minority interest) was up from ₹ 21,518 million in FY14 to ₹ 25,577 million in FY15, primarily on account of retained earnings. Book value per share as on March 31, 2015 increased to ₹ 82.44 per share from ₹ 72.65 per share in FY14 (excluding minority interest).

Summary of reserves and surplus is provided in the table below:

₹ million	Balance as at March 31, 2014	Additions/ Adjustments	Deductions/ Adjustments	Balance as at March 31, 2015
Securities Premium Account	11,524.2	663.2	-	12,187.4
General Reserve	1,556.3	24.1	-	1,580.4
Special Reserve	1,530.2	615.5	-	2,145.7
Foreign Exchange Fluctuation Reserve	354.9	-	(9.0)	345.8
Capital Reserve	433.7	-	-	433.7
Capital Redemption Reserve	51.1	-	-	51.1
Debenture Redemption Reserve	2,040.0	697.8	-	2,737.8
Profit and Loss Account	3,435.6	4,763.7	(2,724.9)	5,474.4

Resource Mobilisation

Secured loans outstanding as on March 31, 2015 were ₹ 104,683 million, compared to ₹ 74,982 million as at the end of the previous year. These loans are mainly secured against the Company's receivables.

The Company has diversified its sources of funds and augmented long-term sources of funds, further strengthening the Company's asset liability duration matching profile. Out of the total, 21% of the funding was through commercial paper, 45% through cash credit and term loan, and 34% was through NCDs.

The Company's unsecured loans as on March 31, 2015 stood at ₹ 41,710 million, compared to ₹ 30,181 million as at the end of the previous year.

Asset Liability Management

The NBFC and HFC subsidiaries have constituted a Board level supervisory committee for asset liability management comprising Directors and Chief Financial Officer. There is an ALCO operating committee comprising senior officials of the Company i.e., CEO, CFO, Heads of Departments and the Executive Directors. The ALCO operating committee meets once a month and the Board level ALCO meets once a quarter. Monitoring the gaps for taking

necessary remedial action is the basic responsibility of the ALM Committee.

As per the guidelines, periodical review of the following three statements is conducted:

1. Statement of Short-Term Dynamic Liquidity
2. Statement of Structural Liquidity
3. Statement of Interest Rate Sensitivity

The subsidiaries successfully adhered to the RBI/NHB guidelines and were able to maintain gaps within the prudential norms all the time.

Application of Funds

Fixed Assets

The Company has invested in state-of-the-art technology to support, inter alia, its branch operations, back-office, customer service and call centre operations. Going forward, the Company shall continue to invest in technology, up-gradation of existing offices and infrastructure. The Company has its own offices at major centres like Chennai, Delhi, Thane and Lower Parel in Mumbai.



A statement of movement in fixed assets is given below:

₹ million	FY15	FY14	Growth (%)
Computers	714.4	689.9	3.5
Electrical Equipment	813.7	732.2	11.1
Furniture & Fixtures	2,104.0	1,921.4	9.4
Office Equipment (Air-conditioners etc)	855.8	802.9	6.6
Buildings (including land)	2,196.8	1,837.6	19.5
Land/Leasehold Land	1,827.8	1,830.0	-0.1
Vehicles	40.6	11.4	264
Software	150.1	112.2	33.8
Gross Block	8,703.2	7,937.6	9.6
Less: Accumulated Depreciation	4,090.4	3,548.5	15.2
Net Block	4,612.9	4,389.1	5.1
Add: Capital in progress	103.5	237.8	-56.5
Net Fixed Assets	4,716.4	4,626.9	1.9
Depreciation	591.6	678.9	-12.9
As % of Revenue	1.6	2.4	-32.6
As % of Average Gross Block	6.8	8.9	-20.5
Accumulated Depreciation as % of Gross Block	47.0	44.7	5.1

Depreciation is calculated on the basis of estimated useful life of the assets and the rates applied are as under:

Class of Assets	Depreciation Rate (%)
Buildings	5
Computers	33.33
Electrical & Office Equipment	20
Furniture and Fixtures	20
Vehicles	20
Software	33.33

Investments

Treasury investments are generally made for liquidity management purposes. The Company primarily invests in G-sec, bank deposits and liquid schemes of mutual funds to meet these requirements.

The Company's investment portfolio stood at ₹12,834 million in FY15, as compared with ₹10,116 million in FY14. Of this, ₹3,788 million (₹1,697 million as at FY14) was deployed in fixed income schemes of various mutual funds, ₹6,541 million (₹6,187 million as at FY14) in debentures and bonds, government securities of ₹1,480 million (₹439 million as at FY14), ₹155 million (nil as at FY14) in equity of various companies and other investments of ₹853 million. The

portfolio also contains 1,30,000 shares valued at ₹17 million in The Bombay Stock Exchange Ltd. (₹17 million as at FY14).

Cash & Bank balances

A detailed breakdown of Cash & Bank balances is given below:

₹ million	FY15	FY14
Cash balance	479.9	226.2
<i>Bank balances in India</i>		
Current accounts	11,383.9	8,699.0
Deposit accounts	6,154.9	4,514.3
Unclaimed dividend account	7.8	7.8
<i>Bank balances held by subsidiaries outside India</i>		
Current accounts	254.2	668.4
Deposit accounts	6.7	6.4
Total cash and bank balances	18,287.4	14,122.1
Cash and Bank balances/Total assets	9.4%	9.7%
Cash and Bank balances/Revenues	49.9%	49.8%

Deferred Tax Assets and Liabilities

Deferred tax assets and liabilities have been computed as per the provisions of the Income Tax Act, 1961. Deferred tax assets were ₹1,228 million, as at FY15 as compared with ₹852 million as at FY14.

Human Resources

At IIFL, the Human Resources function has been partnering with businesses, embracing technological advancements and consciously driving a culture of transparency and service orientation within the organisation. IIFL has further strengthened its people, policies and practices in FY15, aligning them to the business requirements.

Building Management Team

Leadership is vital for sharing the vision of the organisation and equipping the team to achieve the business goals. The NBFC and the HFC leadership teams have been greatly strengthened with the infusion of senior professionals from banking and finance industry. The Company has also added talent in its technology, audit and operations functions during the year.

Technology Evolvement

The Company has replicated technology enablers in Human Resources function through a comprehensive yet easy to access system, Adrenalin for employee life cycle management. 'Adrenalin' is accessible to every employee on mobile handsets as an app!

Training and Development

IIFL provides learning opportunities in diverse subjects, such as financial planning, fundamental and technical analysis and product specific training within NBFC and Wealth business.

It also offers behavioural training and professional courses to management executives using methods such as classroom coaching and e-learning.

Encouraging Performance

As a merit driven organisation, IIFL has in place a robust performance evaluation system that identifies and recognises top performers. More than 200 employees were rewarded through the employee award programmes during FY15.

Recognition of IIFL HR

The IIFL Group participated in the Global Talent Acquisition and 9th RASBIC (Recruiting and Staffing Best in Class Awards) Awards 2014-2015, organised by the HR Development Management Committee of the World HRD Congress. Competing with 350 Indian and global companies, IIFL Group bagged the following prestigious awards: "Best HR Strategy in Line with Business" and "Best Use of Technology for Recruiting".

Risk Management

At IIFL, risk management is integrated seamlessly into business strategy. The objective of IIFL's risk management process is to insulate the Company from risks associated with the business, while simultaneously creating an environment conducive for its growth. The process entails a comprehensive estimation, control and review of risks to protect organisational value.

Further, a separate board level risk management committee is in place at each of the major operating companies in the group, including IIFL Holdings, India Infoline Finance, India Infoline Housing Finance, IIFL Asset Management Company, India Infoline Limited which regularly reviews the functioning of the risk management systems and processes.

IIFL's experienced compliance, audit and risk management team play a vital role in ensuring that rules and regulations are strictly followed in all processes, not just in letter but also in spirit. The risk management discipline is centrally initiated but prudently decentralised, percolating to the line managers and helping them mitigate risks at the transactional level.

Risk management also forms a critical part of the Company's training modules across all levels, so that employees across the hierarchy are trained on risk management and implications thereof. The Company's well-defined organisational structure, documented policies and Standard Operating Procedures (SOPs), authority matrix and internal controls ensure efficiency of operations, besides compliance with internal policies and regulatory requirements.

Decision-making is based on the Company's objectives and risk tolerance limits. Many of the critical decision levels for investments, major lending and policy initiatives are institutionalised through

appropriate committees, consisting of senior officials. Strategies, policies and limits are designed to ensure that risks are prudently diversified. Risk mitigating activities are reviewed periodically by senior management.

Market Risk

The financial sector is affected by a variety of factors linked to domestic economic progress and global developments. Any economic event happening across the globe can have a direct or indirect impact on the Company. To mitigate this, the Company has diversified its revenue streams across multiple product lines and businesses, involving fund and non-fund based advisory and distribution businesses. Under the fund-based business, the Company has a diversified portfolio of mortgage/home loans, gold loans, loans against securities, medical equipment finance and commercial vehicle loans. Similarly, in non-fund based business, it has a diversified offering of equity, currency, commodity broking, wealth management and depository services, asset management, Alternate Investment Funds, domestic and offshore fund management/distribution of financial products, investment banking and institutional equities.

Reputation Risk

Over the years, the Company has built in culture that ensures operating managers to say 'No' to poor quality business in pursuit of instant results by taking, short-cuts and stop-gap alternatives. Also, it has in place stringent employee code of conduct and trading guidelines, which are to be followed by every employee. The Company's policy ensures close monitoring and strict disciplinary actions against those deviating from the same.

With customer-centricity at the heart of all its activities, the Company has institutionalised a number of measures to secure customer interests. Trader terminals provide real-time data, and ledger balances of the stocks and funds position, keeping the customers apprised of their positions online. The Company transfers client funds/securities to the customers in designated banks/demat accounts. All receipts and payments from/to customers are done through account payee cheques/DDs with Client Ids and no cash acceptance is permitted. The financing business system provides for day-to-day updates on customer security vaults, loan balances and interest dues, whereby customers can get to know about their latest dues instantly. The Company has established a strong system of custody/safekeeping of securities documents at a centralised vault system and gold jewellery at the respective branches in safe vaults and controls through webcam, access control, alarms etc. The Company makes constant and concerted efforts to educate customers on the Dos and Don'ts with respect to their dealings.



Credit, Liquidity and Finance Risk

In the financing business, IIFL has a multi-level Credit and Investment Committee consisting of directors of the Board / Head of Department to consider medium to large credit proposals, while smaller proposals are decided at appropriate level as per the approval matrix. Proposal formats for each type of loan have been standardised and contain comprehensive information on the proposal.

The Company has in place Risk Management Committee and Asset Liability Management Committee (ALCO), consisting of directors and senior officials, which regularly meet and review the policies, systems, controls and positions of the financing business. The Risk Management Committee reviews the risk management processes, covering credit and underwriting controls, operations, technology and compliance risks. The ALCO committee reviews the strategic management of interest rate and liquidity risk, review of product pricing for various loans and advances, desired maturity profile and mix of the incremental assets and liabilities. It also reviews the funding policies of the Company in the light of interest rate movements and desired fund mixes, particularly fixed / floating rate funds, wholesale / retail funds, money market funding etc. In order to ensure frequent reviews and actions, an internal ALCO operating committee has also been put in place, consisting of business, finance and treasury heads, which meets on a monthly basis and analyses and initiates appropriate actions keeping in view the emerging conditions. The supervisory ALCO of the Board ensures that the business and risk management strategy operates within the limits/parameters set by the Board and reviews the functioning of the internal ALCO. It also reviews the Company's funding strategy and implementation of ALCO decisions.

Technology Risk

The Company understands the importance of technology in the business segments it operates and lays utmost emphasis on the system development and use of best technology available in the industry. The Company keeps itself abreast of technological advancements in the industry and ensures continued and sustained efforts towards absorption of technology, adaptation as well as development of the same to meet the business needs and objectives. Numerous initiatives have been launched for digitisation of the organisational processes, and new apps on mobiles and tablets have been deployed to improve customer convenience and improve employee productivity.

The management is aware of the increasing threats in the Information Security domain and has taken substantial steps to ensure the organisation is safeguarded against hacking attacks, data leakage and security breaches. The IT & certain business processes have been certified for ISO 27001 framework demonstrating that IIFL has defined and implemented effective Information security processes, reinforcing our commitment

to provide robust and secure technology for all our clients. The Company has invested resources in implementing controls and continuously monitors any violations. Latest Mobile Device Management (MDM) solution has been implemented to allow usage of only IIFL approved applications, thereby preventing data leakage.

Compliance Risk

The Company operates primarily in the financial services space. Each of its businesses is carried on under separate divisions/ companies and is regulated by a respective regulator, and compliance function forms a critical part of the group's operations. IIFL is registered and regulated by SEBI for merchant banking, stock broking, depository participant, portfolio management, asset management, mutual fund and alternate investment fund businesses. India Infoline Finance Ltd. is an NBFC registered with Reserve Bank of India, and the housing finance subsidiary namely India Infoline Housing Finance Ltd. is registered with National Housing Bank. The Company's commodities broking subsidiary is regulated by Forward Markets Commission and the insurance broking subsidiary is registered with IRDA. Besides, the foreign subsidiaries are registered with respective overseas regulatory authorities. The Company has a full-fledged compliance department manned by knowledgeable and experienced professionals in compliance, secretarial, legal and audit fields, which guides the businesses/support functions on all regulatory compliances and monitors implementation of new, or changes in, regulations/circulars, ensuring all the regulatory compliances and reporting of the group.

The compliance and audit discipline extends across the entire transaction cycle: KYC process, term sheets/agreements, vetting transaction execution, transaction settlement involving securities, loan documentations, pre and post disbursement, fund transfer, customer reporting, regulatory information/ returns/reports to various regulatory authorities etc. Operating in financial services space, the Company has put in place adequate systems and controls to ensure compliance with anti-money laundering standards. Besides, the group entities are also registered with US-IRS under Foreign Account Tax Compliant Act (FATCA), wherever applicable, in compliance with regulatory requirements. The Company has instituted special purpose audits for credit audit, systems audit, portfolio management audit, asset management etc. Further, compliance on corporate acts, including Companies Act, SEBI Act, along with regulations and circulars, FEMA, Securities Contracts (Regulation) Act and Rules, RBI-NBFC regulations, NHB-HFC regulations etc., was verified by independent secretarial auditors on the holding company and major subsidiaries during the year. Their reports and recommendations were considered by the board and necessary implementations have been initiated.

The compliance requirements across the various service points have been communicated comprehensively to all, through compliance manuals and circulars. To ensure complete involvement in the compliance process, heads of every business/zone/area office and department submit quarterly compliance reports, the compilations of which are reviewed by the audit committee/board and also submitted to regulatory bodies periodically. Besides, the internal auditors also verify the compliances as part of their audit process.

Human Resource Risk

Retention of key human capital is critical to the success of IIFL's customer-driven business. The Company has made conscious efforts to de-risk contingencies related to human resources. IIFL has built a team with right blend of people from within the organisation,, who have demonstrated capabilities to take on higher responsibilities, as well as added people from industry having robust knowledge of the business.

The Company insists on training in critical functions and on compliance. IIFL also encourages its employees to register themselves for UID-AADHAAR programme. The Company has instituted a policy encouraging all existing staff and associates to submit their UID-AADHAAR number or UID-AADHAAR enrolment number as part of employee screening / background verification, especially for fresh recruits.

Internal Controls

The Company has invested in ensuring that its internal audit and control systems are adequate and commensurate with the nature of business and the size of its operations. The internal control system is supplemented by concurrent and internal audits, as well as special audits and regular reviews by the management.

The Company also retains a few specialised audit firms to carry out specific / concurrent audit of some critical functions, such as half-yearly internal audit of broking business mandated by SEBI/ Exchanges, Know Your Customer (KYC) process, demat transfers, pay-outs, systems audit, branches & sub brokers audits, mutual fund and Alternative Investment Funds (AIF) operations audit, credit audit, loan documentation audits, pre / post disbursement audit etc. The Company also has an internal team of audit professionals at the head office in Mumbai, supported by regional teams at zonal offices. The group has in place separate internal audit teams dedicated for Non Banking Financial Company (NBFC), Housing Finance Company (HFC) and distribution business. The internal team undertakes special situation audits and follows up on implementation of internal auditors' recommendations and action taken reports. During the year, independent verification on compliances with related party transaction policy, systems, processes and documentations across all the companies in the group was carried out. The auditors' reports and

rectifications / implementations of audit observations / action taken report are reviewed by the top management and audit committee regularly.

The board/audit committee, on a quarterly-basis, reviews instances of fraud and action taken on the same, as well as implementation of the necessary systems and controls to strengthen the system and prevent such recurrence. The internal processes have been designed to ensure adequate checks and balances at every stage. The processes are reviewed periodically by internal auditors as well as the audit committee, and strengthened from time to time. In addition, the Company has to comply with several specific audits mandated by regulatory authorities such as SEBI / Exchanges / Depositories, and the reports are submitted to the regulators periodically.

Outlook

In the past ten years, the Company has emerged as a leading financial services company in India with a diversified bouquet of services including financing, asset and wealth management, capital markets and financial products distribution, investment banking, institutional equities and realty services through its various subsidiaries.

We believe, financial services industry in India has immense potential. The interest in the Indian economy is at an all-time high amongst the global investors. With financial inclusion and focussed efforts towards increasing awareness amongst the retail customer base, the growth prospects for the industry are huge. The share of capital market products in household savings is less than 5% in India (FY14), while the credit penetration in the country is still at a nascent stage. The government's introduction of Pradhan Mantri Jan Dhan Yojna is a positive step towards financial inclusion. The response to the initiative has been good with close to 150 million accounts being opened as of March 31, 2015. The impact of the government's new policies would undeniably bear fruit and have a positive effect on the business environment across sectors. Opportunities arising out of upturn in macro-economic environment, financial inclusion and favourable demographics will also augur well for our businesses. Our customer base will continue to drive the demand for financial services and provide impetus for sustainable and long-term growth.

Agency

Capital markets in the country have witnessed sharp cycles and volatility since 2008, yet, equity as an asset class can offer superior returns over other asset classes in the long term. There is now a renewed interest by retail investors in mutual funds and equity markets. Equity mutual funds have seen total inflows of ₹ 919 billion from April 2014 to May 2015. The average daily turnover in equities segment was up 26% y-o-y for FY15. At the back



of improved macro-economic conditions, revival in investment activity and government's development agenda, capital markets in India are expected to see momentum and greater investor participation. Factors such as investor awareness, rising middle class population and high household savings rate in the economy will drive the pace of distribution of financial products.

Financing

Considering the government's thrust on affordable housing, coupled with rapid development and urban migration, the home loans / loan against property segment should continue to demonstrate healthy growth. Moreover, the demand in other segments, such as business loans, commercial vehicle loans and medical equipment loans, is expected to show an improvement, owing to revival in economic activity and softening of interest rates.

Wealth Management

India has the fourth highest number of ultra high net-worth households in the world (source: BCG). In this rapidly growing market, the Company expects to further increase its presence and share of investible client assets by providing customers access to innovative investment ideas at competitive fee structures.

Positive changes in AIF provisions in the Union Budget have clarified the pass-through status for Category I & II AIF funds. Further, Non-Resident Indians and foreign institutions will now be permitted to invest in these funds. This can boost the growth in the asset management business in the coming years.

Imposition of service tax on mutual fund commissions, along with the cap on upfront commissions payable to distributors, may have a temporary impact on revenue growth in the coming year. However, in the long run, this will result in higher yielding annuity income for the business.

CORPORATE GOVERNANCE REPORT

1. CORPORATE PHILOSOPHY:

IIFL Holdings Limited ('the Company') follows the highest standards of governance and disclosure. The Company firmly believes that adherence to business ethics and sincere commitment to corporate governance will help the Company achieve its vision of being the most respected Company in the financial services space in India. Since inception, the promoters have demonstrated exemplary track record of governance and utmost integrity. The Company is in compliance with the requirements of the guidelines on corporate governance stipulated under Clause 49 of the Listing Agreements with the Stock Exchanges. With the implementation of stringent employee code of conduct policy and adoption of a Whistle Blower Policy, the Company has moved ahead in its pursuit of excellence in corporate governance.

Our Board has independent directors, highly respected for their professional integrity as well as rich financial and banking experience and expertise. We have an advisory board comprising stalwarts with long and immaculate careers in banks, public service and legal profession.

The Report on Corporate Governance, as per the applicable provisions of Clause 49 of the Listing Agreement, is as under:

2. BOARD OF DIRECTORS:

(a) Composition of the Board of Directors as on March 31, 2015:

The Board of Directors ("Board") of the Company has an optimum combination of executive and non-executive directors (including one women director). The Board provides leadership, strategic guidance and discharges its fiduciary duties of safeguarding the interest of the Company and its stakeholders.

The Chairman of the Board is an Executive Director and majority of the Board comprises Non-Executive and Independent Directors. None of the Directors of the Company are related to each other. The composition of the Board is as follows:

Category	Name of the Directors
Executive Directors	Mr. Nirmal Jain (Chairman) Mr. R. Venkataraman (Managing Director)
Independent Directors	Mr. Nilesh Vikamsey Mr. Arun Kumar Purwar Mr. S. Narayan Mr. Kranti Sinha Mr. Geeta Mathur
Non Executive Directors other than Independent Directors	Mr. Sunil Kaul Mr. Chandran Ratnaswami

(b) The brief profile of the Directors are as follows:

• Mr. Nirmal Jain (Chairman)

Mr. Nirmal Jain is the founder and Chairman of IIFL Holdings Limited (erstwhile 'India Infoline Ltd.'). He is a PGDM (Post Graduate Diploma in Management) from IIM (Indian Institute of Management), Ahmedabad, a rank holder Chartered Accountant and a Cost Accountant. He started his career in 1989 with Hindustan Lever Limited (HUL), the Indian arm of Unilever. During his stint with HUL, he handled a variety of responsibilities. He contributed immensely towards the rapid and profitable growth of HUL's commodity export business, which was then the nation's as well as the Company's top priority.

He founded Probit Research and Services Pvt. Ltd. (later re-christened as India Infoline Limited) in 1995; one of the first independent equity research companies in India. Mr. Jain was one of the first entrepreneurs in India to seize the internet opportunity with the launch of www.indiainfoline.com in 1999. Under his leadership, the Company not only steered through the dotcom bust and one of the worst stock market downtrends but also has grown into a dominant and diversified player in the financial services space.

• Mr. R. Venkataraman (Managing Director)

Mr. R. Venkataraman, Co-Promoter and Managing Director of IIFL Holdings Limited (erstwhile 'India Infoline Ltd.'), is a B.Tech (Electronics and Electrical Communications Engineering, IIT Kharagpur) and an MBA (IIM, Bangalore). He joined the Company's Board in July 1999.

He previously held senior managerial positions in ICICI Limited, including ICICI Securities Limited, their investment banking joint venture with J P Morgan of US and Barclays - BZW. He worked as the Assistant Vice President with GE Capital Services India Limited in their private equity division. He has a varied experience of more than 24 years in the financial services sector.

• Mr. Nilesh Vikamsey (Independent Director)

Mr. Nilesh Vikamsey – Board Member since February 2005 – is a practicing Chartered Accountant for 29 years and Senior Partner at M/s Khimji Kunverji & Co., Chartered Accountants, a member firm of HLB International, a world-wide organization of professional accounting firms and business advisers, ranked amongst the top 12 accounting groups in the world.

Mr. Vikamsey is an elected member of the Central Council of Institute of Chartered Accountants of India (ICAI) for two consecutive terms for 2010-2013 and 2013-2016. He is convenor of ICAI Central Council Study Groups to give suggestions to Reserve Bank of India (RBI) on uniform Accounting Policies for Asset Reconstruction Companies, Suggestions on Companies Act, 2013 & its Rules, Study Group to respond to various Exposure Drafts of International Financial Reporting Standards (IFRS) particularly Financial



Instruments etc of ICAI. Mr. Vikamsey is also Chairman of Qualified Audit Report Committee (QARC) of SEBI (erstwhile member of SEBI Committee on Disclosure and Accounting Standards (SCODA), chairman of audit committee, erstwhile member of Taxonomy Development & Review Committee and membership Development Committee of XBRL India.

- **Mr. Arun Kumar Purwar (Independent Director)**

Mr. Purwar – Board Member since March, 2008 is also the Chairman of India Venture Advisors Pvt. Ltd., Investment Manager to India Venture Trust – Fund I, the healthcare and life sciences focused on private equity fund sponsored by the Piramal Group. He has also taken over as the Chairman of IL&FS Renewable Energy Limited in March 2008.

Mr. Purwar was the Chairman of State Bank of India from November 2002 to May 2006 and has held several important positions such as Managing Director of State Bank of Patiala, Chief Executive Officer of the Tokyo branch in his illustrious career. He has been working as Independent Director in leading companies in sectors such as Telecom, Steel, Textiles, Power, Auto Components, Renewable Energy, Engineering Consultancy, Financial Services and Healthcare Services. He is an Advisor to Mizuho Securities in Japan, Member of the Board of Management of Bombay Hospital Trust and is also a member of Advisory Board for Institute of Indian Economic Studies (IIES), Waseda University, Tokyo, Japan.

- **Dr. S. Narayan (Independent Director)**

Dr. S Narayan – Board Member since August - 2012 is a retired IAS Officer. He was an eminent public administrator for nearly four decades (1965 to 2004). He retired as Economic Advisor to the Prime Minister of India, he has rich experience in implementation of economic policies and monitoring of the special economic agenda of the Cabinet on behalf of the Prime Minister's Office, and is also experienced in formulation of macro-economic policy for the Government tariff and taxation policies, as well as initiatives for modernising the capital markets.

Dr. Narayan holds M.Sc., MBM, M Phil and Ph.D. He is a director on the board of several leading public limited Companies. He is a Senior Research Fellow at the Institute of South Asian Studies, National University of Singapore, at Singapore since 2005.

- **Mr. Kranti Sinha (Independent Director)**

Mr. Kranti Sinha — Board member since January 2005 — completed his masters from the Agra University and started his career as a Class I Officer with Life Insurance Corporation of India (LIC). He served as the Director and Chief Executive of LIC Housing Finance Limited from August 1998 to December 2002 and concurrently as the Managing Director of LICHL Care Homes Limited (a wholly-owned subsidiary of LIC Housing Finance Limited).

He retired from the permanent cadre as the Executive Director of LIC. He also served as the Deputy President of

the Governing Council of Insurance Institute of India and as a member of the Governing Council of National Insurance Academy, Pune apart from various other such bodies. Mr. Sinha is also on the Board of Directors of other public limited companies.

- **Mr. Geeta Mathur (Independent Director)**

Mr. Geeta Mathur – Board Member since September – 2014 is a Chartered Accountant, specialising in the area of project, corporate and structured finance, treasury, investor relations and strategic planning.

She started her career with ICICI, where she worked for over 10 years in the field of project, corporate and structured finance as well represented ICICI on the Board of reputed companies such as Eicher Motors, SIEL Limited etc. She then worked in various capacities in large organisations such as IBM and Emaar MGF across areas of Corporate Finance, Treasury, Risk Management and Investor relations. She is currently on the board of several large listed companies including Motherson Sumi Limited, NIIT Limited and RSWM. She is a graduate in Commerce from Shriram College of Commerce, Delhi University and did her articles with PriceWaterhouse while pursuing her CA.

- **Mr. Sunil Kaul (Non Executive Director)**

Mr. Sunil Kaul – Board Member since November – 2011, is a Non Executive Director of the Company. He is also the Managing Director for Carlyle's Asia Buyout Fund focused on investments in the financial services sector across Asia and is based in Singapore. Mr. Kaul has worked on several notable portfolio Company investments including HDFC Ltd, TC Bank, PNB Housing Finance, Diamond Bank and Caribbean Investment Holdings. Mr. Kaul serves as a director on the board of TC Bank in Taiwan and is a member of its Risk and Executive Committees. He is also a Director on the Boards of PNB Housing Finance in India and Diamond Bank in Nigeria as well as a member of the Asia Pacific Infrastructure Partnership.

Mr. Kaul has over 25 years' experience in commercial and investment banking of which more than 15 years have been in Asia. Prior to joining Carlyle, Mr. Kaul served as the president of Citibank Japan, covering the bank's corporate and retail banking operations. He concurrently served as the chairman of Citi's credit card and consumer finance companies in Japan. Mr. Kaul earned his post graduate degree in management from the Indian Institute of Management, Bangalore and a bachelor's degree in technology from the Indian Institute of Technology, Bombay.

- **Mr. Chandran Ratnaswami (Non Executive Director)**

Mr. Chandran Ratnaswami – Board Member since May – 2012 is a Non-Executive Director of the Company. He is a Managing Director of Hamblin Watsa Investment Counsel Limited, a wholly owned investment management Company of

Fairfax Financial Holdings Limited. Hamblin Watsa provides discretionary investment management to all of the insurance and reinsurance subsidiary companies of Fairfax. He was recently appointed as a director and the C.E.O. of Fairfax India Holdings Corporation, a Company recently listed on the Toronto Stock Exchange. Prior to joining Hamblin Watsa, Mr. Ratnaswami was owner/president of an industrial distribution Company and a senior executive at a large multinational consumer packaged food Company. At Hamblin Watsa, he is responsible for all Fairfax and subsidiary investments in Asia.

Mr. Ratnaswami holds a Bachelor's degree in Civil Engineering from IIT Madras, India and an MBA from the University of Toronto, Canada. He serves on the Boards of ICICI Lombard General Insurance Company Limited, Thomas Cook (India), Fairbridge Capital Private Limited in India, Ridley Inc., Zoomer Media Limited, Fairfax India Holdings Corporation, Canada, First Capital Insurance Limited, Singapore, Thai Reinsurance Public Company Limited, Thailand.

c) Board Meetings and Directorship / Committee membership(s) of Directors:

A total of five Board Meetings were held during the year 2014-2015 on the following dates: May 13, 2014, July 30, 2014, September 18, 2014, October 21, 2014 and January 29, 2015.

As mandated by the Clause 49 of the Listing Agreements with Stock Exchanges, none of the Directors on the Board of the Company is Member of more than ten (10) specified Committees and none is a Chairman of more than five (5) specified Committees across all the Indian Public Limited companies in which they are Directors. The Company has received necessary disclosures from all the Directors regarding Committee positions held by them in other Companies. The table below gives the details of the names of the members of the Board, their status, their attendance at the Board Meetings and the last AGM, their Directorships, Committee Memberships and Chairmanships in Indian Companies as on 31 March 2015. It excludes Directorships of Private Limited Companies, Foreign Companies and Section 8 Companies:

Name of the Director (DIN)	Date of appointment	Category	Number of board meeting attending during th year	Attendance at last AGM	Directorships in Indian Public Limited companies (Including IIFL Holdings Limited)	Membership of Committees (including of IIFL Holdings Limited) ¹	
						Member	Chairman ²
Mr. Nirmal Jain DIN 00010535	18/10/1995	Executive Chairman	5	Yes	6	2	Nil
Mr. R. Venkataraman DIN 00011919	05/07/1999	Managing Director	5	Yes	10	7	Nil
Mr. Kranti Sinha DIN 00001643	27/01/2005	Independent Director	5	Yes	6	3	5
Mr. Nilesh Vikamsey DIN 00031213	11/02/2005	Independent Director	3	Yes	7	4	4
Mr. Arun Kumar Purwar DIN 00026383	10/03/2008	Independent Director	5	Yes	9	3	2
Mr. Sunil Kaul DIN 05102910	05/11/2011	Non-Executive Director	4	No	3	0	0
Mr. Chandran Ratnaswami DIN 00109215	15/05/2012	Non-Executive Director	5	No	3	0	1
Mr. S. Narayan DIN 00094081	01/08/2012	Independent Director	5	Yes	5	1	0
Mr. Geeta Mathur DIN 02139552	18/09/2014	Independent Director	2	NA	10	4	2

1. The committees considered for above purpose are those prescribed in the Listing Agreement viz. Audit Committee and Stakeholders Relationship Committee.
2. This is in addition to the number of committees in which the director is designated as a committee member.

**d) Board Level Performance Evaluation:**

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Executive Directors, Non Executive Directors including Independent Directors ("IDs") and Board as a Whole. The criteria for performance evaluation are as under:

For Chairman:

The criteria for evaluation of Chairman, inter alia, includes his ability to conduct meetings, ability to elicit inputs from all members, ability to table and openly discuss challenging matters, attendance at meetings, assistance to board in formulating policies and setting standards, accessibility, ability to analyze strategic situations, ability to project positive image of the Company and compliance with regulatory requirements.

For Executive Directors:

The criteria for evaluation of Executive Directors, inter alia, includes their ability to elicit inputs from all members, ability to table and openly discuss challenging matters, attendance and participation at meetings, integrating quality objectives, capitalise on opportunities created by economic and technological changes, assistance to board in formulating policies and setting standards and following them, accessibility, ability to analyze strategic situations, ability to project positive image of the Company, compliance with regulatory requirements and handling critical situations concerning the group.

For Non-Executive Directors (including Independent Directors):

The criteria for evaluation of Non- Executive Directors, inter alia, includes attendance at the meetings, study of agenda and active participation, contribution to discussions on strategy, participate constructively and actively in committees of the Board, exercise of skills and diligence with due and reasonable care and to bring independent judgment to the Board, ability to bring in best practices from his / her experience, adherence to the code of conduct, review risk management framework of the Company and its governance structure.

For Board as a whole:

The criteria for evaluation of the Board, inter alia, includes composition and diversity, team work, performance culture, risk management and financial controls, integrity, credibility, trustworthiness, active and effective participation by members.

e) Separate meetings of the Independent Directors:

In compliance with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreements with the Stock Exchanges, a separate meeting of Independent Directors of the Company was held on March 27, 2015, inter alia, to discuss the following:

- To review the performance of non-independent directors and the Board as a whole;
- To review the performance of the Chairperson of the Company

- To assess the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties

The Independent Directors have expressed their satisfaction over the performance of the other directors and the Board as whole. They have also expressed their satisfaction over the quality, quantity and flow of information between the Company management and the Board / Committees of the Board.

f) Familiarisation programme for Independent Directors:

The Board members are provided with necessary documents/ brochures, reports and internal policies to enable them to familiarise with the Company's procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings, on business and operations of the Company as well as the Group. Quarterly updates on relevant statutory changes are discussed in the Board meetings. The details of such familiarisation programmes of the Company may be accessed on the Company's website at the link <http://www.indiainfo.com/aboutus/corporate-governance/policies>.

g) Meetings of the Board:

- Frequency: The Board meets at least once a quarter to review the quarterly results and other items of the Agenda. Whenever necessary, additional meetings are held. In case of business exigencies or urgency of matters, resolutions are passed by circulations, as permitted by law, which is confirmed in the next Board Meeting. The meetings are mostly held at the corporate office in Lower Parel, Mumbai.
- Board Meeting Location: The location of the Board / Committee Meetings is informed well in advance to all the Directors. Each Director is expected to attend the Board / Committee Meetings.
- Notice and Agenda distributed in advance: The Company's Board / Committees are presented with detailed notes, along with the agenda papers which are being circulated well in advance of the Meeting. The Agenda for the Board / Committee Meetings is set by the Company Secretary in consultation with the Chairperson of the Board / Committees. All material information is incorporated in the Agenda for facilitating meaningful and focused discussions at the Meeting. During the year, the Company has implemented an e-meeting application. The agenda is circulated through this e-meeting app using the tablets provided by the Company, which each and every director can access. Where it is not practical to attach any document to the Agenda, the same is tabled before the Meeting with specific reference to this effect in the Agenda. In special and exceptional circumstances, additional or supplementary items on the Agenda are permitted. The Board periodically reviews compliance reports of laws applicable to the Company, prepared and placed before the Board by the Management.

- **Other Matters:** The senior management team of the Company is advised to schedule its work plans in advance, particularly with regard to matters requiring discussions/ decision with the Board/ committee Members.
- **Presentations by Management:** The Board / Committee is given presentations, wherever possible covering finance, sales, marketing, audit functions as well as major business segments and operations of the Company. In addition, global business environment including business opportunities, business strategy, risk management practices and operating performance of the Company are presented, before taking on record the financial results of the Company.
- **Access to employees:** The Directors are provided free access to officers and employees of the Company. Whenever any need arises, the Board / Committee Members are at liberty to summon the personnel whose presence and expertise would help the Board to have a full understanding of matters being considered.

h) **Information Supplied to the Board / Committees:**

Among others, information supplied to the Board / Committees includes:

- Annual operating plans of businesses and budgets and any update thereof.
 - Capital budgets and any updates thereof.
 - Quarterly results of the Company.
 - Minutes of the Meetings of the Board and all other Committees of the Board.
 - The information on recruitment of senior officers just below the Board level.
 - Show cause, demand, prosecution notices and penalty notices, which are materially important.
 - Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
 - Any material default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company.
 - Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order, which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
 - Details of any joint venture or collaboration agreement.
 - Transactions that involve substantial payment towards royalty, goodwill, brand equity or intellectual property.
 - Any significant development in human resources / industrial relations front, as and when it occurs.
- Sale of material nature of investments, assets which are not in the normal course of business.
 - Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
 - Compliance status of any regulatory, statutory nature or listing requirements and shareholders' service, such as non-payment of dividend, delay in share transfer, if any, and others and steps taken by Company to rectify instances of non compliances, if any.

i) **Minutes of the Meetings:**

The draft Minutes of the proceedings of the Meetings are circulated amongst the Members of the Board / Committees. Comments and suggestions, if any, received from the Directors are incorporated in the Minutes, in consultation with the Chairman. The Minutes are confirmed by the Members and signed by the Chairman at the next Board / Committee Meetings. All Minutes of the Committee Meetings are placed before the Board Meeting for perusal and noting.

j) **Post meeting follow-up mechanism:**

The Company has an effective post meeting follow-up review and reporting process for the decisions taken by the Board and Committee(s) thereof. The important decisions taken at the Board / Committee(s) Meetings which calls for action are promptly initiated, and wherever required communicated to the concerned departments / divisions. The action taken report is placed at the immediately succeeding Meeting of the Board / Committee(s) for information and review by the Board/ Committee(s).

3. **AUDIT COMMITTEE:**

The Audit Committee of your Company comprises of two Independent Directors (Mr. Nilesh Vikamsey and Mr. Kranti Sinha) and one Executive Director (Mr. R. Venkataraman). The Committee is chaired by an Independent Director, Mr. Nilesh Vikamsey, a qualified Chartered Accountant and diploma holder in information system audit. All the members of the Audit Committee are financially literate and possess thorough knowledge of the financial services industry.

The scope of the Audit Committee includes the references made under Clause 49 of the Listing Agreements as well as applicable provisions of Companies Act, 2013 besides the other terms that may be referred by the Board of Directors. The Broad terms of reference of the Audit Committee are:

- 1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- 2) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- 3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;



- 4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-Section 3 of Section 134 of the Companies Act, 2013;
 - (b) Changes, if any, in accounting policies and practices and reasons for the same
 - (c) Major accounting entries involving estimates based on the exercise of judgment by management
 - (d) Significant adjustments made in the financial statements arising out of audit findings
 - (e) Compliance with listing and other legal requirements relating to financial statements
 - (f) Disclosure of any related party transactions
 - (g) Qualifications in the draft audit report.
- 5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- 7) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- 8) Approval or any subsequent modification of transactions of the Company with related parties;
- 9) Scrutiny of inter-corporate loans and investments;
- 10) Valuation of undertakings or assets of the Company, wherever it is necessary;
- 11) Evaluation of internal financial controls and risk management systems;
- 12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- 14) Discussion with internal auditors of any significant findings and follow up there on;
- 15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- 16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 18) To review the functioning of the Whistle Blower mechanism;
- 19) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- 20) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- 21) Reviewing the following information:
 - a) Management discussion and analysis of financial condition and results of operations;
 - b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - c) Management letters/letters of internal control weaknesses issued by the statutory auditors;
 - d) Internal audit reports relating to internal control weaknesses; and
 - e) The appointment, removal and terms of remuneration of the Chief internal auditor.

The Audit Committee of the Company met four (4) times during the last financial year on May 12, 2014, July 29, 2014, October 20, 2014 and January 28, 2015. The necessary quorum was present at the meetings. The gap between two Audit Committee Meetings was not more than four (4) months.

The constitution of the Audit Committee and details of attendance of each member of the committee at the Meeting of Committee is given below:

Name of the members	Designation	Non-Executive/Independent	No. of committee meetings held	Committee meeting attended
Mr. Nilesh Vikamsey	Chairman	Independent	04	04
Mr. Kranti Sinha	Member	Independent	04	04
Mr. R. Venkataraman	Member	Executive Director	04	04

For the purpose of discussion and clarification to the specific queries raised by the Audit Committee, the meetings are attended by the Chief Financial Officer of the Company, Head of Departments and representatives of Statutory Auditors and Internal Auditors, if required, as well as by the Company Secretary who acts as the Secretary of the Audit Committee.

The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on July 30, 2014.

4. NOMINATION AND REMUNERATION COMMITTEE:

In compliance with the provision of Section 178 of the Companies Act, 2013 and the Listing Agreement with the Stock Exchanges the Board has renamed the existing "Compensation/ Remuneration Committee" as the "Nomination and Remuneration Committee".

The Nomination and Remuneration Committee comprises of three Independent Directors with Mr. Kranti Sinha as the Chairman of the Committee, Mr. Nilesh Vikamsey and Mr. Arun Kumar Purwar as members of the Committee.

The scope of activities of the Nomination and Remuneration Committee is as set out in Clause 49 of the Listing Agreements with Stock Exchanges read with Section 178 of the Companies Act, 2013. The broad terms of reference of the Nomination and Remuneration Committee are broadly as follows:

1. Succession planning of the Board of Directors and Senior Management Employees;
2. Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria;
3. Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;
4. Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and senior management employees and their remuneration;
5. Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board.

The Nomination and Remuneration Committee also administer the Company's Stock Option plans. The stock options granted by the Committee are disclosed in detail in the Directors' Report.

The constitution of the Nomination and Remuneration Committee and details of attendance of each member of the committee at the Meeting of Committee held on March 30, 2015 is given below:

Name of the members	Designation	Non-Executive/Independent	No. of committee meetings held	Committee meeting attended
Mr. Kranti Sinha	Chairman	Independent	1	1
Mr. Nilesh Vikamsey	Member	Independent	1	1
Mr. Arun Kumar Purwar	Member	Independent	1	1

During Financial Year 2014-2015, the Committee approved certain matter relating to allotment and grant of stock option(s), through circular resolutions.

The Company Secretary of the Company acts as Secretary of the Committee.

The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the company held on July 30, 2014.

The Board of Directors of the Company have approved Nomination & Remuneration Policy of the Company, which sets out the guiding principles for appointment & remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The details of Nomination & Remuneration Policy and remuneration paid to Directors is as follows:

(a) Nomination and Remuneration Policy:

I. Appointment and removal of Directors, Key Managerial Personnel (KMP) and Senior Management:

1. Appointment Criteria and Qualifications:

- a) A person being appointed as director, KMP or in senior management should possess adequate qualification, expertise and experience for the position he / she is considered for appointment.
- b) Independent Director:
 - (i) Qualifications of Independent Director:
An Independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the Company's business.
 - (ii) Positive attributes of Independent Directors:
An independent director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the Company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the Company in implementing the best corporate governance practices.



2. Removal:

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

3. Retirement:

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

II. Remuneration:

A. Directors:

a. Executive Directors (Managing Director, Manager or Whole Time Director):

- (i) At the time of appointment or re-appointment, the Executive Directors shall be paid such remuneration as may be mutually agreed between the Company (which includes the Nomination and Remuneration (N&R) Committee and the Board of Directors) within the overall limits prescribed under the Companies Act, 2013.
- (ii) The remuneration shall be subject to the approval of the Members of the Company in General Meeting as per the requirement of the Companies Act, 2013.
- (iii) The remuneration of the Manager/ CEO/ Managing Director/ Whole Time Director is broadly divided into fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company. In determining the remuneration (including the fixed increment and performance bonus), the Committee shall consider the following:
 - the relationship of remuneration and performance benchmark;
 - balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
 - responsibility required to be shouldered, the industry benchmarks and the current trends;
 - The Company's performance vis-à-vis the annual budget achievement and individual performance.

b. Non-Executive Director:

- (i) The Non-Executive Independent Director may receive fees for attending meeting of Board or Committee

thereof. Provided that the amount of such fees shall not exceed Rupees One Lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

- (ii) A Non-Executive Director may be paid commission on an annual basis, of such sum as may be approved by the Board on the recommendation of the Committee.
- (iii) The Committee may recommend to the Board, the payment of commission, to reinforce the principles of collective responsibility of the Board.
- (iv) In determining the quantum of commission payable to the Directors, the Committee shall make its recommendation after taking into consideration the overall performance of the Company and the onerous responsibilities required to be shouldered by the Director.
- (v) The total commission payable to the Directors shall not exceed prescribed limits as specified under Companies Act, 2013.
- (vi) The commission shall be payable on pro-rata basis to those Directors who occupy office for part of the year.

B. KMP & Senior Managerial Personnel:

The remuneration to the KMP and Senior Management Personnel will be based on following guidelines:

- a. maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company;
- b. compensation should be reasonable and sufficient to attract retain and motivate KMP and senior management;
- c. Remuneration payable should comprise of a fixed component and a performance linked variable based on the extent of achievement of individual performance versus overall performance of the Company;
- d. Remuneration shall be also considered in form of long term incentive plans for key employees, based on their contribution, position and length of service, in the nature of ESOPS/ESPS.

III. Evaluation:

The Committee shall carry out evaluation of performance of every Director at regular interval (yearly). The Committee shall also formulate and provide criteria for evaluation of Independent Directors and the Board as a whole, if applicable.

(b) Remuneration to Directors:

Name of the Director	Designation	Salary and perquisite	Commission	Sitting Fees	Contribution to PF and other funds	Stock options exercised	No. of equity shares held
Mr. Nirmal Jain*	Executive Chairman	27,833,072	-	-	16,500	-	51,252,000
Mr. R. Venkataraman*	Managing Director	19,926,199	-	-	16,500	-	19,909,432
Mr. Kranti Sinha	Independent Director	-	1,000,000	200,000	-	12,500	90,000
Mr. Nilesh Vikamsey	Independent Director	-	1,000,000	160,000	-	25,000	115,000
Mr. Arun Kumar Purwar	Independent Director	-	1,000,000	120,000	-	50,000	50,000
Mr. S. Narayan	Independent Director	-	1,000,000	120,000	-	-	-
Ms. Geeta Mathur	Independent Director	-	500,000	60,000	-	-	-
Mr. Sunil Kaul	Non-Executive Director	-	-	-	-	-	-
Mr. Chandran Ratnaswami	Non-Executive Director	-	-	-	-	-	-

* Entire remuneration is paid by the subsidiaries of the Company i.e. India Infoline Finance Limited and India Infoline Limited to Mr. Nirmal Jain and Mr. R. Venkataraman respectively.

The term of office of the Executive Chairman and Managing Director is for five years from the date of their respective appointments

(c) Remuneration to Non-Executive/ Independent Directors:

During the financial year 2014-15, the Non-Executive Directors and Independent Directors were paid ₹ 20,000/- (Rupees Twenty Thousand only) towards sitting fees for attending each Board Meeting and Audit Committee Meeting and ₹ 10,000/- (Rupees Ten Thousand only) towards attending each of the other committee meetings plus the reimbursement directly related to the actual travel and out-of-pocket expenses, if any, incurred by them..

Apart from above, the Non-Executive Directors and Independent Directors are eligible for commission as approved by the shareholders of the Company at the Annual General Meeting held on July 29, 2011. The amount of commission is based on the overall financial performance of the Company and Board of Directors. Apart from the above, no other remuneration is paid to the Non-Executive/ Independent Directors.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE:

In compliance with the provision of section 178 of the Companies Act, 2013 and the Listing Agreements with the Stock Exchanges, the Board has renamed the existing "Share Transfer and Investor Grievance Committee" as the "Stakeholders' Relationship Committee".

The Stakeholders Relationship Committee comprises of one Independent Director, Ms. Geeta Mathur, as the Chairperson and two Executive Directors, Mr. Nirmal Jain and Mr. R. Venkataraman, as the Members. Mr. Geeta Mathur has become member and Chairperson of the said Committee in place of Mr. Kranti Sinha with effect from April 01, 2015.

The broad terms of reference of committee are as under:

1. Approval of transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;
2. Approval to issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
3. Approval to issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
4. Approval to issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;
5. Approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;



6. Monitor quick redressal of investors / stakeholders grievances;
7. All other matters incidental or related to shares, debentures and other securities of the Company.

During the year 2014-2015, the Company received 40 complaints from investors including complaints received through SEBI's SCORES portal. All complaints were redressed to the satisfaction of the shareholder. No complaints were pending either at beginning or at the end of the year. The Stakeholders Relationship Committee of the Company met once during the financial year 2014-15 i.e., on May 27, 2014. The Chairman of the Committee was present at the last Annual General Meeting of the Company held on July 30, 2014.

The details of attendance of each member of the Committee at the meeting of the Committee is given below:

Name of the members	Designation	Non-Executive/Independent	No. of committee meetings held	Committee meeting attended
Mr. Kranti Sinha	Chairman	Independent	1	1
Mr. Nirmal Jain	Member	Executive Chairman	1	1
Mr. R. Venkataraman	Member	Executive Director	1	0

The name, designation and address of Compliance Officer of the Company are as under:

Name and designation:	Mr. Ashutosh Naik, Company Secretary & Compliance Officer
Corporate Office Address:	IIFL Centre, Kamala City, Off. Senapati Bapat Marg, Lower Parel, Mumbai – 400 013. Contacts: Tel: +91 22 4249 9000 Fax: +91 22 4060 9049 E-mail: shareholders@iiflinfo.com

The Company Secretary of the Company acts as Secretary of the Committee.

6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

In terms of Section 135 of the Companies Act, 2013 rules made there under, the Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company was constituted on March 29, 2014.

CSR Committee comprises of two Executive Directors, Mr. Nirmal Jain, as Chairman and Mr. R. Venkataraman as

Member and one Independent Director, Mr. Nilesh Vikamsey as Member.

The terms of reference of Corporate Social Responsibility Committee (CSR) is mentioned below:

1. To review the CSR Policy indicating activities to be undertaken as specified in Schedule VII of the Companies Act, 2013. The CSR policy of the Company may be accessed on the website of the Company at the link <http://www.indiaifl.com/aboutus/iifl-csr-policy>.
2. To provide guidance on various CSR activities and to monitor the same.

7. RISK MANAGEMENT COMMITTEE:

In compliance with the revised Clause 49 of the Listing Agreement with the Stock Exchanges, the Company has constituted a Risk Management Committee on October 21, 2014 to oversee risk management function performed by the management, define and review the framework for identification, assessment, monitoring, mitigation and reporting of risks.

The Risk Management Committee consists of Mr. Nilesh Vikamsey, Mr. Arun Kumar Purwar, Independent Director(s), Mr. Sunil Kaul, Non-Executive Director and Mr. Nirmal Jain, Executive Director.

The broad terms of reference of committee are as under:

- i. To monitor and review the risk management framework of the Company;
- ii. To oversee risk management process, systems and measures implemented to mitigate the same; and
- iii. Any other matter as may be mandated/referred by the Authority/Board.

8. PERIODIC REVIEW OF COMPLIANCES OF ALL APPLICABLE LAWS:

The Company follows a system whereby all the acts, rules and regulations applicable to the Company are identified and compliance with such acts, rules and regulations is monitored by dedicated team on a regular basis. A consolidated compliance certificate based on the compliance status in respect of various laws, rules and regulations applicable to the Company is placed before the Board on regular basis and reviewed by the Board. The internal auditor also carries out verification of the compliances. Necessary reports are also submitted to the regulatory authorities as per the requirements from time to time.

9. GENERAL BODY MEETINGS:

The following table gives the details of the last three Annual General Meetings of the Company:

Date of AGM	Location	Time	Whether any special resolutions passed
July 30, 2014	Hall of Harmony, Nehru Center, Dr. Annie Besant Road, Worli, Mumbai – 400018	4.00 pm	Yes. One Special Resolution was passed.
July 23, 2013	Hall of Harmony, Nehru Center, Dr. Annie Besant Road, Worli, Mumbai – 400018	4.00 pm	Yes. One Special Resolution was passed.
August 10, 2012	Royal, Sunville Banquet, 9, Dr. Annie Besant Road, Mumbai	4.00 pm	Yes. Two Special Resolutions were passed.

The following special resolutions have been passed through Postal Ballot (including electronic voting) during the last financial year ended 2014-15 i.e. on January 15, 2015:

1. Increasing the limits for Loans/ Investments/ Corporate Guarantees by the Company:

Votes in favour of resolution	132,025,151
Votes against the resolution	16,057,236
Percentage of Votes in favour of resolution	89.16%

2. Issue of non convertible debentures on private placement basis:

Votes in favour of resolution	146,914,715
Votes against the resolution	1,167,542
Percentage of Votes in favour of resolution	99.21%

3. Creation of charge on the assets the Company:

Votes in favour of resolution	134,987,724
Votes against the resolution	13,094,093
Percentage of Votes in favour of resolution	91.16%

4. Alteration in the main objects of the Memorandum of Association of the Company:

Votes in favour of resolution	148,072,637
Votes against the resolution	6,645
Percentage of Votes in favour of resolution	99.99%

The Board had appointed Mr. Nilesh Shah, a Practicing Company Secretary as a Scrutinizer to conduct the postal ballot voting process in a fair and transparent manner.

There is no immediate proposal for passing any resolution through Postal Ballot. None of the businesses proposed to be transacted at the ensuing Annual General Meeting requires passing a resolution through Postal Ballot.

10. DISCLOSURES:

- (i) Disclosure on materially significant related party transactions that may have potential conflict with the interest of Company at large:

The Company has put in place a policy for Related Party Transactions (RPT Policy) which has been approved by the Board of Directors. The Policy provides for identification of RPTs, necessary approvals by the Audit Committee/ Board/Shareholders, reporting and disclosure requirements in compliance with Companies Act, 2013 and Listing Agreements.

All contracts executed by the Company during the financial year with related parties were on arm's length basis. All such Related Party Transactions were placed before the Audit Committee for approval, wherever applicable.

During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with Clause 49 of the Listing agreements with Stock Exchanges and the policy of the Company on materiality of related party transactions. The policy on materiality of Related Party Transactions and dealing with Related Party Transactions as



approved by the Board may be accessed on the Company's website at the link <http://www.indiainfoline.com/aboutus/corporate-governance/policies> and may refer to Note no. 31 to the financial statement which contains related party disclosures.

(ii) Details of non-compliance:

No major strictures/penalties were imposed on the Company by Stock Exchanges or by the Securities and Exchange Board of India or by any statutory authority on any matter related to the capital markets during the financial year 2014-15.

(iii) Whistle Blower Policy/ Vigil Mechanism:

In Compliance of the Companies Act, 2013 and Clause 49 of the Listing Agreements with the Stock Exchanges, the Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Policy also provides for adequate safeguard against victimization of Whistle Blower who avails of such mechanism and also provides for the access to the Chairman of Audit Committee. None of the Whistle Blowers have been denied access to the Audit Committee.

(iv) Details of compliance with mandatory requirements and adoption of non-mandatory requirements of Clause 49 of the Listing Agreement:

The Company has duly complied with all the mandatory requirements of Clause 49 of the Listing Agreement. Besides complying with all the mandatory requirements of

Clause 49, your Company has also complied with the following non-mandatory requirements:

- Appointed separate persons to the post of Chairman and Managing Director.
- Submission of reports of the Internal Auditors to the Audit Committee

(v) Disclosure of accounting treatment:

There was no deviation in following the treatments prescribed in any of Accounting Standards (AS) in the preparation of the financial statements of your Company.

11. MEANS OF COMMUNICATION TO THE STAKEHOLDERS:

The primary source of information to the shareholders, customers, analysts and other stakeholders of your Company and to public at large is through the website of your Company www.indiainfoline.com. The Annual Report, quarterly results, shareholding pattern and material events, copies of press releases, among others, are regularly sent to stock exchanges and uploaded on the Company's website. Quarterly/annual financial results are regularly submitted to the Stock Exchanges in accordance with the Listing Agreements with the Stock Exchanges.

The quarterly and annual results of your Company are published in widely circulated newspapers. Your Company also regularly makes presentation to the analysts in their meetings held from time to time, transcripts of which are uploaded on your Company's website.

12. GENERAL SHAREHOLDERS' INFORMATION:

1	Annual General Meeting	:	Wednesday, July 29, 2015 at 4.00 P.M. Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400018
2	Financial calendar (2015-2016)	:	April 1, 2015 to March 31, 2016 Results for the quarter ended June 30, 2015 – within 45 days from the end of the quarter Results for the quarter ended September 30, 2015 – within 45 days from the end of the quarter Results for the quarter ended December 31, 2015 – within 45 days from the end of the quarter Results for the quarter and year ended March 31, 2016 – within 60 days from the end of the quarter
3	Book closure date	:	July 23, 2015 to July 29, 2015
4	Interim dividend	:	During 2014-15, your Company has declared and paid interim dividend at ₹ 3/- per equity share of ₹ 2/- each on September 18, 2014.
5	Listing of equity shares on stock exchanges at	:	National Stock Exchange of India Limited BSE Limited
6	Stock code	:	National Stock Exchange of India Limited – IIFL BSE Limited – 532636

7 Stock market data

Table below gives the monthly high and low quotations of shares traded at BSE Limited and the National Stock Exchange of India Limited for the current year. The chart below plots the monthly closing price of IIFL Holdings Limited (Formerly India Infoline Limited) versus the BSE - Sensex and NSE - S&P CNX Nifty for the year ended March 31, 2015.

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume
April, 2014	85.00	74.20	249,715	84.60	73.75	1,586,401
May, 2014	121.00	75.00	2,544,273	121.10	76.80	7,031,226
June, 2014	146.90	107.80	709,423	146.80	107.00	3,967,241
July, 2014	134.00	111.95	424,466	134.50	111.45	2,715,312
August, 2014	144.95	123.35	192,124	144.80	123.15	3,826,588
September, 2014	160.30	132.50	1,689,795	161.00	132.40	8,031,197
October, 2014	176.15	140.05	210,786	177.00	139.15	3,728,588
November, 2014	194.55	162.30	310,267	195.50	167.10	2,485,750
December, 2014	193.00	147.20	255,636	194.00	146.70	2,402,750
January, 2015	196.35	160.00	511,207	196.50	159.20	2,431,939
February, 2015	192.00	170.45	6,855,155	192.25	170.65	10,338,951
March, 2015	198.45	170.00	1,417,588	198.80	168.20	6,018,402

- 8 Demat ISIN numbers in NSDL and CDSL for equity shares : ISIN - INE530B01024
- 9 Registrar & Transfer Agent : Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai – 400 078 Tel: 022-25963838 rnt.helpdesk@linkintime.co.in
- 10 Share transfer system : The Company's shares are compulsorily traded in dematerialized form. In the case of transfers in physical form, which are lodged at the Registrar and Transfer Agent's Office, these are processed within a period of 30 days from the date of receipt.
All share transfers and other share related issues are approved in the Share Transfer and Investor Grievance Committee Meeting, which is normally convened as and when required.
- 11 Dematerialisation of shares : As on March 31, 2015, 99.49% of the paid-up share capital of the Company was in dematerialized form. Trading in equity shares of the Company is permitted only in dematerialized form through CDSL and NSDL as per notifications issued by the Securities and Exchange Board of India.
- 12 Correspondence for dematerialisation, transfer of shares, non –receipt of dividend on shares and any other query relating to the shares of the Company : Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West),
Mumbai – 400 078.
Tel: +91 22 2596 3838
- 13 Any query on Annual Report contact at corporate office : Mr. Ashutosh Naik
Company Secretary and Compliance Officer
IIFL Centre, Kamala City,
Off Senapati Bapat Marg, Lower Parel,
Mumbai – 400013
shareholders@indiainfoline.com
- 14 Outstanding convertible instruments, conversion date and likely impact on equity : The Company has outstanding unexercised ESOPs (vested) of 8,583,405 stock options under its ESOP plans which may be exercised by the grantees after its vesting in tranches. Each option granted is convertible into one equity share of the Company. Upon exercise of options by grantees, the paid-up share capital of the Company will accordingly increase.



13. SHAREHOLDING PATTERN:

Categories of Equity Shareholders as on March 31, 2015:

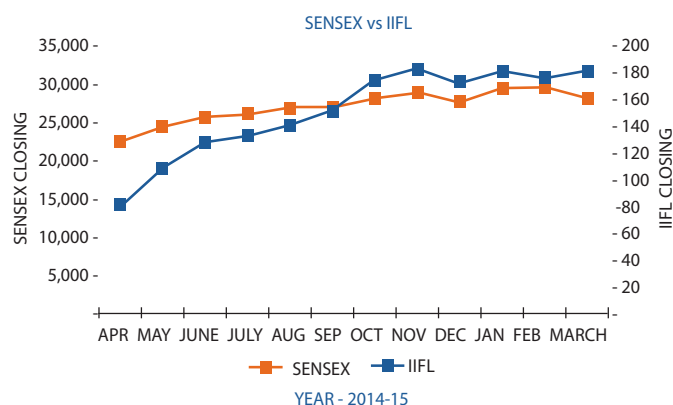
Category	Number of equity shares	Percentage of holding
Promoters & Promoters Group	92,361,432	29.77
Indian Public & others	41,338,379	13.32
Mutual Fund	2,106,313	0.68
Corporate Bodies	12,163,259	3.92
Banks, Financial Institutions	37,366	0.01
Foreign Institutional Investors	122,090,621	39.35
NRI's/OCBs/Foreign Nationals/FC/QFI	40,136,578	12.94
Grand Total	310,233,948	100

14. DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2015:

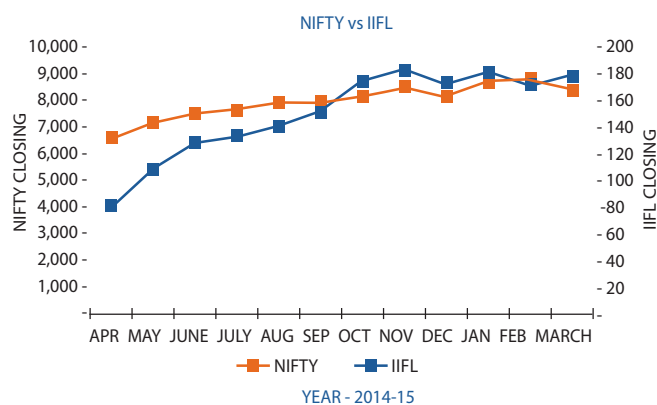
The distribution of shareholders as on March 31, 2015 is as follows:

No. of equity shares held (range)	No. of shareholders	% of shareholders	No. of equity shares	% of share Holdings
1 – 1000	21,143	93.89	3,333,098	1.07
1001 – 2000	483	2.15	731,328	0.24
2001 – 4000	283	1.26	808,877	0.26
4001 – 6000	124	0.55	627,174	0.20
6001 – 8000	68	0.30	477,875	0.15
8001 – 10000	66	0.29	624,029	0.20
10001 – 20000	104	0.46	1,449,279	0.47
20001 and more	247	1.10	302,182,288	97.41
Total	22,518	100	310,233,948	100

IIFL Holdings Limited (Formerly India Infoline Limited) share price versus the BSE Sensex



IIFL Holdings Limited (Formerly India Infoline Limited) share price versus the NSE S&P CNX Nifty



15. PROCEEDS FROM PUBLIC ISSUES, RIGHT ISSUES AND PREFERENTIAL ISSUE, AMONG OTHERS:

The Company did not raise money through any public issue, right issue or preferential issue during the FY 2014-15.

16. CODE OF CONDUCT AND CORPORATE DISCLOSURE PRACTICES FOR PREVENTION OF INSIDER TRADING:

The Board of Directors adopted the Code of Conduct for Board Members and senior management personnel. The said code was communicated to the Directors and members of the senior management and they affirmed their compliance with the said Code. The Code adopted is posted on the Company's website www.indiainfoline.com.

Pursuant to the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015, your Company has adopted Code of practices and procedures for fair disclosure of unpublished price sensitive information and Code of Conduct in order to monitor and report Insider Trading.

All Directors and the designated employees have confirmed compliance with the Code.

17. SUBSIDIARY COMPANIES:

The Company has one material non-listed Indian subsidiary, India Infoline Finance Limited whose turnover and net

worth (i.e. paid-up capital and free reserves) exceeds 20% of the consolidated turnover and net-worth respectively, of the group in the immediately preceding accounting year i.e. 2013-14. Mr. Nilesh Vikamsey, Independent Director on the Board of the holding Company is also an Independent Director on the Board of India Infoline Finance Limited (material non-listed Indian subsidiary).

The financial statements including particulars of investments made by all the unlisted subsidiary companies are reviewed by the Audit Committee.

The Company has a system of placing the minutes and statements of all the significant transactions/developments of all the unlisted subsidiary companies at the Meeting of Board of Directors.

The policy for determining 'material' subsidiaries as approved by the Board may be accessed on the Company's website at the link <http://www.indiainfoline.com/aboutus/corporate-governance/policies>.

18. CEO/CFO CERTIFICATE:

The Certificate required under Clause 49(IX) of the Listing Agreement duly signed by the CEO and CFO was given to the Board and the same is annexed to this Report.



ANNEXURE

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification under Clause 49 (IX)

To,

The Board of Directors

IIFL Holdings Limited

We Certify that:

- (a) We have reviewed the financial statements and the cash flow statement of IIFL Holdings Limited for the year ended March 31, 2015 and that to the best of our knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any deficiencies in the design or operation of such internal controls.
- (d) We have indicated to the Auditors and the Audit Committee:
 - (i) Significant changes in internal control during the year;
 - (ii) that there are no significant changes in accounting policies during the year;
 - (iii) that there are no instances of significant fraud of which we have become aware.

Nirmal Jain
Chairman
DIN 00010535

R. Venkataraman
Managing Director
DIN 00011919

Parag Shah
Chief Financial Officer

Place: Mumbai
Date: May 07, 2015

Declaration on Compliance with the Code of Conduct

This is to confirm that the Company has adopted a Code of Conduct for its board members and the senior management and the same is available on the Company's website. I confirm that the Company has in respect of financial year ended March 31, 2015, received from the senior management team of the Company and the Members of the Board, declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, the term 'senior management' means the direct reportees to the Chairman and the Managing Director.

For IIFL Holdings Limited

Nirmal Jain

Chairman

DIN 00010535

Place: Mumbai

Date: May 07, 2015



Auditor's Certificate on Compliance of conditions of Corporate Governance

To the Members of

IIFL Holdings Limited (Formerly India Infoline Limited)

We have examined the compliance of conditions of Corporate Governance by, **IIFL Holdings Limited** (Formerly India Infoline Limited) for the year ended on 31 March 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above-mentioned Listing Agreement.

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

For Sharp & Tannan Associates

Chartered Accountants

Firm's registration no.109983W

By the hand of

Tirtharaj Khot

Partner

Membership No. (F) 037457

Place: Mumbai

Date: May 07, 2015

INDEPENDENT AUDITOR'S REPORT

To the Members of

IIFL Holdings Limited (Formerly India Infoline Limited)

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **IIFL Holdings Limited** (Formerly India Infoline Limited) which comprise the Balance Sheet as at 31 March 2015, and the Statement of Profit and Loss, and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the 'Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2015 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the Order.
- As required by Section 143(3) of the Act, we report that:
 - 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;
 - 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;
 - The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;



- (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations, refer note no. 24 (a) to the financial statements;

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Sharp & Tannan Associates

Chartered Accountants

Firm's registration no.109983W

By the hand of

Tirtharaj Khot

Partner

Membership No. (F) 037457

Place: Mumbai

Date: 7th May, 2015

ANNEXURE TO THE AUDITORS' REPORT

The Annexure referred to in our report to the members of **IIFL Holdings Limited** (Formerly India Infoline Limited) ("the Company") for the year ended 31 March 2015. We report that:

1. (a) The Company has maintained adequate records to show full particulars, including quantitative details and situation of the fixed assets.
- (b) The Company has formulated a programme of physical verification of its fixed assets in a phased manner. In accordance with this program, a physical verification of certain fixed assets has been carried out by management during the year and there are no material discrepancies observed between assets physically verified and book balances. In our opinion, the periodicity of verification is reasonable having regard to the size of the Company and the nature of its assets.
2. The Company is not carrying on any manufacturing or trading activity. Therefore, Paragraph 3(ii) (a), (b) and (c) of the order are not applicable to the company.
3. The Company has granted loan to five companies covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
 - (a) In the case of loan granted to the Company listed in the register maintained under section 189 of the Act, the borrower has been regular in the payment of the interest as stipulated. The terms of arrangement do not stipulate any repayment schedule and the loan are repayable on demand. Accordingly, Paragraph 3 (iii) (a) of the Order is not applicable in respect of repayment of the principal amount.
 - (b) There is no overdue amount in excess of Rs.1 lakh in respect of loan granted to Company listed in the register maintained under Section 189 of the Companies Act, 2013.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and nature of its business, for purchase of fixed assets and sale of services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have we been informed of any continuing failure to correct major weaknesses in the aforesaid internal control systems.
5. The Company has not accepted any deposits during the year from the public to which the directives issued by Reserve Bank of India and the provisions of Section 73 to 76 and any other relevant provisions of the Act and the rules framed there under apply.
6. As per the information and explanations given to us, in respect of the class of industry the Company falls under, the maintenance of cost records has not been prescribed by the Central Government under section 148(1) of the Companies Act, 2013. Therefore, Paragraph 3 (vi) of the Order is not applicable to the Company.
7. (a) According to the information and explanations given to us and the records of the Company examined by us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues as applicable to the Company, with the appropriate authorities. There were no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues as applicable to the Company outstanding as at 31st March 2015 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of sales tax, wealth tax, service tax, duty of customs, duty of excise and cess which have not been deposited with appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of value added tax, profession tax and income tax have not been deposited by the Company on account of disputes:



Name of the Statute	Nature of the disputed dues	Amount of Tax (₹)	Period to which the amount relates	Forum where dispute is pending
MVAT Act, 2002	Delay in filing VAT Audit Report for the period 2007-2008	5,63,342/-	F.Y. 2007-2008	Jt. Comm. Of Sales Tax
MVAT Act, 2002	Import Of Furniture	53,32,476/- including interest and penalty	F.Y. 2008-2009	Dy. Comm. of sales tax
Profession Tax	Profession Tax, Penalty & Interest	15,53,529/-	A.Y. 2007-2008	Dy. Comm. Of Sales Tax – Appeals
Income Tax Act, 1961	Disallowance of Expenses U/S 14 A	6,07,817/-	A.Y. 2006-2007	CIT (Appeals) of Income Tax has partly decided the appeal in favor of the company. Order giving effect to CIT order is pending with Assessing officer.
Income Tax Act, 1961	Disallowance of Depreciation, Disallowance U/S 14A and Disallowance of Expenses	70,25,888/-	A.Y. 2007-2008	Order giving effect to ITAT order is pending with Assessing officer.
Income Tax Act, 1961	Disallowance of Expenses U/S 14 A and ESOP Expenses	4,43,78,710/-	A.Y. 2008-2009	CIT Appeals of Income Tax has Partly decided the appeal in favor of company. Order giving effect to CIT order is pending. The company has file Appeal before ITAT in respect of disallowance of ESOP expenses.
Income Tax Act, 1961	Disallowance of Expenses U/S 14 A and ESOP Expenses	9,62,47,624/-	A.Y. 2009-2010	CIT Appeals of Income Tax
Income Tax Act, 1961	Disallowance of Expenses u/s 14 A and ESOP Expenses and Transfer Pricing Adjustment	5,51,65,596/-	A.Y. 2010-2011	CIT Appeals of Income Tax
Income Tax Act, 1961	Disallowance of Expenses u/s 14 A and ESOP Expenses and Transfer Pricing Adjustment	3,53,86,490/-	A.Y. 2011-2012	CIT Appeals of Income Tax

- (c) According to the information and explanations given to us, the amounts which were required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and the rules made thereunder has been transferred to such fund within time.
8. At the end of the financial year, the Company has neither accumulated losses nor has incurred cash loss during the financial year covered by our audit, and in the immediately preceding financial year.
9. Based on our audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of its dues to debenture holders. The Company has not borrowed from financial institution and bank during the year.
10. The Company has granted Corporate Guarantees to Banks / Financial Institutions in respect of loans / facilities availed by its subsidiary companies. Based on the information and explanations given to us, we are of the opinion that the terms and conditions on which the guaranties are given are prima facie, not prejudicial to the interest of the Company.

11. The Company has not availed any term loan during the period. Therefore, Paragraph 3 (xi) of the Order is not applicable to the Company
12. During the course of our examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any material fraud on or by the Company noticed or reported during the year, nor have we been informed of such case by the management

For Sharp & Tannan Associates

Chartered Accountants

Firm's registration no. 109983W

By the hand of

Tirtharaj Khot

Partner

Membership No. (F) 037457

Place: Mumbai

Date: 7th May, 2015

STANDALONE BALANCE SHEET

As at March 31, 2015

		(Amount in ₹)	
Particulars	Note No.	As at March 31, 2015	As at March 31, 2014
I EQUITY AND LIABILITIES			
1) Shareholders' Funds			
(a) Share Capital	3	620,467,896	592,398,006
(b) Reserves and Surplus	4	13,380,157,618	12,642,210,909
Sub total		14,000,625,514	13,234,608,915
(2) Share application money pending allotment	5	-	356,300
(3) Non Current Liabilities			
(a) Long-term borrowings	6	500,000,000	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long-term liabilities		-	-
(d) Long-term provisions	7	3,478,030	2,359,852
Sub total		503,478,030	2,359,852
(4) Current liabilities			
(a) Short-term borrowings		-	-
(b) Trade payables		-	-
(c) Other current liabilities	8	173,384,623	7,834,899
(d) Short-term provisions	7	3,538,605	5,412,692
Sub total		176,923,228	13,247,591
TOTAL		14,681,026,772	13,250,572,658
II ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	9	9,319,211	9,324,625
Sub total		9,319,211	9,324,625
(b) Non-current investments	10	13,782,984,299	12,662,139,737
(c) Deferred tax assets (Net)	11	171,788,219	187,302,269
(d) Long-term loans & advances	12	246,891,339	193,645,323
(e) Other non-current assets		-	-
Sub total		14,201,663,857	13,043,087,329
(2) Current assets			
(a) Current investments		-	-
(b) Inventories		-	-
(c) Trade receivables	13	32,782,559	-
(d) Cash and Bank Balances	14	416,169,848	7,754,161
(e) Short-term loans & advances	15	2,980,010	2,184,733
(f) Other current assets	16	18,111,287	188,221,810
Sub total		470,043,704	198,160,704
TOTAL		14,681,026,772	13,250,572,658
See accompanying notes Forming Part of the Standalone Financial Statements	1-34		

As per our attached report of even date

For Sharp & Tannan Associates

Chartered Accountants

Firm's Registration No. 109983W

By the hand of

Tirtharaj Khot

Partner

Membership No.: (F) 037457

Place : Mumbai

Dated: May 07, 2015

For and on behalf of the Board of Directors

Nirmal Jain

Chairman

(DIN: 00010535)

Parag Shah

Chief Financial Officer

R. Venkataraman

Managing Director

(DIN: 00011919)

Ashutosh Naik

Company Secretary



STANDALONE STATEMENT OF PROFIT AND LOSS

For the year ended March 31, 2015

(Amount in ₹)

Particulars	Notes	2014-2015	2013-2014
INCOME			
Revenue from Operations	17	1,090,403,521	886,673,873
Other Income	18	10,047,590	-
Total Revenue		1,100,451,111	886,673,873
EXPENDITURE			
Employee cost	19	21,651,427	48,241,910
Finance cost	20	43,289,215	-
Depreciation	21	727,830	703,747
Administration and other expenses	22	22,489,254	11,603,495
Total expenses		88,157,726	60,549,152
Profit Before Tax		1,012,293,385	826,124,721
Tax expenses :			
Current tax		9,305,734	-
Deferred tax expenses		15,514,049	(151,554,927)
Short / (excess) provision for income tax		5,253,590	-
Total Tax expenses		30,073,373	(151,554,927)
Profit for the year		982,220,012	977,679,648
Earnings per equity share (Face Value ₹ 2)			
Basic	23	3.24	3.31
Diluted	23	3.15	3.21
See accompanying notes Forming Part of the Standalone Financial Statements	1-34		

As per our attached report of even date

For Sharp & Tannan Associates

Chartered Accountants
Firm's Registration No. 109983W
By the hand of

Tirtharaj Khot

Partner
Membership No.: (F) 037457

Place : Mumbai

Dated: May 07, 2015

For and on behalf of the Board of Directors

Nirmal Jain

Chairman
(DIN: 00010535)

Parag Shah

Chief Financial Officer

R. Venkataraman

Managing Director
(DIN: 00011919)

Ashutosh Naik

Company Secretary

STANDALONE CASH FLOW STATEMENT

For the year ended March 31, 2015

		(Amount in ₹)	
Particulars	As at March 31, 2015	As at March 31, 2014	
Cash Flows From Operating Activities			
Net profit before taxation, and extraordinary item	1,012,293,385	826,124,721	
Adjustments for:			
Depreciation & Amortisation	727,830	703,747	
Provisions for Gratuity	89,430	2,041,323	
Provision for Expenses	2,971,280	5,060,000	
Provisions for Leave Encashment	618,701	671,221	
	4,407,241	-	8,476,291
Operating Profit Before Working Capital Changes	1,016,700,625	834,601,012	
Increase / (Decrease) in Trade Payable	-	(5,970,194,573)	
Increase / (Decrease) in Other long-term liabilities	-	(3,736,000)	
Increase / (Decrease) in Other current liabilities	165,549,724	(1,227,832,821)	
(Increase) / Decrease in Trade Receivable	(32,782,559)	1,656,932,910	
(Increase) / Decrease in Short term Loan & Advances	(795,277)	142,919,712	
(Increase) / Decrease in Long term Loan & Advances	(53,246,016)	981,235,055	
Increase / (Decrease) in Short term & Long term Provision	(4,435,320)	(317,324,535)	
(Increase) / Decrease in Other current assets	170,110,523	94,218,419	
(Increase) / Decrease in Other Non current assets	-	2,399,569	(4,641,382,264)
Cash generated from operations	1,261,101,700	(3,806,781,251)	
Tax (Paid) / Refund	(14,559,323)	1,056,744	
Net cash from/(used in) operating activities (a)	1,246,542,377	(3,805,724,508)	
Cash flows from investing activities			
Purchase / (Sale) of fixed assets (includes intangible assets) (net)	(722,415)	302,937,272	
(Investment) / Sale in subsidiaries(net)	(1,120,844,562)	(194,749,518)	
Bank balances not considered as cash & cash equivalents - (Placed)/Matured	(1,000,000)	2,824,823,271	
Proceeds from current investment	-	452,842,585	
Net cash from/(used in) investing activities (b)	(1,122,566,977)	3,385,853,610	
Cash flows from financing activities			
Proceeds from issuance of share capital	690,932,645	45,297,848	
Proceeds from Long Term Borrowings	500,000,000	-	
Dividend Paid (including dividend distribution tax)	(907,492,358)	(888,310,675)	
Net cash from / (used in) financing activities (c)	283,440,287	(843,012,827)	
Net increase/(decrease) in Cash and cash equivalents (a+b+c)	407,415,686	(1,262,883,725)	
Cash and cash equivalents at beginning of the year	7,754,161	1,270,637,886	
Cash and cash equivalents at end of the year (Refer Note no. 14)	415,169,848	7,754,161	
Net increase/(decrease) in Cash and cash equivalents	407,415,686	(1,262,883,725)	
See accompanying notes Forming Part of the Standalone Financial Statements	1-34		

As per our attached report of even date

For Sharp & Tannan Associates

Chartered Accountants

Firm's Registration No. 109983W

By the hand of

Tirtharaj Khot

Partner

Membership No.: (F) 037457

Place : Mumbai

Dated: May 07, 2015

For and on behalf of the Board of Directors

Nirmal Jain

Chairman

(DIN: 00010535)

Parag Shah

Chief Financial Officer

R. Venkataraman

Managing Director

(DIN: 00011919)

Ashutosh Naik

Company Secretary

STANDALONE FINANCIAL STATEMENTS OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming part of Standalone Financial Statement for the year ended March 31, 2015

NOTE 1. CORPORATE INFORMATION:

IIFL Holdings Limited was incorporated on October 18, 1995 and is engaged in Merchant Banking and Investment Advisory services besides holding investments in subsidiaries. The Group business consist of finance, financial services, capital market services, distribution of financial products and wealth management services which are carried out by separate subsidiaries of IIFL Holdings Limited.

1.1 In order to achieve simplified business structure, focused management, strengthen core competencies and enhance value creation for the group, the Board of Directors of the Company had approved transfer of Company's broking, Depository Participant, Portfolio Management, Mutual Fund Distribution and Investment Banking businesses ("Financial Services Undertaking") to a wholly owned subsidiary, India Infoline Distribution Company Limited ("IIDCL"), through a scheme of arrangement in terms of Section 391 to 394 of the Companies Act, 1956 in April, 2013. In this regard, Hon'ble High Court of Bombay vide its Order dated December 20, 2013, issued on January 16, 2014 ("Order"), approved the Scheme of Arrangement ("Scheme") between India Infoline Limited ('Transferor Company' or 'IIL' or 'Company') and India Infoline Distribution Company Limited ('Transferee Company' or 'IIDCL') and their respective shareholders under sections 391 to 394 of the Companies Act, 1956, and the same is effected upon filing of Order with the Registrar of Companies vide its acknowledgement dated February 13, 2014 and receipt of other regulatory approvals. The Scheme is effective from April 1, 2013.

Pursuant to the Scheme approved by the High Court, the following have been effected:

- a. The "Financial Services Undertaking" consisting of capital market Broking, Depository Participant, Portfolio Management, Mutual Fund Distribution and Investment Banking business stands transferred from the Company to India Infoline Limited (formerly India Infoline Distribution Company Limited), on a going concern basis and accordingly, the businesses/services stands continued by the Transferee Company.
- b. The name of the Company is changed from India Infoline Limited to "IIFL Holdings Limited" in terms of Fresh Certificate of incorporation dated February 18, 2014, issued by Registrar of Companies, Maharashtra, Mumbai.
- c. The name of the Transferee Company i.e. India Infoline Distribution Company Limited is changed to "India Infoline Limited" in terms of Fresh Certificate of Incorporation dated February 27, 2014, issued by the Registrar of Companies, Maharashtra, Mumbai."

The effect of the said Scheme is reflected in the books of accounts for the year ended March 31, 2014. Accordingly, the previous period figures are not comparable.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES:

2.1 Basis of accounting and preparation of financial statements:

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with all material aspects of the applicable Accounting Standards notified under section 133 of companies Act 2013 (Act) read with Rule 7 of the Companies Accounts Rules, 2014 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year by the Company.

2.2 Use of Estimates:

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

2.3 Fixed Assets and Depreciation and Amortization:

Fixed assets are stated at cost of acquisition less accumulated depreciation and impairment loss, if any thereon. Depreciation is charged using the straight line method based on the useful life of fixed assets as estimated by the management as specified below. Depreciation is charged from the month in which new assets are put to use. No depreciation is charged for the month in which assets are sold. In the case of transfer of used fixed assets from group companies, depreciation is charged over the remaining useful life of the assets. Individual assets / group of similar assets costing up to ₹ 5,000 has been depreciated in full in the year of purchase. Lease hold land is depreciated on a straight line basis over the lease hold period.

STANDALONE FINANCIAL STATEMENTS OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming part of Standalone Financial Statement for the year ended March 31, 2015

Estimated useful life of the assets is as under:

Class of assets	Useful life in Years
Buildings*	20
Computers*	3
Office Equipment	5
Electrical Equipment *	5
Furniture and Fixtures*	5
Vehicles*	5
Software	3

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

2.4 Translation of foreign currency items:

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. Exchange difference, if any, arising out of transactions settled during the year are recognized in the statement of Profit and Loss. Foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date. The exchange gains or losses, if any, are recognized in the statement of Profit and Loss and related assets and liabilities are accordingly restated in the Balance Sheet.

2.5 Revenue Recognition:

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

- (a) Income related to advisory activities, Investment banking, Merchant banking are accounted on accrual basis.
- (b) Dividend income is recognized when the right to receive payment is established.
- (c) Capital Gain/ Loss is recognized on the date of trade.

2.6 Other Income Recognition:

- (a) Interest Income is recognized on accrual basis.

2.7 Employee Benefits:

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

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

Gratuity is post employment benefit and is in the nature of defined benefit plan. The Liability recognized in the Balance Sheet in respect of gratuity is the present value of defined benefit obligation at the Balance Sheet date together with the adjustments for unrecognized actuarial gain or losses and the past service costs. The defined benefit obligation is calculated at or near the Balance Sheet date by an independent actuary using the projected unit credit method.

2.8 Deferred Employee Stock Compensation:

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

STANDALONE FINANCIAL STATEMENTS OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming part of Standalone Financial Statement for the year ended March 31, 2015

2.9 Provisions, Contingent Liabilities and Contingent Assets:

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

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

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

2.10 Taxes on Income:

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Provision for current tax is computed based on estimated tax liability computed after adjusting for allowance, disallowance and exemptions in accordance with the applicable tax laws.

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

2.11 Operating Leases:

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

2.12 Investments:

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

2.13 Inventories:

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

2.14 Earnings Per Share:

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

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

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

STANDALONE FINANCIAL STATEMENTS OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming part of Standalone Financial Statement for the year ended March 31, 2015

NOTE 3. SHARE CAPITAL**a. The Authorised, Issued, Subscribed and fully paid up share capital comprises equity shares as follows:**

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Authorised :		
600,000,000 (Previous Year - 600,000,000) Equity Shares of ₹ 2 each	1,200,000,000	1,200,000,000
Issued, Subscribed and Paid Up :		
310,233,948 (Previous Year – 296,199,003) Equity Shares of ₹ 2 each fully paid – up	620,467,896	592,398,006
Total	620,467,896	592,398,006

b. Reconciliation of the shares outstanding.

Particulars	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	Amount in ₹	No. of Shares	Amount in ₹
At the beginning of the year	296,199,003	592,398,006	295,229,883	590,459,766
Add:- Issued during the year on exercise of ESOPs	14,034,945	28,069,890	969,120	1,938,240
Outstanding at the end of the year	310,233,948	620,467,896	296,199,003	592,398,006

c. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. During the year ended March 31, 2015, the amount of per share dividend recognised as distribution to equity shareholders was ₹ 3 (Previous Year ₹ 3).

d. Detail of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Equity shares of ₹ 2 each fully paid up				
Nirmal Bhanwarlal Jain	51,252,000	16.52	51,252,000	17.30
Venkataraman Rajamani	19,909,432	6.41	19,909,432	6.72
Madhu N Jain	17,000,000	5.48	17,000,000	5.74
Carlyle Mauritius Investment Advisors Limited A/C Carlyle Mauritius III	28,761,409	9.27	28,761,409	9.71
HWIC Asia Fund Class A Shares	27,910,000	9.00	27,910,000	9.42
Bharat H Parajia	15,721,778	5.07	16,221,778	5.48
Copthall Mauritius Investment Limited	16,305,530	5.26	0	0

e. Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

Particulars	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
	No. of shares	No. of shares	No. of shares	No. of shares	No. of shares
Equity shares bought back by the Company	-	-	-	-	12,998,877

f. Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the company, please refer note 28.

STANDALONE FINANCIAL STATEMENTS OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming part of Standalone Financial Statement for the year ended March 31, 2015
NOTE 4. RESERVE AND SURPLUS

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Capital Reserve		
Opening balance	597,700,000	597,700,000
Closing balance	597,700,000	597,700,000
Capital Redemption Reserve		
Opening balance	51,113,584	51,113,584
Closing balance	51,113,584	51,113,584
Securities Premium Account		
Opening Balance	9,336,425,482	9,293,422,174
Addition : Additions on ESOP's exercised	663,219,055	43,003,308
Closing balance	9,999,644,537	9,336,425,482
Debenture Redemption Reserve		
Opening balance	-	-
Addition during the year from Statement of Profit and Loss	573,921	-
Closing balance	573,921	-
General Reserve		
Opening balance	854,000,000	756,000,000
Addition :- due to transfer during the year from surplus in the Statement of Profit and Loss	-	98,000,000
Closing balance	854,000,000	854,000,000
Surplus/(Deficit) in the Statement of Profit and Loss		
Opening balance	1,802,971,843	1,811,602,871
Addition: Profit for the year	982,220,012	977,679,647
Less:- Appropriations		
Interim dividend	906,802,659	888,072,909
Dividend distribution tax	689,699	237,766
Debenture Redemption Reserve	573,921	-
General Reserve	-	98,000,000
Net Surplus in the Statement of Profit and Loss	1,877,125,576	1,802,971,843
Total Reserve and Surplus	13,380,157,618	12,642,210,909

NOTE 5. SHARE APPLICATION MONEY PENDING ALLOTMENT:

The Company has received ₹ Nil (previous year ₹ 356,300/-) towards share application on exercise of ESOP shares which will result in an issue of Nil (Previous year 7,000) shares of face value of ₹ 2 each. Of the total receipt, ₹ Nil - (previous year ₹ 342,300/-) has been received towards securities premium.

STANDALONE FINANCIAL STATEMENTS OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming part of Standalone Financial Statement for the year ended March 31, 2015

NOTE 6. LONG-TERM BORROWINGS

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Non Convertible Debentures:	500,000,000	-
(500 SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES OF THE FACE VALUE ₹ 1,000,000 EACH AT PAR)		
Rate of interest 11.25%		
Date of Maturity : 20th March'2018		
Security: Immovable Property and Receivables of the company both present & future, current assets, book debts & such other assets of the Company		
Total	500,000,000	-

During the year, the Company successfully completed the private placement of Secured Redeemable Non Convertible Debentures aggregating to ₹ 500,000,000/- (the "Issue"). The Company has utilized the entire proceeds of the issue for the stated purposes mentioned in the final prospectus dated March 27, 2015.

Pursuant to Section 71 of the companies Act, 2013 read with Rule 18 of the companies (Share Capital and Debentures) Rules, 2014, Company is required to create Debenture Redemption Reserve of a value equivalent to 25% of the debentures offered through a Private issue and Public issue. Accordingly, Proportionate amount of ₹ 573,921 (Previous year ₹ 0/-) has been transferred to Debenture Redemption Reserve Account for the financial year ended March 31, 2015.

NOTE 7. PROVISIONS

(Amount in ₹)

Particulars	As at March 31, 2015		As at March 31, 2014	
	Current	Non Current	Current	Non Current
Provision for compensated absences	253,085	751,040	155,433	515,788
Provision For Gratuity	314,240	2,726,990	197,259	1,844,064
Provision for expenses	2,971,280	-	5,060,000	-
Total	3,538,605	3,478,030	5,412,692	2,359,852

NOTE 8. OTHER CURRENT LIABILITIES

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Accrued Salaries & Benefits	2,704,394	-
Contractually reimbursable expenses	656,397	-
Statutory Liabilities Payable	156,029,838	-
Unpaid Dividend	6,893,955	7,324,899
Unpaid Dividend FY 14-15	861,495	-
Interest accrued but not due	770,547	-
Other Payable	5,467,997	510,000
Total	173,384,623	7,834,899

STANDALONE FINANCIAL STATEMENTS OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming part of Standalone Financial Statement for the year ended March 31, 2015

NOTE 9. TANGIBLE ASSETS

(Amount in ₹)

Particulars	Buildings	Office Equipment	Total
Cost or Valuation			
At April 1, 2014	14,074,920	-	14,074,920
Addition	-	722,415	722,415
Deductions/Adjustments during the year	-	-	-
As at March 31, 2015	14,074,920	722,415	14,797,335
Depreciation			
At April 1, 2014	4,750,295	-	4,750,295
Depreciation For the year	703,749	24,081	727,830
Deductions/Adjustments during the year	-	-	-
Upto March 31, 2015	5,454,044	24,081	5,478,125
Net Block			
At March 31, 2015	8,620,876	698,334	9,319,211
At March 31, 2014	9,324,625	-	9,324,625

NOTE 10. NON CURRENT INVESTMENT

(Amount in ₹)

Particulars	Face Value	As at March 31, 2015		As at March 31, 2014	
		Number	Amount in ₹	Number	Amount in ₹
Investments (At cost):					
Trade					
Investments in Subsidiaries:					
Equity Instruments :					
India Infoline Finance Limited	₹ 10	234,467,549	9,723,150,400	234,467,549	9,723,150,400
IIFL Realty Limited	₹ 10	9,000,000	605,175,000	9,000,000	605,175,000
India Infoline Commodities Limited	₹ 10	209,000	20,000,000	209,000	20,000,000
IIFL Wealth Management Limited	₹ 2	45,000,000	225,000,000	45,000,000	225,000,000
India Infoline Media & Research Services Limited	₹ 10	50,000	500,000	50,000	500,000
IIFL Capital Limited	₹ 10	3,050,000	120,500,000	3,050,000	120,500,000
India Infoline Insurance Brokers Limited	₹ 10	500,000	5,000,004	500,000	5,000,004
India Infoline Insurance Services Limited	₹ 10	280,630	10,000,008	280,630	10,000,008
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	₹ 10	16,900,080	953,125,800	16,900,080	953,125,800
IIFL (Asia) Pte Limited, Singapore *	S\$ 1	-	-	25,000,000	794,468,382
IIFL Inc, USA *	\$0.01	-	-	140	46,885,622
IIFL Private Wealth (Mauritius) Limited *	\$1.00	-	-	69,975	3,229,076
IIFL Wealth (UK) Limited	£1.00	150,000	11,197,657	150,000	11,197,657
IIFL Private Wealth Hong Kong Limited *	HK\$1	-	-	6,476,324	43,607,791
IIFL Private Wealth Management (Dubai) Limited *	AED 3.67	-	-	918,442	42,436,895
India Infoline Commodities DMCC	AED 1000	950	11,755,102	950	11,755,102
IIFL Private Wealth (Suisse) SA *	CHK 1000	-	-	100	5,815,000
IIFL Capital Inc	\$0.01	100	40,293,000	100	40,293,000
Sub Total			11,725,696,971		12,662,139,737

STANDALONE FINANCIAL STATEMENTS OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming part of Standalone Financial Statement for the year ended March 31, 2015

NOTE 10. NON CURRENT INVESTMENT

(Amount in ₹)

Particulars	Face Value	As at March 31, 2015		As at March 31, 2014	
		Number	Amount in ₹	Number	Amount in ₹
Preference Shares :					
India Infoline Finance Limited (8 % Non Convertible Cumulative Redeemable)	₹ 10	50,000,000	500,000,000	-	-
India Infoline Finance Limited (8 % Non Convertible Non Cumulative Redeemable)	₹ 10	75,000,000	750,000,000	-	-
India Infoline Housing Finance Limited (6% Compulsorily Convertible Cumulative Redeemable)	₹ 10	60,000,000	600,000,000	-	-
Sub Total			1,850,000,000		-
Others (Alternate Investment Fund)					
IIFL Opportunity Fund Category III - AIF		-	100,000	-	-
IIFL Private Equity Fund Category II - AIF		-	100,000	-	-
IIFL Venture Fund Category I - AIF		-	100,000	-	-
IIFL Income Opportunities Fund Category II - AIF	₹ 10	5,000,000	52,752,971	-	-
IIFL Income Opportunities – Special Situation Category II - AIF	₹ 10	5,000,000	79,234,358	-	-
IIFL Real Estate Fund (Domestic) – Series 2 Category II - AIF	₹ 10	750,000	75,000,000	-	-
Sub Total			207,287,328	-	-
Total Investments			13,782,984,299	-	12,662,139,737
Aggregate Book value - Quoted			-	-	-
- Unquoted			13,782,984,299	-	12,662,139,737

* During the year under review, these subsidiaries were transferred to IIFL Wealth Management Limited a subsidiary company,

NOTE 11. DEFERRED TAX ASSETS

The Company recognized deferred tax assets for the year ended on March 31, 2015, since the management is reasonably / virtually certain of its profitable operations in future. As per Accounting Standard 22 'Accounting for Taxes on Income', the timing differences mainly relates to following items and result in a net deferred tax asset.

(Amount in ₹)

Particulars	2014-2015	2013-2014
On Gratuity	1,052,509	-
Long Term Capital Loss	26,003,251	-
Short Term Capital Loss	144,732,459	187,302,269
Total	171,788,219	187,302,269

NOTE 12. LONG-TERM LOANS & ADVANCES

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Unsecured, considered good		
Advance Income Tax (Net of Provision for income tax ₹ 3,046,633,462) (Previous year ₹ 3,082,529,146)	235,003,827	193,645,323
MAT Credit	10,767,512	-
Prepaid Expenses	1,120,000	-
Total	246,891,339	193,645,323

STANDALONE FINANCIAL STATEMENTS OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming part of Standalone Financial Statement for the year ended March 31, 2015
NOTE 13. TRADE RECEIVABLE

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Trade receivable Outstanding for a period exceeding six months from date they are due for payment	-	-
Unsecured, considered good	-	-
Other trade receivable	32,782,559	-
Total	32,782,559	-

NOTE 14. CASH AND BANK BALANCES

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Cash & Cash Equivalent :		
Cash on hand	39,292	-
Balances with Bank:		
- In current accounts	407,378,313	7,321,691
- Others Bank account*	7,752,243	432,470
Total Cash & Cash Equivalent (a)	415,169,848	7,754,161
Other Balances:		
In Deposit account (Maturity more than 3 months to 12 Months)	1,000,000	-
Total Other Balances (b)	1,000,000	-
Total (a+b)	416,169,848	7,754,161

* Balances with Banks in unpaid Dividend Accounts.

NOTE 15. SHORT-TERM LOANS & ADVANCES

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Unsecured, considered good :		
Loans & advances to Subsidiary (For their business purposes)	2,184,733	2,184,733
Advances recoverable in cash or in kind or for value to be received.	540,487	-
Other Loans & Advances	254,790	-
Total	2,980,010	2,184,733

NOTE 16. OTHER CURRENT ASSETS

(Amount in ₹)

Particulars	As at March 31, 2015		As at March 31, 2014	
	Current	Non Current	Current	Non Current
Prepaid expenses	554,383	-	-	-
Due from subsidiary	-	-	188,221,810	-
Others	17,556,904	-	-	-
Total	18,111,287	-	188,221,810	-

STANDALONE FINANCIAL STATEMENTS OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming part of Standalone Financial Statement for the year ended March 31, 2015

NOTE 17. REVENUE FROM OPERATIONS

(Amount in ₹)

Particulars	2014-2015	2013-2014
Revenue from operations :		
Fund Based activities		
Dividend from subsidiaries	902,744,413	886,673,873
Dividend from Mutual Fund	5,402,130	-
Dividend from Equity Shares	2,248,500	-
Interest Income :		
Interest on bank deposits	45,370	-
Interest Income - NCD	323,625	-
Interest Income - AIF	6,644,354	-
Interest Income - ICD	22,065,339	-
Advisory Fees	79,080,000	-
Other Operating Income :		
Capital Gain - Mutual Fund - short term	7,877,895	-
Capital Gain - Securities - short term	23,679,000	-
Capital Gain Securities - Long term	40,192,467	-
Capital Gain - AIF - Short term	100,428	-
Total	1,090,403,521	886,673,873

NOTE 18. OTHER INCOME

(Amount in ₹)

Particulars	2014-2015	2013-2014
Interest on Income Tax Refund	9,897,381	-
Miscellaneous income	150,209	-
Total	10,047,590	-

NOTE 19. EMPLOYEE COST

(Amount in ₹)

Particulars	2014-2015	2013-2014
Salaries and bonus	20,455,850	44,665,045
Contribution to provident and other funds **	487,446	864,321
Gratuity *	89,430	2,041,323
Leave Encashment	618,701	671,221
Total	21,651,427	48,241,910

* The Company is recognising and accruing the employee benefit as per accounting standard (AS) – 15 on "Employee Benefits" the disclosures of which are as under.

STANDALONE FINANCIAL STATEMENTS OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming part of Standalone Financial Statement for the year ended March 31, 2015

(Amount in ₹)

Particulars	2014-2015	2013-2014
Assumptions		
Discount rate previous year	9.14%	8.00%
Salary Escalation previous year	5.00%	5.00%
Discount rate current year	8.04%	9.14%
Salary Escalation Current year	5.00%	5.00%
Change in Benefit Obligation		
Liability at the beginning of the year	2,041,323	-
Interest Cost	186,577	-
Current Service Cost	439,843	129,430
Benefit paid	-	-
Actuarial (gain)/ Loss on obligations	(536,991)	-
Liability Transferred in/(out)	3,009,810	1,911,893
Liability Transferred in/(out)	(2,099,332)	-
Liability at the end of the year	3,041,230	2,041,323
Amount Recognised in the Balance Sheet		
Liability at the end of the year	(3,041,230)	(2,041,323)
Fair value of plan Assets at the end of the year	-	-
Differences	(3,041,230)	(2,041,323)
Amount of liability Recognised in the Balance Sheet	(3,041,230)	(2,041,323)
Expenses Recognised in the Income statement		
Current Service cost	439,843	129,430
Interest Cost	186,577	-
Expected return on plan assets	-	-
Actuarial Gain or Loss	(536,991)	-
Expense Recognised in P&L	89,430	129,430
Balance Sheet reconciliation		
Opening Net liability	2,041,323	-
Expense as above	89,430	129,430
Net Transfer in	3,009,810	1,911,893
Net (Liability)/Asset Transfer Out	(2,099,333)	-
Employers contribution	-	-
Amount Recognised in Balance Sheet	3,041,230	2,041,323

****Defined Contribution Plans:**

The Company has also recognised the following amounts as an expense.

(Amount in ₹)

Particulars	2014-2015	2013-2014
Contribution to Provident Fund & Employee Pension Scheme	482,486	850,542

STANDALONE FINANCIAL STATEMENTS OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming part of Standalone Financial Statement for the year ended March 31, 2015

NOTE 20. FINANCE COSTS

(Amount in ₹)

Particulars	2014-2015	2013-2014
Interest Expenses	43,289,215	-
Total	43,289,215	-

NOTE 21. DEPRECIATION

(Amount in ₹)

Particulars	2014-2015	2013-2014
Depreciation of tangible assets	727,830	703,747
Total	727,830	703,747

NOTE 22. ADMINISTRATION AND OTHER EXPENSES

(Amount in ₹)

Particulars	2014-2015	2013-2014
Advertisement	29,038	-
Exchange and statutory Charges	1,484,103	160,246
Marketing and commission expenses	14,884	-
Commission & sitting fees to non executive directors	5,160,000	5,830,000
Bank Charges	669,929	-
Communication	56,768	-
Legal and professional charges	5,013,447	-
Miscellaneous expenses	80,294	-
Corporate Social Responsibility Expenses-Refer Note No. 30	3,913,440	-
Office expenses	22,777	-
Meeting seminar & Subscription	1,430,823	-
Postage and courier	329,934	-
Printing and stationery	1,287,703	-
Rent	30,000	-
Insurance	395,663	-
Rates & taxes	45,534	-
Repairs & Maintenance:		
- Computer	6,638	-
- Others	16,313	-
Remuneration to Auditors :		
- As auditors - statutory audit	1,050,000	510,000
- Certification work and other matters	85,000	-
- Out of pocket expenses	61,284	-
Software Charges	650,000	-
Loss on sale of Long Term Investment (Net)	-	5,103,249
Travelling and conveyance	655,682	-
Total	22,489,254	11,603,495

STANDALONE FINANCIAL STATEMENTS OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming part of Standalone Financial Statement for the year ended March 31, 2015
NOTE 23. EARNINGS PER SHARE

(Amount in ₹)

Particulars		2014-2015	2013-2014
Face value of equity shares in ₹ fully paid up		2	2
Basic EPS :			
Profit/(Loss) after tax as per Statement of Profit and Loss	A	982,220,012	977,679,648
Weighted Average Number of Shares Subscribed (Basic)	B	303,037,800	295,568,869
Basic EPS	A/B	3.24	3.31
Diluted EPS :			
Profit/(Loss) after tax as per Statement of Profit and Loss	A	982,220,012	977,679,648
Weighted Average Number of Shares Subscribed		303,037,800	295,568,869
Add : Potential Equity Shares on account of conversion of Employee Stock Option		8,463,140	8,675,577
Weighted Average Number of Shares Outstanding	B	311,500,940	304,244,446
Diluted EPS	A/B	3.15	3.21

NOTE 24. CONTINGENT LIABILITIES

- (a) There are no pending litigation by and on the Company as on the balance sheet date.
- (b) As of March 31, 2015, the Company had certain contingent liabilities not provided for, including the following:

(Amount in ₹)

Sr. No.	Name of the Statute	March 31, 2015	March 31, 2014
(i)	In respect of Income Tax Demands	221,825,598	186,439,108
(ii)	In respect of MVAT Demands	5,895,818	563,342
(iii)	In respect of Profession Tax Demands	1,553,529	1,553,529

NOTE 25. CAPITAL AND OTHER COMMITMENTS AT BALANCE SHEET DATE

There were outstanding commitments for investments to the tune of ₹ 489,068,430/- (previous year ₹ NIL/-) of the total contractual obligation entered during the year.

NOTE 26.

The Company has provided Corporate Guarantee on behalf of the following subsidiaries for their business purposes.

Sr. No.	Name of the Subsidiary	(Amount in ₹)
1	India Infoline Commodities Limited	₹ 1,250,000,000 (₹ 1,350,000,000)
2	India Infoline Finance Limited	₹ 75,650,000,000 (₹ 56,650,000,000)
3	India Infoline Housing Finance Limited	₹ 2,000,000,000 (-)
4	IIFL Realty Limited	₹ 4,650,000,000 (₹ 4,650,000,000)
5	IIFL Capital Limited	₹ 750,000,000 (-)
6	India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	₹ 6,500,000,000 (-)
7	IIFL Inc	- (US \$ 141,414)

(Figure in bracket represents previous year figures)

STANDALONE FINANCIAL STATEMENTS OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)**Notes forming part of Standalone Financial Statement for the year ended March 31, 2015****NOTE 27.**

Disclosure of loans/advances to subsidiaries and associates etc. as required under clause 32 of the Listing Agreement

(Amount in ₹)

No	Name	Particulars	2014-2015	2013-2014
1	India Infoline Commodities DMCC, Dubai	Outstanding at year end	2,184,733	2,184,733
		Maximum Amount Outstanding	2,184,733	2,184,733

NOTE 28.

The Company has implemented Employee Stock Option Scheme 2007, 2008 (ESOP Schemes) and has outstanding options granted under the said Schemes. The options vest in graded manner and must be exercised within a specified period as per the terms of the grants made by the Remuneration and Compensation Committee and ESOP Schemes.

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

Particulars	ESOP 2007	ESOP 2008
No. of options as on March 31, 2015	2,299,755	11,345,650
Method of accounting	Intrinsic Value	Intrinsic Value
Vesting Plan	Options granted would vest over a period of five years subject to a minimum period of one year from the date of grant of options	Options granted would vest over a period of five years subject to a minimum period of one year from the date of grant of options
Exercise Period	Five years from the date of grant	Seven years from the date of grant
Grant Dates	October 17, 2008, December 18, 2008, January 01, 2009 and March 05, 2012	December 18, 2008, January 01, 2009, May 27, 2009, December 10, 2009, September 20, 2010, May 07, 2011, May 15, 2012, August 10, 2012, October 29, 2012 November 05, 2013, August 05, 2014, November 20, 2014 and March 02, 2015
Grant Price (₹ Per Share)	₹ 63.75, ₹ 45.30, ₹ 50.90 and ₹ 70.00	₹ 45.30, ₹ 50.90, ₹ 100.00, ₹ 136.00, ₹ 105.00, ₹ 72.40, ₹ 45.90, ₹ 56.60, ₹ 68.15, ₹ 58.10, ₹ 134.75, ₹ 188.40, and ₹ 181.55
Market Price on the date of Grant of Option (₹) *	₹ 63.75, ₹ 45.30, ₹ 50.90 and ₹ 70.00	₹ 45.30, ₹ 50.90, ₹ 100.00, ₹ 136.00, ₹ 105.00, ₹ 72.40, ₹ 45.90, ₹ 56.60, ₹ 68.15, ₹ 58.10, ₹ 134.75, ₹ 188.40, and ₹ 181.55

* Closing price at the stock exchange, as on the previous trading day of the date of grant, as per SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.

b) Movement of options granted:

Particulars	ESOP 2007	ESOP 2008
Options outstanding at the beginning of the year	4,075,100	24,248,350
Granted during the year	-	400,000
Exercised during the year	863,245	13,171,700
Lapsed during the year	912,100	131,000
Options outstanding at the end of the year	2,299,755	11,345,650

NOTE 29.

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

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

STANDALONE FINANCIAL STATEMENTS OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming part of Standalone Financial Statement for the year ended March 31, 2015
NOTE 30. CORPORATE SOCIAL RESPONSIBILITY

During the financial year 2014-15, the Company could spent ₹ 3,913,440 out of the total amount of ₹ 6,590,920 required to be spent as per section 135 of the Companies Act 2013 in respect of Corporate Social Responsibility. During the financial year 2014-15 the Company focused on establishing the system and process to identify and select the CSR projects. In the years to come, the Company envisages to enhance the scope of its CSR projects and increase the quantum of CSR expenditure into greater number of impact-driven projects.

NOTE 31. RELATED PARTY DISCLOSURES AS ON MARCH 31, 2015
a) Related parties where control exists

Nature of relationship	Name of party
Subsidiaries including step down subsidiaries	India Infoline Finance Limited
	India Infoline Housing Finance Limited
	IIFL Wealth Management Limited
	India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)
	India Infoline Insurance Brokers Limited
	India Infoline Insurance Services Limited
	India Infoline Commodities Limited
	IIFL Realty Limited
	India Infoline Media & Research Services Limited
	IIFL Capital Limited
	IIFL Distribution Services Limited (Formerly known as IIFL Distribution Services Private Limited)
	IIFL Investment Advisors And Trustee Services Limited (Formerly known as IIFL Trustee Services Limited)
	India Infoline Trustee Company Limited
	India Infoline Asset Management Company Limited
	IIFL Alternate Asset Advisors Limited
	India Infoline Commodities DMCC
	IIFL (Asia) Pte Limited
	IIFL Securities Pte Limited
	IIFL Capital Pte. Limited formerly known as IIFL Wealth Pte. Limited.
	IIFL Assets Reconstruction Limited
	India Alternatives Investment Advisors Private Limited
	IIFL Private Wealth Management (Dubai) Limited
	IIFL Wealth (UK) Limited
	IIFL Inc.
	IIFL Private Wealth (Suisse) SA.
	IIFL Capital Inc.
	IIFL Private Wealth Hong Kong Limited
	IIFL Properties Private Limited (Formerly Known as Ultra Sign and Display Private Limited)
	IIFL Private Wealth (Mauritius) Limited
	India Infoline Foundation

STANDALONE FINANCIAL STATEMENTS OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming part of Standalone Financial Statement for the year ended March 31, 2015

Nature of relationship	Name of party
(b) Joint Venture	Meenakshi Tower LLP (Joint venture of wholly owned subsidiary IIFL Realty Limited)
(c) Key Management Personnel	Mr. Nirmal Jain
	Mr. R. Venkataraman
(d) Other related parties	Mrs. Madhu Jain (wife of Mr. Nirmal Jain)
	Mrs. Aditi Venkataraman (wife of Mr. R. Venkataraman)
	Orpheus Trading Pvt. Limited
	Ardent Impex Pvt. Limited

b. Transactions with Related Parties

Nature of transaction	Subsidiaries	Key Managerial Personnel	Other Related Party	Total
Investment Made				
India Infoline Asset Management Company Limited	-	-	-	-
	(10,000,000)	-	-	(10,000,000)
IIFL Private Wealth (Suisse) Sa	-	-	-	-
	(5,815,000)	-	-	(5,815,000)
IIFL Capital Inc	-	-	-	-
	(22,768,000)	-	-	(22,768,000)
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	-	-	-
	(867,999,800)	-	-	(867,999,800)
India Infoline Finance Limited	1,250,000,000	-	-	1,250,000,000
	-	-	-	-
Investment Sold				
IIFL Wealth Management Limited	446,284,302	-	-	446,284,302
	(197,150,736)	-	-	(197,150,736)
Investments/Disinvestments				
IIFL Asia Pte Limited	530,350,931	-	-	530,350,931
	-	-	-	-
Purchase of Investments				
India Infoline Finance Limited	617,556,164	-	-	617,556,164
	-	-	-	-
Sale Consideration				
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	-	-	-
	(1,046,844,004)	-	-	(1,046,844,004)
Brokerage Expense				
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	93,841	-	-	93,841
	-	-	-	-
Remuneration				
Nirmal Jain	-	-	-	-
	-	(22,282,755)	-	(22,282,755)

STANDALONE FINANCIAL STATEMENTS OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming part of Standalone Financial Statement for the year ended March 31, 2015
b. Transactions with Related Parties

Nature of transaction	Subsidiaries	Key Managerial Personnel	Other Related Party	Total
R. Venkataraman	-	-	-	-
	-	(15,570,890)	-	(15,570,890)
Interest Income ICD/NCD				
India Infoline Finance Limited	3,498,082	-	-	3,498,082
	-	-	-	-
India Infoline Housing Finance Limited	3,310,685	-	-	3,310,685
	-	-	-	-
IIFL Wealth Management Limited	1,561,644	-	-	1,561,644
	-	-	-	-
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	13,694,928	-	-	13,694,928
	-	-	-	-
Dividend Income				
India Infoline Finance Limited	586,168,873	-	-	586,168,873
	(586,168,873)	-	-	(586,168,873)
IIFL Wealth Management Limited	202,500,000	-	-	202,500,000
	(180,330,000)	-	-	(180,330,000)
IIFL Secuties Ceylon(P) Limited	-	-	-	-
	-	-	-	-
India Infoline Commodities Limited	-	-	-	-
	(120,175,000)	-	-	(120,175,000)
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	114,075,540	-	-	114,075,540
	-	-	-	-
Interest Expenses				
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	354,988	-	-	354,988
	-	-	-	-
Interest Expenses - ICD				
India Infoline Finance Limited	7,829,453	-	-	7,829,453
	-	-	-	-
India Infoline Commodities Limited	475,754	-	-	475,754
	-	-	-	-
ICD Taken				
India Infoline Finance Limited	500,000,000	-	-	500,000,000
	-	-	-	-
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	360,400,000	-	-	360,400,000
	-	-	-	-
India Infoline Commodities Limited	50,000,000	-	-	50,000,000
	-	-	-	-

STANDALONE FINANCIAL STATEMENTS OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming part of Standalone Financial Statement for the year ended March 31, 2015

b. Transactions with Related Parties

Nature of transaction	Subsidiaries	Key Managerial Personnel	Other Related Party	Total
ICD Taken Repaid				
India Infoline Finance Limited	500,000,000	-	-	500,000,000
	-	-	-	-
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	360,400,000	-	-	360,400,000
	-	-	-	-
India Infoline Commodities Limited	50,000,000	-	-	50,000,000
	-	-	-	-
ICD Given				
India Infoline Finance Limited	3,190,000,000	-	-	3,190,000,000
	-	-	-	-
IIFL Wealth Management Limited	1,000,000,000	-	-	1,000,000,000
	-	-	-	-
India Infoline Housing Finance Limited	2,500,000,000	-	-	2,500,000,000
	-	-	-	-
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	6,385,800,000	-	-	6,385,800,000
	-	-	-	-
ICD Given Received Back				
India Infoline Finance Limited	3,190,000,000	-	-	3,190,000,000
	-	-	-	-
IIFL Wealth Management Limited	1,000,000,000	-	-	1,000,000,000
	-	-	-	-
India Infoline Housing Finance Limited	2,500,000,000	-	-	2,500,000,000
	-	-	-	-
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	6,385,800,000	-	-	6,385,800,000
	-	-	-	-
Advance Taken (Max.)				
India Infoline Limited (Formerly Known as India Infoline Distribution Co Limited)	14,300,000	-	-	14,300,000
	-	-	-	-
Advance Taken paid Back (Max.)				
India Infoline Limited (Formerly Known as India Infoline Distribution Company Limited)	14,300,000	-	-	14,300,000
	-	-	-	-
Allocation / Reimbursement of expenses Paid				
India Infoline Housing Finance Limited	-	-	-	-
	(8,861,138)	-	-	(8,861,138)
India Infoline Limited. (Formerly Known as India Infoline Distribution Company Limited)	12,568,175	-	-	12,568,175
	-	-	-	-
Others Paid				
India Infoline Insurance Brokers Limited	37	-	-	37
	-	-	-	-

STANDALONE FINANCIAL STATEMENTS OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming part of Standalone Financial Statement for the year ended March 31, 2015
b. Transactions with Related Parties

Nature of transaction	Subsidiaries	Key Managerial Personnel	Other Related Party	Total
India Infoline Insurance Services Limited	96,247,620	-	-	96,247,620
	-	-	-	-
India Infoline Media and Research Services Limited	186	-	-	186
	-	-	-	-
India Infoline Finance Limited	730,442	-	-	730,442
	-	-	-	-
IIFL Realty Limited	10	-	-	10
	-	-	-	-
India Infoline Limited (Formerly Known as India Infoline Distribution Company Limited)	102,179,778	-	-	102,179,778
	-	-	-	-
Allocation / Reimbursement of expenses Received				
India Infoline Limited (Formerly Known as India Infoline Distribution Company Limited)	23,126,570	-	-	23,126,570
	-	-	-	-
Others Received				
IIFL Alternate Assets Advisors Limited	232,382	-	-	232,382
	-	-	-	-
IIFL Investment Advisors & Trustee Services Limited	256,676	-	-	256,676
	-	-	-	-
IIFL Wealth Management Limited	16,326,712	-	-	16,326,712
	-	-	-	-
India Infoline Commodities Limited	473,552	-	-	473,552
	-	-	-	-
India Infoline Asset management Company Limited	-	-	-	-
	-	-	-	-
India Infoline Insurance Brokers Limited	878,619	-	-	878,619
	-	-	-	-
India Infoline Media and Research Services Limited	190,402	-	-	190,402
	-	-	-	-
India Infoline Finance Limited	-	-	-	-
	-	-	-	-
IIFL Capital Limited	154,550	-	-	154,550
	-	-	-	-
India Infoline Housing Finance Limited	-	-	-	-
	-	-	-	-
IIFL Realty Limited	601,838	-	-	601,838
	-	-	-	-
India Infoline Finance Limited	5,472,194	-	-	5,472,194
	-	-	-	-
IIFL Distribution Services Limited	1,231,637	-	-	1,231,637
	-	-	-	-
India Infoline Limited. (Formerly Known as India Infoline Distribution Company Limited)	165,642,597	-	-	165,642,597
	-	-	-	-

STANDALONE FINANCIAL STATEMENTS OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming part of Standalone Financial Statement for the year ended March 31, 2015

(c) Outstanding as on March 31, 2015

Particulars	Subsidiaries	Key Managerial Personnel	Other Related Party	Total
Sundry Receivables				
India Infoline Commodities DMCC	2,184,733	-	-	2,184,733
	(2,184,733)	-	-	(2,184,733)
India Infoline Limited (Formerly Known As India Infoline Distribution Company Limited)	-	-	-	-
	(188,221,810)	-	-	(188,221,810)
Investments in subsidiaries				
IIFL (Asia) Pte. Limited	-	-	-	-
	(794,468,382)	-	-	(794,468,382)
IIFL Alternate Asset Advisors Limited	-	-	-	-
	-	-	-	-
IIFL Capital Ceylon Limited	-	-	-	-
	-	-	-	-
IIFL Capital Limited	120,500,000	-	-	120,500,000
	(120,500,000)	-	-	(120,500,000)
IIFL Inc. (USA)	-	-	-	-
	(46,885,622)	-	-	(46,885,622)
IIFL Private Wealth (Mauritius) Limited	-	-	-	-
	(3,229,076)	-	-	(3,229,076)
IIFL Private Wealth Hong Kong Limited	-	-	-	-
	(43,607,791)	-	-	(43,607,791)
IIFL Private Wealth Management (Dubai) Limited	-	-	-	-
	(42,436,895)	-	-	(42,436,895)
IIFL Realty Limited	605,175,000	-	-	605,175,000
	(605,175,000)	-	-	(605,175,000)
IIFL Securities Ceylon (Pvt) Limited	-	-	-	-
	(31,899,159)	-	-	(31,899,159)
IIFL Wealth (UK) Limited	11,197,657	-	-	11,197,657
	(11,197,657)	-	-	(11,197,657)
IIFL Wealth Management Limited	225,000,000	-	-	225,000,000
	(225,000,000)	-	-	(225,000,000)
India Infoline Asset Management Company Limited	-	-	-	-
	(175,000,000)	-	-	(175,000,000)
India Infoline Commodities DMCC	11,755,102	-	-	11,755,102
	(11,755,102)	-	-	(11,755,102)
India Infoline Commodities Limited	20,000,000	-	-	20,000,000
	(20,000,000)	-	-	(20,000,000)
India Infoline Finance Limited	9,723,150,400	-	-	9,723,150,400
	(9,723,150,400)	-	-	(9,723,150,400)
India Infoline Media And Research Services Limited	500,000	-	-	500,000
	(500,000)	-	-	(500,000)
India Infoline Insurance Brokers Limited	5,000,004	-	-	5,000,004
	(5,000,004)	-	-	(5,000,004)
India Infoline Insurance Services Limited	10,000,008	-	-	10,000,008
	(10,000,008)	-	-	(10,000,008)
IIFL Private Wealth (Suisse) SA	-	-	-	-
	(5,815,000)	-	-	(5,815,000)
IIFL Capital Inc	40,293,000	-	-	40,293,000
	(40,293,000)	-	-	(40,293,000)
India Infoline Limited (Formerly Known As India Infoline Distribution Company Limited)	953,125,800	-	-	953,125,800
	(953,125,800)	-	-	(953,125,800)
Corporate Guarantee – US \$				
IIFL Inc	-	-	-	-
	(141,414)	-	-	(141,414)

STANDALONE FINANCIAL STATEMENTS OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming part of Standalone Financial Statement for the year ended March 31, 2015

Nature of transaction	Subsidiaries	Key Managerial Personnel	Other Related Party	Total
Corporate Guarantee - ₹				
India Infoline Commodities Limited	1,250,000,000	-	-	1,250,000,000
	(1,350,000,000)	-	-	(1,350,000,000)
India Infoline Housing Finance Limited	2,000,000,000	-	-	2,000,000,000
	-	-	-	-
IIFL Realty Limited	4,650,000,000	-	-	4,650,000,000
	(4,650,000,000)	-	-	(4,650,000,000)
India Infoline Finance Limited	75,650,000,000	-	-	75,650,000,000
	(56,650,000,000)	-	-	(56,650,000,000)
IIFL Capital Limited	750,000,000	-	-	750,000,000
	-	-	-	-
India Infoline Limited (Formerly Known As India Infoline Distribution Company Limited)	6,500,000,000	-	-	6,500,000,000
	-	-	-	-

NOTE 32. EARNINGS AND EXPENSES IN FOREIGN CURRENCY

(Amount in ₹)

Particulars	2014-2015	2013-2014
Earnings in Foreign Currency	-	-
Total Income	-	-
Expenses in Foreign Currency		
Travelling Expenses	41,189	-
Total Expenses	41,189	-

During the year the Company remitted the dividend in foreign currency for FY 2014-15. The details are under.

(Amount in ₹)

Particulars	2014-2015	2013-2014
Type of Dividend	Interim Dividend F.Y 2014-15	Interim Dividend F.Y 2013-14
Number of Non-resident shareholder	3	5
Number of shares held by them	1,250,000	2,050,300
Gross amount of dividend	3,750,000	6,150,900

NOTE 33.

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

NOTE 34.

Previous year figures have been regrouped, reclassified & rearranged, wherever considered necessary to confirm to current year's presentation.

As per our attached report of even date

For Sharp & Tannan Associates

Chartered Accountants
Firm's Registration No. 109983W
By the hand of

Tirtharaj Khot

Partner
Membership No.: (F) 037457

Place : Mumbai

Dated: May 07, 2015

For and on behalf of the Board of Directors

Nirmal Jain

Chairman
(DIN: 00010535)

Parag Shah

Chief Financial Officer

R. Venkataraman

Managing Director
(DIN: 00011919)

Ashutosh Naik

Company Secretary

INDEPENDENT AUDITOR'S REPORT

To the Members of

IIFL Holdings Limited (Formerly India Infoline Limited)

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of IIFL Holdings Limited (Formerly India Infoline Limited) (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its jointly controlled entity, comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors are responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including jointly controlled entity in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and the Management of its jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and jointly controlled entity as at 31st March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

- a) We did not audit the financial statements of 3 subsidiaries and 8 step-down subsidiaries, whose financial statements reflect total assets of ₹ 86,11,57,856/- as at 31st March, 2015, total revenues of ₹ 84,85,07,003/- and net cash flows amounting to ₹ 37,92,83,390/- for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.
- b) We did not audit the financial statements of jointly controlled entity, whose financial statements reflect total assets of ₹ 23,99,09,892/- as at 31st March, 2015, total revenues of ₹ NIL and net cash flows amounting to ₹ 8,56,682/- for the



year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of jointly controlled entity, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid jointly controlled entity, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statement certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company and subsidiary companies, incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account

maintained for the purpose of preparation of the consolidated financial statements.

- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and our Report of its subsidiary companies incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statement disclosed the impact of pending litigations on the consolidated financial position of the Group – Refer note 31 (b) and (c) to the Consolidated Financial Statements.
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and there were no amounts which were required to be transferred to Investor Education and Protection Fund by its subsidiary companies incorporated in India.

For Sharp & Tannan Associates
Chartered Accountants
Firm's registration no.109983W
By the hand of

Tirtharaj Khot
Partner

Place: Mumbai
Date: 7th May, 2015

Membership No. (F) 037457

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in 'Other matters' and in paragraph 1 under 'Report on other legal and regulatory requirements' of our report of even date)

1. (a) The holding company and its subsidiaries incorporated in India have maintained adequate records to show full particulars, including quantitative details and situation of the fixed assets.
- (b) The holding company and its subsidiaries incorporated in India have formulated a programme of physical verification of its fixed assets in a phased manner. In accordance with this program, a physical verification of certain fixed assets has been carried out by management during the year and there are no material discrepancies observed between assets physically verified and book balances. In our opinion, the periodicity of verification is reasonable having regard to the size of the holding company and its subsidiaries incorporated in India and the nature of its assets.
2. (a) Stock of securities and commodities held at the year end have been classified as inventory and, such inventory is verified by the management during the year with reference to third party evidence like demat statements.
- (b) In our opinion, considering the nature of items of Inventory the frequency and the manner of verification is reasonable and adequate.
- (c) The respective companies are maintaining appropriate records in this regards. There was no discrepancy noticed during such verification.
3. There are transaction of loans given and taken between holding company and its subsidiaries incorporated in India, which are covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). The Group has uniform policies for the terms at which loan transactions are entered into.
 - (a) In the case of loan granted to/from the holding company and subsidiaries incorporated in India in accordance with the respective register maintained under section 189 of the Act, the borrower has been regular in the payment of the interest as stipulated. The terms of arrangement do not stipulate any repayment schedule and the loan are repayable on demand. Accordingly, Paragraph 3 (iii) (a) of the Order is not applicable in respect of repayment of the principal amount.
 - (b) There are no overdue amounts in excess of Rs.1 lakh in respect of loan granted to/from holding company and subsidiaries incorporated in India in the register maintained under Section 189 of the Act.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the holding company and subsidiaries incorporated in India and their nature of their business for purchase of inventory and fixed assets and for sale of goods and services. Further, on the basis of our examination of the books and records of the holding company and subsidiaries incorporated in India, and according to the information and explanations given to us, we have neither come across nor have we been informed of any continuing failure to correct major weaknesses in the aforesaid internal control systems.
5. The holding company and subsidiaries incorporated in India have not accepted any deposits during the year from the public to which the directives issued by Reserve Bank of India and the provisions of Section 73 to 76 and any other relevant provisions of the Act and the rules framed thereunder apply.
6. As per the information and explanations given to us, in respect of the class of industry the holding company and its subsidiaries incorporated in India fall under, the maintenance of cost records has not been prescribed by the Central Government under section 148(1) of the Companies Act, 2013. Therefore, Paragraph 3 (vi) of the Order is not applicable to the holding company and subsidiaries incorporated in India.
7. (a) According to the information and explanations given to us and the records of the Company examined by us, the holding company and subsidiaries incorporated in India are generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues as applicable to the Company, with the appropriate authorities. There were no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues as applicable to the Company outstanding as at 31st March 2015 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and records of the holding company and subsidiaries incorporated in India examined by us, there are no cases of non-deposit with the appropriate authorities of disputed dues of sales tax or wealth tax or service tax or duty of customs or duty of excise or cess, as applicable to the holding company and subsidiaries incorporated in India. However according to the information and explanations given to us, the following dues of income tax, Value added tax and profession tax of the holding company and two of its subsidiaries, have not been deposited by the holding company and subsidiaries incorporated in India on account of dispute:

**In case of holding company:**

Name of the Statute	Nature of the disputed dues	Amount of Tax (₹)	Period to which the amount relates	Forum where dispute is pending
MVAT Act, 2002	Delay in filing VAT Audit Report for the period 2007-2008	₹ 5,63,342/-	F.Y. 2007-2008	Jt. Comm. Of Sales Tax
MVAT Act, 2002	Import Of Furniture	₹ 53,32,476/- including interest and penalty	F.Y. 2008-2009	Dy. Comm. of sales tax
Profession Tax	Profession Tax, Penalty & Interest	₹ 15,53,529/-	A.Y. 2007-2008	Dy. Comm. Of Sales Tax – Appeals
Income Tax Act, 1961	Disallowance of Expenses U/S 14 A	₹ 6,07,817/-	A.Y. 2006-2007	CIT (Appeals) of Income Tax has partly decided the appeal in favor of the company order giving effect to CIT order is pending with Assessing officer.
Income Tax Act, 1961	Disallowance of Depreciation, Disallowance U/S 14A and Disallowance of Expenses	₹ 70,25,888/-	A.Y. 2007-2008	Order giving effect to ITAT order is pending with Assessing officer.
Income Tax Act, 1961	Disallowance of Expenses U/S 14 A and ESOP Expenses	₹ 4,43,78,710/-	A.Y. 2008-2009	CIT Appeals of Income Tax has Partly decided the appeal in favor of company. Order giving effect to CIT order is pending. The company has file Appeal before ITAT in respect of disallowance of ESOP expenses.
Income Tax Act, 1961	Disallowance of Expenses U/S 14 A and ESOP Expenses	₹ 9,62,47,624/-	A.Y. 2009-2010	CIT Appeals of Income Tax
Income Tax Act, 1961	Disallowance of Expenses u/s 14 A and ESOP Expenses and Transfer Pricing Adjustment	₹ 5,51,65,596/-	A.Y. 2010-2011	CIT Appeals of Income Tax
Income Tax Act, 1961	Disallowance of Expenses u/s 14 A and ESOP Expenses and Transfer Pricing Adjustment	₹ 3,53,86,490/-	A.Y. 2011-2012	CIT Appeals of Income Tax

In case of subsidiary companies:

Name of the Statute	Nature of the disputed dues	Amount of Tax (₹)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Disallowance of Expenses U/S 14(A) of IT Act	₹ 1,41,20,880/-	A.Y. 2010-2011	Commissioner of Income Tax Appeal
Income Tax Act, 1961	Disallowance of Expenses U/S 14(A) of IT Act	₹ 6,51,96,327/-	A.Y. 2011-2012	Commissioner of Income Tax Appeal
Income Tax Act, 1961	Disallowance of Expenses U/S 14(A) of IT Act	₹ 8,25,54,320/-	A.Y. 2012-2013	Commissioner of Income Tax Appeal
MVAT Act, 2002	Demand raised due to disallowance of claims	₹ 21,23,374/- out of total demand of ₹ 24,98,087/-	F.Y. 2008-2009	Dy. Comm. of Sales Tax(app.IV)

- (c) According to the information and explanations given to us, the amounts which were required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and the rules made thereunder has been transferred to such fund within time.
8. The Group has no accumulated losses as at 31 March 2015 and it has not incurred cash losses in the financial year ended on that date or in the immediately preceding financial year.
9. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the holding company and subsidiary incorporated in India have not defaulted in repayment of its dues to its financial institutions, banks and debenture holders.
10. The holding company has granted Corporate Guarantees to Banks / Financial Institutions in respect of loans / facilities availed by its subsidiary companies/step down subsidiaries companies. Based on the information and explanations given to us, we are of the opinion that the terms and conditions on which the guaranties are given are prima facie, not prejudicial to the interest of the Group.
11. According to the records verified by us, and based on

- information and explanations given to us, the term loans have been applied for the purpose for which they were raised by subsidiaries incorporated in India.
12. During the course of our examination of the books and records of the holding company and subsidiaries incorporated in India, carried out in accordance with the generally accepted auditing practices in India, we have not come across any material fraud on or by the holding company and subsidiaries incorporated in India nor have been informed by the management of holding company and subsidiaries incorporated in India of such fraud except for certain frauds of embezzlement of immaterial amounts noticed in the ordinary course of business and reported to the regulator. We have been informed that appropriate steps have been initiated for recovery.

For Sharp & Tannan Associates
Chartered Accountants
Firm's registration no.109983W
By the hand of

Tirtharaj Khot
Partner

Place: Mumbai
Date: 7th May, 2015

Membership No. (F) 037457

CONSOLIDATED BALANCE SHEET

As at March 31, 2015

		(Amount in ₹)	
Particulars	Note No.	As at March 31, 2015	As at March 31, 2014
I EQUITY AND LIABILITIES			
1) Shareholders' Funds			
(a) Share Capital	3	620,467,896	592,398,006
(b) Reserve and Surplus	4	24,956,430,367	20,926,004,216
Sub total		25,576,898,263	21,518,402,222
(2) Share application money pending allotment	5	-	356,300
(3) Minority Interest	6	2,644,671,554	428,181,611
(4) Non Current Liabilities			
(a) Long-term Borrowings	7	94,711,784,544	60,194,395,700
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long-term Liabilities	8	102,670,934	78,138,108
(d) Long-Term Provisions	9	612,606,309	370,070,980
Sub total		95,427,061,787	60,642,604,788
(5) Current liabilities			
(a) Short-Term Borrowings	10	37,518,064,943	28,090,656,614
(b) Trade Payables	11	7,538,907,813	8,544,069,544
(c) Other current liabilities	8		
- Current portion of long term borrowing		14,163,830,306	16,878,194,159
- Others		8,735,333,506	7,991,484,396
(d) Short-term provisions	9	2,057,268,132	1,043,219,428
Sub total		70,013,404,700	62,547,624,141
TOTAL		193,662,036,304	145,137,169,062
II ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	12	4,562,333,632	4,364,883,702
(ii) Intangible assets	13	50,556,613	24,414,754
(iii) Capitalwork-In-Progress		103,561,879	237,795,495
(iv) Goodwill		383,471,063	332,198,489
(iv) Intangible assets under development		-	-
Sub total		5,099,923,187	4,959,292,440
(b) Non-Current Investments	14	5,709,227,592	4,356,990,973
(c) Deferred Tax Assets (Net)	15	1,227,533,056	851,857,328
(d) Long-term loans & advances	16		
- Loans		50,555,646,082	38,968,895,382
- Others		2,319,290,978	1,815,764,576
(e) Other non-current assets	17	99,312,567	249,221,084
Sub total		59,911,010,275	46,242,729,343
(2) Current assets			
(a) Current investments	18	7,125,127,080	5,758,631,564
(b) Inventories	19	2,549,128,774	581,273,369
(c) Trade receivables	20	4,995,342,454	4,492,094,011
(d) Cash and Bank balances	21	18,287,380,364	14,121,993,042
(e) Short-term loans & advances	16		
- Loans		87,163,336,674	62,321,927,971
- Others		7,888,507,285	5,552,162,475
(f) Other current assets	17	642,280,211	1,107,064,847
Sub total		128,651,102,842	93,935,147,279
TOTAL		193,662,036,304	145,137,169,062
See accompanying notes Forming Part of Consolidated Financial Statements		1 to 41	

As per our attached report of even date

For Sharp & Tannan Associates

Chartered Accountants

Firm's Registration No. 109983W

By the hand of

Tirtharaj Khot

Partner

Membership No.: (F) 037457

Place : Mumbai

Dated: May 07, 2015

For and on behalf of the Board of Directors

Nirmal Jain

Chairman

(DIN: 00010535)

Parag Shah

Chief Financial Officer

R. Venkataraman

Managing Director

(DIN: 00011919)

Ashutosh Naik

Company Secretary



CONSOLIDATED STATEMENT OF PROFIT AND LOSS

For the year ended March 31, 2015

(Amount in ₹)

Particulars	Notes	2014-2015	2013-2014
INCOME			
Revenue from operations			
Fund Based Activities		26,234,193,038	20,271,759,363
Financial Products Distribution		5,827,007,213	4,484,284,459
Capital Market Activities		4,475,714,092	3,462,917,584
Other Income	22	126,609,490	153,934,640
Total Revenue		36,663,523,833	28,372,896,046
EXPENDITURE			
a. Employee Benefits Expense	23	6,049,226,726	4,937,909,704
b. Finance Cost	24	14,338,236,076	11,532,282,404
c. Depreciation and Amortisation Expense	25	591,611,398	678,935,116
d. Other Expenses	26	7,396,599,289	6,585,706,280
e. Provisions and Write off	27	1,049,229,371	439,961,727
Total expenses		29,424,902,860	24,174,795,231
Profit before exceptional items		7,238,620,973	4,198,100,815
Exceptional Items		-	-
Profit Before Tax		7,238,620,973	4,198,100,815
Tax expenses :			
(a) Current tax expense for current year		2,823,478,655	1,593,884,677
(b) Current tax expense relating to prior year		28,584,728	(8,073,423)
(c) Net Current Tax Expense		2,852,063,383	1,585,811,254
(d) Deferred Tax		(377,079,619)	(301,542,055)
Sub total		2,474,983,764	1,284,269,199
Profit for the year		4,763,637,209	2,913,831,616
Less: Share of Minority Interest		290,392,316	133,038,176
Net consolidated profit for the year		4,473,244,893	2,780,793,440
Earnings per equity share (Face Value ₹ 2)			
(1) Basic	28	14.76	9.41
(2) Diluted	28	14.36	9.14
See accompanying notes Forming Part of Consolidated Financial Statements	1 to 41		

As per our attached report of even date

For Sharp & Tannan Associates

Chartered Accountants

Firm's Registration No. 109983W

By the hand of

Tirtharaj Khot

Partner

Membership No.: (F) 037457

Place : Mumbai

Dated: May 07, 2015

For and on behalf of the Board of Directors

Nirmal Jain

Chairman

(DIN: 00010535)

Parag Shah

Chief Financial Officer

R. Venkataraman

Managing Director

(DIN: 00011919)

Ashutosh Naik

Company Secretary

CONSOLIDATED CASH FLOW STATEMENT

For the year ended March 31, 2015

(Amount in ₹)		
Particulars	As at March 31, 2015	As at March 31, 2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit before taxation, and exceptional items	7,238,620,973	4,198,100,815
Adjustments for:		
Depreciation & Amortisation	591,611,398	678,935,116
Provisions for gratuity	32,571,520	15,984,553
Provisions for leave encashment	25,142,381	24,203,486
Provision for doubtful debts	113,831,175	(2,442,156)
Provision for doubtful loans	493,108,185	275,864,830
Contingent Provision against standard assets	240,197,231	76,495,100
(Profit)/loss on sale of assets	166,329,743	30,805,263
Loss on sale of subsidiary	-	4,761,119
Provision for diminution in the value of Investment	14,396,000	-
Finance Cost	14,338,236,076	11,532,282,404
Provision for Contingencies	258,013,595	-
Operating profit before working capital changes	23,512,058,277	16,834,990,530
(Increase)/Decrease in trade receivables	(549,491,849)	(1,493,908,634)
(Increase)/Decrease in Inventory	(1,967,855,405)	-
Increase/(Decrease) in provision	1,198,870,132	114,152,067
Increase/(Decrease) in trade payable	(1,005,630,160)	682,004,451
Increase/(Decrease) in other current Liability	(367,656,605)	2,225,386,354
Increase/(Decrease) in loans and advances and Other Assets	(39,413,449,420)	(17,496,828,813)
Cash generated from operations	(18,593,155,030)	865,795,955
Tax (Paid)/Refund	(2,669,323,816)	(1,497,785,338)
Net cash used in operating activities	(21,262,478,846)	(631,989,383)
CASH FLOWS FROM INVESTING ACTIVITIES		
(Purchase)/Sale of fixed assets (includes intangible assets)	(846,718,342)	(725,610,945)
(Purchase)/Sale of Non-current Investments	(1,366,632,619)	940,898,984
(Purchase)/Sale of Current Investments	(1,364,431,351)	242,053,553
(Repayment)/Receipt of Deposit	24,527,626	-
Acquisition of Subsidiary (net of cash acquired)	(59,234,512)	-
(Purchase)/Sale of Inventories	-	112,795,069
Proceed from Sale of investment in subsidiary	-	26,482,915
Net cash from/(used in) investing activities	(3,612,489,198)	596,619,576
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital (includes minority share capital)	2,711,691,848	39,504,613
Buy back of equity shares/Purchase of Minority stake in subsidiary	-	-
Proceed from Share Application Money	-	356,300
Foreign exchange fluctuation	(17,037,332)	151,225,276
(Repayment)/Proceeds of Long term borrowings	31,803,024,991	18,668,389,596
(Repayment)/Proceeds of Short term borrowings	9,412,108,347	(9,256,024,467)



(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Dividend (Incl dividend distribution tax)	(1,111,338,631)	(1,102,957,383)
Dividend paid to Minority Share holders	(74,371,523)	-
Finance cost paid	(13,683,722,334)	(8,328,048,355)
Net cash from financing activities	29,040,355,366	172,445,580
Net increase in cash and cash equivalents	4,165,387,322	137,075,773
Cash and cash equivalents at beginning of period	14,121,993,042	13,984,917,269
Cash and cash equivalents at end of period	18,287,380,364	14,121,993,042
Net increase in cash and cash equivalents	4,165,387,322	137,075,773
Cash and cash equivalents include :		
Cash on hand	479,883,111	226,178,443
Bank balances	11,645,953,846	9,381,525,798
Fixed deposits	6,161,543,407	4,514,288,802
See accompanying notes Forming Part of Consolidated Financial Statements Note 1 to 41		

As per our attached report of even date

For Sharp & Tannan Associates

Chartered Accountants

Firm's Registration No. 109983W

By the hand of

Tirtharaj Khot

Partner

Membership No.: (F) 037457

Place : Mumbai

Dated: May 07, 2015

For and on behalf of the Board of Directors

Nirmal Jain

Chairman

(DIN: 00010535)

Parag Shah

Chief Financial Officer

R. Venkataraman

Managing Director

(DIN: 00011919)

Ashutosh Naik

Company Secretary

CONSOLIDATED FINANCIAL STATEMENT OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming Part of Consolidated Financial Statement for the year ended March 31, 2015

NOTE 1. CORPORATE INFORMATION:

IIFL Holdings Limited was incorporated on October 18, 1995 and is engaged in Merchant Banking and Investment Advisory services besides holding investments in subsidiaries. The Group business consist of finance, financial services, capital market services, distribution of financial products and wealth management services which are carried out by separate subsidiaries of IIFL Holdings Limited.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES:**2.1 Basis of Consolidation:****a) Basis of Preparation:**

The individual Balance Sheet as at March 31, 2015 and Statement of Profit and Loss for the year ended March 31, 2015 of IIFL Holdings Limited ('the Company') and its subsidiaries and joint ventures ('companies and / or subsidiaries/ joint ventures'), collectively referred to as 'Group', have been consolidated as per principles of consolidation enunciated in Accounting Standard (AS) 21- 'Consolidated Financial Statements' as prescribed by companies (Accounting standard) Rules, 2014 (as amended). The financial statements have been prepared under historical cost convention on an accrual basis. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year by the Company.

b) Principles of Consolidation:

The financial statements of the group companies of IIFL Holdings Limited have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with all material aspects of the applicable Accounting Standards notified under section 133 of the Companies (Act) read with rule 7 of the Companies Accounts Rules, 2014 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The effects of all inter-group transactions and balances have been eliminated on consolidation. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the Previous Year by the Company.

c) The list of subsidiaries and Joint venture that have been consolidated are given in note no 29.

2.2 Use of Estimates:

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

2.3 Fixed Assets and Depreciation:

Fixed assets are stated at cost of acquisition less accumulated depreciation and impairment loss, if any thereon. Depreciation is charged using the straight line method based on the useful life of fixed assets as estimated by the management as specified below. Depreciation is charged from the month in which new assets are put to use. No depreciation is charged for the month in which assets are sold.

In the case of transfer of used fixed assets from group companies, depreciation is charged over the remaining useful life of the assets. Individual assets / group of similar assets costing up to ₹ 5,000 have been depreciated in full in the year of purchase. Leasehold land is depreciated on a straight line basis over the leasehold period.

Estimated useful life of the assets is as under:

Class of assets	Useful life in Years
Buildings *	20
Computers *	3
Non Compete Fees	5
Electrical equipment *	5
Office equipment	5
Furniture and fixtures *	5
Vehicles *	5
Software	3

CONSOLIDATED FINANCIAL STATEMENT OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming Part of Consolidated Financial Statement for the year ended March 31, 2015

* For these class of assets, based on internal assessment and independent technical evaluation carried out by external values 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 are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

2.4 Translation of foreign currency items :

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. Exchange difference, if any, arising out of transactions settled during the year are recognized in the Statement of Profit and Loss. Foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date. The exchange gains or losses, if any, are recognized in the Statement of Profit and Loss and related assets and liabilities are accordingly restated in the Balance Sheet.

2.5 Revenue Recognition:

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

- a. Brokerage income earned on secondary market operations is accounted on trade dates.
- b. Interest Income is recognized on accrual basis.
- c. Dividend income is recognized when the right to receive payment is established on balance sheet date.
- d. Depository related, Investment banking related and Income in respect of other heads is accounted on accrual basis.
- e. Income from arbitrage comprises profit/loss on sale of securities held as stock-in-trade and profit / loss on equity derivative instruments is accounted as per following;

(i) Profit / loss on sale of securities is determined based on the FIFO cost of the securities sold.

(ii) Profit / loss on arbitrage transactions is accounted for as explained below:

Initial and additional margin paid over and above initial margin for entering into contracts for Equity Index / Stock Futures / Currency Futures and or Equity Index / Stock Options / Currency Options which are released on final settlement/squaring-up of underlying contracts are disclosed under other current assets. "Mark-to-market margin- Equity Index / Stock Futures / Currency Futures" representing the amounts paid in respect of mark to market margin is disclosed under other current assets.

"Equity Index / Stock Option / Currency Option Premium Account" represents premium paid or received for buying or selling the Options, respectively.

One of the step down Subsidiary has recognised Income from Penal charge, Penal interest and Cheque Bouncing Charges pertaining to loan assets on receipt basis as against the accrual system of the group which constitute 0.2% of the total revenue of fund based segment of the group.

On final settlement or squaring up of contracts for Equity Index / Stock Futures / Currency Future, the realized profit or loss after adjusting the unrealized loss already accounted, if any, is recognized in the Statement of Profit and Loss. On settlement or squaring up of Equity Index / Stock Options / Currency Option before expiry, the premium prevailing in "Equity Index / Stock Option / Currency Option Premium Account" on that date is recognized in the Statement of Profit and Loss.

As at the Balance Sheet date, the Mark to Market / Unrealised Profit / (Loss) on all outstanding arbitrage portfolio comprising of Securities and Equity/Currency Derivatives positions is determined on scrip basis (e.g. Nifty, SBI, HDFC) with net unrealized losses on scrip basis being recognized in the Statement of Profit and Loss and the net unrealized gains on scrip basis are ignored.

- f. Brokerage income from commodities trading is accounted for on the dates of respective trades.
- g. Commission income on first year premium on insurance policies is recognised, when an insurance policy sold by the Company is accepted by the principal insurance company. Renewal commission on policies is accounted for on receipt basis.
- h. Investment banking related income is accounted on accrual basis.
- i. Portfolio management fee are accounted on accrual basis as follows :

In case of percentage based fee, in accordance with portfolio Management Agreement entered with the respective clients, on quarterly basis

CONSOLIDATED FINANCIAL STATEMENT OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)**Notes forming Part of Consolidated Financial Statement for the year ended March 31, 2015**

Distribution fee / commission and other fee is recognised on accrual basis in accordance with the terms agreed with the counter party

j. Mortgages and loan :

The group complies, in all material respects, with the Prudential Norms relating to income recognition, accounting standards, asset classification and the minimum provisioning for bad and doubtful debts, specified in the directions issued by the Reserve Bank of India/National Housing Bank as applicable.

Dealer / agent commission paid or payable is recognised as expense as and when it is incurred.

k. Revenue from Online Media is recognized pro-rata, over the contractual /subscription period.

2.6 Employee Benefits:

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

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

Gratuity is post employment benefit and is in the nature of defined benefit plan. The Liability recognized in the Balance Sheet in respect of gratuity is the present value of defined benefit obligation at the Balance Sheet date together with the adjustments for unrecognized actuarial gain or losses and the past service costs. The defined benefit obligation is calculated at or near the Balance Sheet date by an independent actuary using the projected unit credit method.

2.7 Deferred Employee Stock Compensation:

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

2.8 Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognised if, as a result of past event, the company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

For its NBFC Subsidiary India Infoline Finance Limited (IIFL), Non-performing loans are written off / provided for, as per management estimates, subject to the minimum provision required as per Non-Banking financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 ("RBI Directions, 2015) dated March 27, 2015. Provision on standard assets is made as per notification no. DNBR.009/CGM(COS)-2015 dated March 27, 2015 issued by RBI.

For its Housing Finance subsidiary India Infoline Housing Finance Limited (IIHFL), Non performing loans are written off / provided for, as per management estimates subject to the minimum provision required as per National Housing Bank (NHB) directions. Provision on standard assets is made as per notification issued by NHB. All such provisions are classified as long term provision.

The group creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

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

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

2.9 Taxes on Income:

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Provision for current tax is computed based on estimated tax liability computed after adjusting for allowance, disallowance and exemptions in accordance with the applicable tax laws.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rate and the tax laws enacted or substantively enacted at the Balance Sheet date. The deferred tax asset is recognised or unrecognised, to the extent that it

CONSOLIDATED FINANCIAL STATEMENT OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)**Notes forming Part of Consolidated Financial Statement for the year ended March 31, 2015**

has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available. At each reporting date, the Company re-assesses unrecognized deferred tax assets. Deferred tax liability is recognised as and when arisen.

2.10 Operating Leases:

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

2.11 Investments:

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

2.12 Inventories:

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

2.13 Earnings Per Share:

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

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

2.14 Borrowings:

Borrowings are bifurcated under long term and short term liabilities. Commercial papers are recognised at Face value at the time of its issue. Any difference between the proceeds and the redemption value is recognised in profit & loss account over the period of the borrowings.

2.15 Debenture Issue Expenses:

Debenture issue expenses incurred on public issue of non convertible debentures are amortized on weighted average tenure of the underlying debenture.

In case of private placement of non convertible debentures the same is charged to the profit and loss account in the year in which they are incurred.

2.16 Preliminary Expenses

Preliminary Expenses are written off in the financial year in which it is incurred.

2.17 Assignment of loan portfolio:

Derecognition of loans assigned, in the books of the subsidiary company, is based on the concept of surrender of control over the loans resulting in a “true sale” of loans. Future interest spread receivables in case of a par structure deals are recognised over the tenure of agreements as per guidelines issued by the RBI. Expenditure in respect of direct assignment is recognised upfront. Credit enhancement in the form of cash collateral provided by the subsidiary company is included under Cash and bank balance / Loans and advances, as applicable.

CONSOLIDATED FINANCIAL STATEMENT OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming Part of Consolidated Financial Statement for the year ended March 31, 2015

NOTE 3. SHARE CAPITAL**a. The Authorised, Issued, Subscribed and Paid up share capital comprises of equity shares having a par value of ₹ 2 as follows:**

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Authorised :		
600,000,000 (Previous Year - 600,000,000) Equity Shares of ₹ 2 each	1,200,000,000	1,200,000,000
Issued, Subscribed and Paid Up :		
310,233,948 (Previous Year - 296,199,003) Equity Shares of ₹ 2 each fully paid – up	620,467,896	592,398,006
Total	620,467,896	592,398,006

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

Reconciliation of equity shares :	As at March 31, 2015		As at March 31, 2014	
Particulars	No. of Shares	Amount in ₹	No. of Shares	Amount in ₹
At the beginning of the Period	296,199,003	592,398,006	295,229,883	590,459,766
Add:- Issued during the period on exercise of ESOPs	14,034,945	28,069,890	969,120	1,938,240
Outstanding at the end of the year	310,233,948	620,467,896	296,199,003	592,398,006

c. Terms/rights attached to equity shares

The Company has only one class of equity shares having at par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.

During the year ended March 31, 2015, the amount of per share dividend recognised as distributions to equity shareholders was ₹ 3/- (Previous Year ₹ 3/-)

d. Detail of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Equity shares of ₹ 2 each fully paid up				
Nirmal Bhanwarlal Jain	51,252,000	16.52	51,252,000	17.30
Carlyle Mauritius Investment Advisors Ltd. A/C Carlyle Mauritius III	28,761,409	9.27	28,761,409	9.71
HWIC Asia Fund Class A Shares	27,910,000	9.00	27,910,000	9.42
Venkataraman Rajamani	19,909,432	6.41	19,909,432	6.72
Madhu N Jain	17,000,000	5.48	17,000,000	5.74
Copthall Mauritius Investment Limited	16,305,530	5.26	-	-
Bharat H Parajia	15,721,778	5.07	16,221,778	5.48

e. Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

Particulars	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
	No. of shares	No. of shares	No. of shares	No. of shares	No. of shares
Equity shares bought back by the company	-	-	-	-	12,998,877

f. Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the company, please refer note 34.

CONSOLIDATED FINANCIAL STATEMENT OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming Part of Consolidated Financial Statement for the year ended March 31, 2015

NOTE 4. RESERVE AND SURPLUS

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Securities Premium Account		
Opening balance	11,524,247,043	11,449,417,511
Add : Additions on ESOP's exercised	663,219,055	43,003,308
Add : addition account of issue of shares to minority shareholders	-	39,690,000
Less: Adjusted during the year for Minority Interest	-	(7,863,776)
Closing balance	12,187,466,098	11,524,247,043
General Reserve		
Opening balance	1,556,332,467	1,202,127,324
Add: Adjustment arising on account of sale of Subsidiary	24,100,633	13,926,131
Add: Transferred from surplus in Statement of Profit and Loss	-	341,500,000
Less: Adjusted during the year for Minority Interest	-	(1,220,988)
Closing balance	1,580,433,100	1,556,332,467
I. Special Reserve Pursuant to Section 45 IC of Reserve Bank of India Act, 1934		
Opening balance	1,415,000,000	1,050,000,000
Addition during the year	507,500,000	365,000,000
Closing balance	1,922,500,000	1,415,000,000
II. Special Reserve Pursuant to Section 29C of National Housing Bank Act, 1987		
Opening balance	115,200,000	53,000,000
Addition during the year	108,000,000	62,200,000
Closing balance	223,200,000	115,200,000
Total Special Reserve (I + II)	2,145,700,000	1,530,200,000
Foreign Exchange Fluctuation Reserve		
Opening balance	354,840,877	218,672,875
Add / (Less): Effect of foreign exchange rate variations during the year	(9,010,678)	136,168,002
Closing balance	345,830,197	354,840,877
Capital Reserve		
Opening balance	433,698,701	433,698,701
Addition during the year	-	-
Closing balance	433,698,701	433,698,701
Capital Redemption Reserve		
Opening balance	51,113,584	51,113,584
Addition during the year	-	-
Closing balance	51,113,584	51,113,584
Debenture Redemption Reserve		
Opening balance	2,039,960,055	850,000,000
Add: Additions during the year :	697,858,198	1,189,960,055
Closing balance	2,737,818,253	2,039,960,055
Surplus / (Deficit) in Statement of Profit and Loss		
Balance as per last financial statements	3,435,611,490	3,688,280,881
Profit for the year	4,763,637,209	2,913,831,616
Less:- Appropriations		
Preference Dividend	(35,976,027)	-
Interim Dividend	(906,802,659)	(888,072,909)
Dividend Distribution Tax	(168,559,945)	(157,829,807)
Deferred Tax *	(9,789,120)	-

CONSOLIDATED FINANCIAL STATEMENT OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming Part of Consolidated Financial Statement for the year ended March 31, 2015

Particulars	As at March 31, 2015	As at March 31, 2014
Less : Minority Interest- Current Year Profit	(290,392,316)	(133,038,176)
: Minority interest – Opening Retained Earning	-	(24,357,337)
Goodwill write off	-	(4,542,723)
Transferred to:		
Special Reserve	(615,500,000)	(427,200,000)
General Reserve	-	(341,500,000)
Debenture Redemption Reserve	(697,858,198)	(1,189,960,055)
Net Surplus in the statement of profit and loss	5,474,370,434	3,435,611,490
Total	24,956,430,367	20,926,004,216

* As per circular NHB(ND)/DRS/Policy Circular 65/2014-15 August 22, 2014 issued by NHB, Company has adjusted ₹ 9,789,120 pertaining to previous years towards DTL on the Special Reserves created & maintained under Section 36(1)(viii) of Income Tax Act, 1961 from reserves & the balance ₹ 15,769,916 will be adjusted in phased manner over a period of next 2 financial years.

NOTE 5. SHARE APPLICATION MONEY PENDING ALLOTMENT:

The Company has received Nil (previous year ₹ 356,300/-) towards share application on exercise of ESOP shares which will result in an issue of Nil (Previous year ₹ 7,000) shares of face value of ₹ 2 each. Of the total receipt, ₹ Nil (previous year ₹ 342,300/-) has been received towards securities premium.

NOTE 6. MINORITY INTEREST

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Minority Interest		
Opening Interest	428,181,611	337,602,155
Subsequent increase/(decrease) during the year	2,216,489,943	90,579,456
Closing Minority Interest	2,644,671,554	428,181,611

NOTE 7. LONG TERM BORROWINGS

(Amount in ₹)

Particulars	Non-Current portion		Current Maturities	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
Secured Loans				
Loan from Banks (Secured against receivables) – Refer Note 7.1 below	45,202,399,605	28,941,271,644	13,233,830,306	12,521,989,159
Non Convertible Debentures (Secured Against Immovable Property, Stock and Book Debts) – Refer Note 7.2 below	38,239,754,000	24,432,210,000	930,000,000	4,356,205,000
Sub total	83,442,153,605	53,373,481,644	14,163,830,306	16,878,194,159
Unsecured Loans				
Non Convertible Debentures – Refer Note 7.3 below	11,218,524,056	6,820,914,056	-	-
By Joint Venture (Meenakshi Tower LLP)	51,106,883	-	-	-
Amount disclosed under the head “Other current liabilities”	-	-	(14,163,830,306)	(16,878,194,159)
Sub total	11,269,630,939	6,820,914,056	(14,163,830,306)	(16,878,194,159)
Total	94,711,784,544	60,194,395,700	-	-

During the year, its subsidiaries have raised Secured Term Loans aggregating ₹ 31,150,000,000/- (Previous Year ₹ 17,450,000,000/-) from various banks and has also raised ₹ 15,346,000,000/- (Previous Year ₹ 18,372,100,000/-) by issue of Secured Non Convertible Debentures.

CONSOLIDATED FINANCIAL STATEMENT OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming Part of Consolidated Financial Statement for the year ended March 31, 2015

The above loans are secured by way of first pari passu charge over the current assets in the form of receivables, book debts, bills, outstanding monies receivables including future movable assets, other than those specifically charged. Out of the total loans from banks, loans amounting to ₹ 70,950,000,000/- (Previous Year ₹ 39,613,260,803/-) are also guaranteed by IIFL Holdings Limited (Formerly Known as India Infoline Limited) the holding company.

7.1: TERM LOANS FROM BANKS - SECURED:

(Amount in ₹)

Maturities	Non current					
	As at March 31, 2015			As at March 31, 2014		
Term Loans	1-3 years	3 years & above	Total	1-3 years	3 years & above	Total
Rate of interest*						
9.9%	-	20,190,847	20,190,847	-	-	-
10.01% to 11.00%	27,573,516,056	5,967,083,334	33,540,599,390	-	-	-
11.01 % to 12.00 %	9,486,609,368	2,155,000,000	11,641,609,368	16,531,360,859	5,748,710,784	22,280,071,644
12.01 % to 13.00 %			-	5,088,900,000	1,572,300,000	6,661,200,000
	37,060,125,424	8,142,274,181	45,202,399,605	21,620,260,859	7,321,010,784	28,941,271,644

* The rate of interest for the above term loans are linked to the base rates of the banks and are subject to change from time to time. The above categorisation of loans has been based on the interest rates, prevalent as on the respective reporting dates.

7.2: NON CONVERTIBLE DEBENTURES – SECURED

(Amount in ₹)

Particulars	Non-current portion		Current maturities	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
10.60% Redeemable Non- Convertible Debentures of Face Value ₹ 1,000,000 Each Redeemable on 02-Nov-2021 at par	2,875,000,000	-	-	-
10.60% Redeemable Non-Convertible Debentures of Face Value ₹ 1,000,000 Each Redeemable on 02-Nov-2020 at par	2,875,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures of Face Value ₹ 1,000,000 Each Redeemable on 19-Mar-2019 at premium.	60,000,000	60,000,000	-	-
11.00% Redeemable Non Convertible Debentures of Face Value ₹ 1,000,000 Each Redeemable on 06-Mar-2019 at par.	100,000,000	100,000,000	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures of Face Value ₹ 1,000,000 Each Redeemable on 27-Feb-2019 at premium.	100,000,000	100,000,000	-	-
11.52% Non Convertible debenture of Face Value ₹1,000 Each Redeemable on 27-Dec-2018 at par.	4,018,636,000	4,904,374,000	-	-
12.00% Non Convertible Debentures of Face Value ₹ 1,000 Each Redeemable on 30-Sep-2018 at par.	267,621,000	278,621,000	-	-
12.00% Non Convertible Debentures of Face Value ₹ 1,000 Each Redeemable on 30-Sep-2018 at par.	2,711,932,000	2,810,673,000	-	-
10.40% Non Convertible Debentures of Face Value ₹ 1,000,000 Each Redeemable on 21-Jun-2018 at par.	100,000,000	100,000,000	-	-
10.55% Non Convertible Debentures of Face Value ₹1,000,000 Each Redeemable on 11-Jun-2018 at par	100,000,000	100,000,000	-	-
10.00% Non Convertible Debentures of Face Value ₹ 1,000,000 Each Redeemable on 24-May-2018 at par.	100,000,000	100,000,000	-	-
10.45% Redeemable Non-Convertible Debentures of Face Value ₹ 1,000,000 Each Redeemable on 31-May-2018 at par	1,050,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures Series 5. Option IV of Face value ₹ 1,000,000 Each Redeemable on 18-Apr-2018 at premium	70,000,000	-	-	-

CONSOLIDATED FINANCIAL STATEMENT OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming Part of Consolidated Financial Statement for the year ended March 31, 2015

7.2: NON CONVERTIBLE DEBENTURES – SECURED

(Amount in ₹)

Particulars	Non-current portion		Current maturities	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
Zero coupon Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 10-Apr-2018 at premium	67,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures Series 5 Option III of Face value ₹ 1,000,000 Each Redeemable on 10-Apr-2018 at premium	37,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures Series 6 Option IV of Face value ₹ 1,000,000 Each Redeemable on 03-Apr-2018 at premium	433,000,000	-	-	-
Zero coupon Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 02-Apr-2018 at premium	62,000,000	-	-	-
Zero coupon Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 02-Apr-2018 at premium	33,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures Series 5 Option II of Face value ₹ 1,000,000 Each Redeemable on 02-Apr-2018 at premium	33,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures Series 4 Option III of Face value ₹ 1,000,000 Each Redeemable on 02-Apr-2018 at premium	62,000,000	-	-	-
Equity Linked Non-Convertible Debentures - Series 038 of Face value ₹ 100,000 Each Redeemable on 18-Mar-2018 at par	120,000,000	-	-	-
Zero coupon Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 23-Jan-2018 at premium	34,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures Series 4 Option II of Face value ₹ 1,000,000 Each Redeemable on 23-Jan-2018 at premium	33,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures Series 4 Option I of Face value ₹ 1,000,000 Each Redeemable on 09-Jan-2018 at premium	30,000,000	-	-	-
Zero coupon Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 18-Dec-2017 at premium	60,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures Series 3 Option II of Face value ₹ 1,000,000 Each Redeemable on 18-Dec-2017 at premium	60,000,000	-	-	-
Zero coupon Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 06-Dec-2017 at premium	40,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures Series 3 Option I of Face value ₹ 1,000,000 Each Redeemable on 06-Dec-2017 at premium	40,000,000	-	-	-
Zero coupon Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 20-Nov-2017 at premium	610,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures Series 4 Option 2 of Face value ₹ 1,000,000 Each Redeemable on 20-Nov-2017 at premium	115,000,000	-	-	-



CONSOLIDATED FINANCIAL STATEMENT OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming Part of Consolidated Financial Statement for the year ended March 31, 2015

7.2: NON CONVERTIBLE DEBENTURES – SECURED

(Amount in ₹)

Particulars	Non-current portion		Current maturities	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
Zero coupon Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 02-Nov-2017 at premium	40,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures Series 4 Option 1 of Face value ₹ 1,000,000 Each Redeemable on 02-Nov-2017 at premium	35,000,000	-	-	-
Zero coupon Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 11-Oct-2017 at premium	91,000,000	-	-	-
Zero coupon Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 03-Oct-2017 at premium	39,000,000	-	-	-
Zero coupon Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 21-Sep-2017 at premium	65,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures Series I Option I of Face value ₹ 1,000,000 Each Redeemable on 21-Sep-2017 at premium	195,000,000	-	-	-
Zero coupon Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 31-Aug-2017 at premium	170,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures Option I of Face value ₹ 1,000,000 Each Redeemable on 31-Aug-2017 at premium	170,000,000	-	-	-
Zero coupon Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 16-Aug-2017 at premium	180,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 16-Aug-2017 at premium	180,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures of Face Value ₹ 1,000 Each Redeemable on 20-Jul-2017 at premium	200,000,000	-	-	-
Zero coupon Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 03-Jul-2017 at premium.	120,000,000	-	-	-
Zero coupon Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 03-Jul-2017 at premium.	50,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures Series 6 Option III of Face value ₹ 1,000,000 Each Redeemable on 15-Jun-2017 at premium.	500,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 15-May-2017 at premium.	100,000,000	-	-	-
11.85% Redeemable Non-Convertible Debentures of Face Value ₹ 1,000,000 Each Redeemable on 29-Apr-2017 at par	350,000,000	350,000,000	-	-
Zero coupon Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 25-Apr-2017 at premium	250,000,000	-	-	-

CONSOLIDATED FINANCIAL STATEMENT OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming Part of Consolidated Financial Statement for the year ended March 31, 2015

7.2: NON CONVERTIBLE DEBENTURES – SECURED

(Amount in ₹)

Particulars	Non-current portion		Current maturities	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
Zero Coupon Secured Redeemable Non-Convertible Debentures of Face Value ₹ 1,000,000 Each Redeemable on 24-Apr-2017 at premium.	350,000,000	350,000,000	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures Series 6 Option II of Face value ₹ 1,000,000 Each Redeemable on 10-Apr-2017 at premium.	850,000,000	-	-	-
11.15% Non-Convertible Debenture of Face Value ₹ 1,000 Each Redeemable on 04-Apr-2017 at par.	150,000,000	-	-	-
Zero coupon Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 04-Apr-2017 at premium.	220,000,000	-	-	-
Zero coupon Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 03-Apr-2017 at premium.	180,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures. Series 6. Option I of Face value ₹ 1,000,000 Each Redeemable on 20-Mar-2017 at premium.	500,000,000	-	-	-
Zero coupon Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 07-Mar-2017 at premium	30,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures Series 5 Option I of Face value ₹ 1,000,000 Each Redeemable on 07-Mar-2017 at premium	500,000,000	-	-	-
Equity Linked Non-Convertible Debentures - Series 042 Type I of Face value ₹ 100,000 Each Redeemable on 27-Feb-2017 at par	458,000,000	-	-	-
Equity Linked Non-Convertible Debentures - Series 042 Type II of Face value ₹ 100,000 Each Redeemable on 27-Feb-2017 at par	18,000,000	-	-	-
Equity Linked Non-Convertible Debentures - Series 042 Type III of Face value ₹ 100,000 Each Redeemable on 27-Feb-2017 at par	250,000,000	-	-	-
Equity Linked Non-Convertible Debentures - Series 041 Type I of Face value ₹ 100,000 Each Redeemable on 12-Feb-2017 at par	403,000,000	-	-	-
Equity Linked Non-Convertible Debentures - Series 041 Type III of Face value ₹ 100,000 Each Redeemable on 12-Feb-2017 at par	50,000,000	-	-	-
Equity Linked Non-Convertible Debentures - Series 041 Type II of Face value ₹ 100,000 Each Redeemable on 10-Feb-2017 at par	35,000,000	-	-	-
Equity Linked Non-Convertible Debentures - Series 040 of Face value ₹ 100,000 Each Redeemable on 02-Feb-2017 at par	307,000,000	-	-	-
Equity Linked Non-Convertible Debentures - Series 039 Type I of Face value ₹ 100,000 Each Redeemable on 28-Jan-2017 at par	202,000,000	-	-	-
Equity Linked Non-Convertible Debentures - Series 039 Type II of Face value ₹ 100,000 Each Redeemable on 28-Jan-2017 at par	19,000,000	-	-	-
Equity Linked Non-Convertible Debenture - Series i-037 of Face Value ₹ 100,000 Each Redeemable on 21-Nov-2016 at par.	56,500,000	56,500,000	-	-



CONSOLIDATED FINANCIAL STATEMENT OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming Part of Consolidated Financial Statement for the year ended March 31, 2015

7.2: NON CONVERTIBLE DEBENTURES – SECURED

(Amount in ₹)

Particulars	Non-current portion		Current maturities	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
Zero Coupon Secured Redeemable Non-Convertible Debentures of Face Value ₹ 1,000,000 Each Redeemable on 17-Nov-2016 at premium.	350,000,000	350,000,000	-	-
Equity Linked Non-Convertible Debenture-Series i-036 of face value ₹ 100,000 Each Redeemable on 14-Nov-2016 at par.	62,300,000	104,800,000	-	-
Equity Linked Non-Convertible Debenture- Series i-035 of Face Value ₹ 100,000 Each Redeemable on 02-Nov-2016 at par	74,100,000	74,100,000	-	-
Equity Linked Non-Convertible Debenture - Series i-034 of Face Value ₹ 100,000 Each Redeemable on 25-Oct-2016 at par	30,500,000	30,500,000	-	-
Equity Linked Non-Convertible Debenture - Series i-033 of Face Value ₹ 100,000 each Redeemable on 24-Oct-2016 at par	93,500,000	96,200,000	-	-
12.00% Secured Redeemable Non-Convertible Debentures Option II of Face Value ₹ 1,000 Each Redeemable on 29-Sep-2016 at par	840,482,000	864,237,000	-	-
12.00% Secured Redeemable Non-Convertible Debentures. Option I. of Face Value ₹ 1,000 Each Redeemable on 29-Sep-2016 at par	5,845,214,000	6,089,180,000	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures. Option II of Face value ₹ 1,000,000 Each Redeemable on 06-Sep-2016 at premium	50,000,000	-	-	-
Equity Linked Non-Convertible Debentures - Series I 32 of Face value ₹ 100,000 Each Redeemable on 03-Sep-2016 at par	59,000,000	59,000,000	-	-
Equity Linked Non-Convertible Debentures - Series I 31 Face value ₹ 100,000 Each Redeemable on 02-Sep-2016 at par	13,000,000	13,000,000	-	-
11.70% Non-Convertible Debentures of Face value ₹ 1,000 Each Redeemable on 18-Aug-2016 at par	200,487,000	200,676,000	-	-
11.90% Non-Convertible Debentures of Face value ₹ 1,000 Each Redeemable on 18-Aug-2016 at par	2,275,082,000	2,499,849,000	-	-
Equity Linked Non-Convertible Debentures - Series I 30 of Face value ₹ 100,000 Each Redeemable on 15-Aug-2016 at par	35,000,000	35,000,000	-	-
Equity Linked Non-Convertible Debentures - Series I 29 of Face value ₹ 100,000 Each Redeemable on 10-Aug-2016 at par	44,700,000	52,700,000	-	-
Equity Linked Non-Convertible Debentures - Series I 28 of Face value ₹ 100,000 Each Redeemable on 01-Aug-2016 at par	26,700,000	26,700,000	-	-
Equity Linked Non-Convertible Debentures - Series I 27 of Face value ₹ 100,000 Each Redeemable on 25-Jul-2016 at par	85,200,000	85,200,000	-	-
Equity Linked Non-Convertible Debentures - Series I 26 of Face value ₹ 100,000 Each Redeemable on 18-Jul-2016 at par	148,400,000	148,400,000	-	-
Equity Linked Non-Convertible Debentures - Series I 25 of Face value ₹ 100,000 Each Redeemable on 07-Jul-2016 at par	142,500,000	144,500,000	-	-

CONSOLIDATED FINANCIAL STATEMENT OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming Part of Consolidated Financial Statement for the year ended March 31, 2015

7.2: NON CONVERTIBLE DEBENTURES – SECURED

(Amount in ₹)

Particulars	Non-current portion		Current maturities	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
Equity Linked Non-Convertible Debentures - Series I 24 of Face value ₹ 100,000 Each Redeemable on 04-Jul-2016 at par	388,900,000	388,900,000	-	-
Equity Linked Non-Convertible Debentures - Series I 23 of Face value ₹ 100,000 Each Redeemable on 01-Jul-2016 at par	27,500,000	28,500,000	-	-
Equity Linked Non-Convertible Debentures - Series I 22 of Face value ₹ 100,000 Each Redeemable on 27-Jun-2016 at par	146,000,000	175,000,000	-	-
Equity Linked Non-Convertible Debentures - Series I 21 of Face value ₹ 100,000 Each Redeemable on 21-Jun-2016 at par	74,400,000	86,400,000	-	-
Equity Linked Non-Convertible Debentures - Series I 20 of Face value ₹ 100,000 Each Redeemable on 18-Jun-2016 at par	266,100,000	289,200,000	-	-
11.85% Redeemable Non-Convertible Debentures of Face Value ₹ 1,000,000 Each Redeemable on 29-Apr-2016 at par	350,000,000	350,000,000	-	-
11.70% Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 27-Jul-2015 at par	-	150,000,000	150,000,000	-
Zero Coupon Secured Redeemable Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 27-Jul-2015 at premium	-	100,000,000	100,000,000	-
11.85% Redeemable Non-Convertible Debentures of Face Value ₹ 1,000,000 Each Redeemable on 29-Apr-2015 at par	-	350,000,000	350,000,000	-
Zero Coupon Secured Redeemable Non-Convertible Debentures of Face Value ₹ 1,000,000 Each Redeemable on 22-Apr-2015 at premium	-	200,000,000	200,000,000	-
11.50 % Non-Convertible Debentures of Face value ₹ 10,000 Each Redeemable on 30-Jan-2015 at par	-	-	-	225,000,000
11.70 % Non-Convertible Debentures of Face value ₹ 1,000 Each Redeemable on 18-Dec-2014 at par	-	-	-	285,167,000
11.35% Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 28-Nov-2014 at par	-	-	-	150,000,000
Equity Linked Non-Convertible Debentures Series I-019 of Face value ₹ 100,000 Each Redeemable on 18-Oct-2014 at par	-	-	-	41,000,000
Equity Linked Non-Convertible Debentures Series I-018 of Face value ₹ 100,000 Each Redeemable on 18-Oct-2014 at par	-	-	-	77,500,000
12.25% Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 15-Oct-2014 at par	-	-	-	300,000,000
Equity Linked Non-Convertible Debentures Series I-015 of Face value ₹ 100,000 Each Redeemable on 13-Oct-2014 at par	-	-	-	15,400,000
Equity Linked Non-Convertible Debentures Series I-014 of Face value ₹ 100,000 Each Redeemable on 13-Oct-2014 at par	-	-	-	27,000,000
Equity Linked Non-Convertible Debentures Series I-016 of Face value ₹ 100,000 Each Redeemable on 13-Oct-2014 at par	-	-	-	38,500,000

CONSOLIDATED FINANCIAL STATEMENT OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming Part of Consolidated Financial Statement for the year ended March 31, 2015
7.2: NON CONVERTIBLE DEBENTURES – SECURED

(Amount in ₹)

Particulars	Non-current portion		Current maturities	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
11.70 % Non-Convertible Debentures of Face value ₹ 1,000 Each Redeemable on 18-Aug-2014 at par	-	-	-	3,001,138,000
Equity Linked Non-Convertible Debentures Series I-017 of Face value ₹ 100,000 Each Redeemable on 13-May-2014 at par	-	-	-	75,500,000
11.25% Secured Rated Non Convertible Debenture of Face Value ₹ 1,000,000 Each Redeemable on 20-Mar-2018 at Par	500,000,000	-	-	-
Non Convertible Debentures, 500 units of Face Value ₹ 1,000,000/- Each Redeemable on April 25, 2018 @ ₹ 14,09,856/-	500,000,000	-	-	-
11.80% Secured Rated Non Convertible Debenture of Face Value ₹ 1,000,000 Each Redeemable on 05-Dec-2018 at Par	1,620,000,000	1,620,000,000	-	-
11.80% Secured Rated Non Convertible Debenture of Face Value ₹ 1,000,000 Each Redeemable on 05-Dec-2017 at Par	220,000,000	220,000,000	-	-
11.80% Secured Rated Non Convertible Debenture of Face Value ₹ 1,000,000 Each Redeemable on 05-Dec-2016 at Par	160,000,000	160,000,000	-	-
11.80% Secured Rated Non Convertible Debenture of Face Value ₹ 1,000,000 Each Redeemable on 05-Dec-2015 at Par	-	130,000,000	130,000,000	-
11.80% Secured Rated Non Convertible Debenture of Face Value ₹ 1,000,000 Each Redeemable on 05-Dec-2014 at Par	-	-	-	120,000,000
Total	38,239,754,000	24,432,210,000	930,000,000	4,356,205,000

The above debentures are secured by way of registered mortgage and/ or charge over immoveable property and/or current assets, book debts, receivables (both present and future) and other assets of some of its subsidiaries. Debenture reserve on the Non convertible Debenture has been created as disclosed in below.

Pursuant to Section 71 of the companies Act, 2013 read with Rule 18 of the companies (Share Capital and Debentures) Rules, 2014, Company was required to create debenture redemption reserve of a value equivalent to 25% of the debentures offered through a private placement. Accordingly, ₹ 697,858,198/- (Previous year ₹ 1,189,960,055/-) has been transferred to Debenture Redemption Reserve account for the financial year ended March 31, 2015.

7.3: NON CONVERTIBLE DEBENTURES – UNSECURED

(Amount in ₹)

Particulars	Non-current portion		Current maturities	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
12.10% Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 24-May-23 at par.	100,000,000	100,000,000	-	-
12.20% Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 4-Nov-22 at par.	230,000,000	230,000,000	-	-
12.15% Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 31-Aug-22 at par.	50,000,000	50,000,000	-	-
12.15% Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 31-Aug-22 at par.	150,000,000	150,000,000	-	-

CONSOLIDATED FINANCIAL STATEMENT OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming Part of Consolidated Financial Statement for the year ended March 31, 2015

7.3: NON CONVERTIBLE DEBENTURES – UNSECURED

(Amount in ₹)

Particulars	Non-current portion		Current maturities	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
12.75% Non-Convertible Debentures of Face value ₹ 1,000 Each Redeemable on 30-Mar-2019 (SBMIB VI – 7 years) at par.	50,000	50,000	-	-
12.75% Non-Convertible Debentures of Face value ₹ 1,000 Each Redeemable on 30-Mar-2019 (SBMIB VII – 7 years) at par.	350,000	350,000	-	-
12.75% Non-Convertible Debentures of Face value ₹ 1,000 Each Redeemable on 2-Mar-2019 (SBMIB V – 7 years) at par.	88,000	88,000	-	-
12.00 % Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 27-Feb-2019 at par.*	750,000,000	750,000,000	-	-
12.75% Non-Convertible Debentures of Face value ₹ 1,000 Each Redeemable on 23-Feb-2019 (SBMIB IV – 7 years) at par.	474,000	474,000	-	-
11.50% Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 20-Feb-2019 at premium.*	500,000,000	500,000,000	-	-
12.75% Non-Convertible Debentures of Face value ₹ 1,000 Each Redeemable on 7-Feb-2019 (SBMIB II – 7 years) at par.	30,000	30,000	-	-
12.75% Non-Convertible Debentures of Face value ₹ 1,000 Each Redeemable on 7-Feb-2019 (SBMIB III – 7 years) at par.	250,000	250,000	-	-
12.75% Non-Convertible Debentures of Face value ₹ 1,000 Each Redeemable on 18-Jan-2019 (SBMIB I – 7 years) at par.	1,160,000	1,160,000	-	-
12.75% Non-Convertible Debentures series N7 of Face value ₹ 1,000 Each Redeemable on 17-Sep-18 at premium.	451,094,000	451,094,000	-	-
12.75% Non-Convertible Debentures series N7 of Face value ₹ 1,000 Each Redeemable on 17-Sep-18 at premium.	600,381,000	600,381,000	-	-
12.75% Non-Convertible Debentures series N5 of Face value ₹ 1,000 Each Redeemable on 17-Sep-18 at par	3,796,135,000	3,948,525,000	-	-
12.25% Non-Convertible Debentures of Face value ₹ 1,000 Each Redeemable on 04-Apr-2018 (SBDB VI – 6 years) at premium	1,765,000	1,765,000	-	-
12.25% Non-Convertible Debentures of Face value ₹ 1,000 Each Redeemable on 30-Mar-2018 (SBDB IV – 6 years) at premium.	1,440,000	1,440,000	-	-
12.25% Non-Convertible Debentures of Face value ₹ 1,000 Each Redeemable on 30-Mar-2018 (SBDB V – 6 years) at premium	1,788,000	1,788,000	-	-
12.25% Non-Convertible Debentures of Face value ₹ 1,000 Each Redeemable on 1-Mar-2018 (SBDB III – 6 years) at premium.	2,406,000	2,406,000	-	-

CONSOLIDATED FINANCIAL STATEMENT OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming Part of Consolidated Financial Statement for the year ended March 31, 2015
7.3: NON CONVERTIBLE DEBENTURES – UNSECURED

(Amount in ₹)

Particulars	Non-current portion		Current maturities	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
12.25% Non-Convertible Debentures of Face value ₹ 1,000 Each Redeemable on 7-Feb-2018 (SBDB II – 6 years) at premium.	2,540,000	2,540,000	-	-
12.25% Non-Convertible Debentures of Face value ₹ 1,000 Each Redeemable on 23-Jan-2018 (SBDB I – 6 years) at premium.	3,755,000	3,755,000	-	-
12.75% Non-Convertible Debentures of Face value ₹ 1,000 Each Redeemable on 30-Mar-2017 (SBMIB VII – 5 years) at par.	2,330,056	2,330,056	-	-
12.75% Non-Convertible Debentures of Face value ₹ 1,000 Each Redeemable on 30-Mar-2017 (SBMIB VI – 5 years) at par.	3,234,000	3,234,000	-	-
12.75% Non-Convertible Debentures of Face value ₹ 1,000 Each Redeemable on 2-Mar-2017 (SBMIB V – 5 years) at par	3,129,000	3,129,000	-	-
12.75% Non-Convertible Debentures of Face value ₹ 1,000 Each Redeemable on 23-Feb-2017 (SBMIB IV – 5 years) at par.	3,789,000	3,789,000	-	-
12.75% Non-Convertible Debentures of Face value ₹ 1,000 Each Redeemable on 7-Feb-2017 (SBMIB II – 5 years) at par.	3,297,000	3,297,000	-	-
12.75% Non-Convertible Debentures of Face value ₹ 1,000 Each Redeemable on 7-Feb-2017 (SBMIB III – 5 years) at par.	4,769,000	4,769,000	-	-
12.75% Non-Convertible Debentures of Face value ₹ 1,000 Each Redeemable on 18-Jan-2017 (SBMIB I – 5 years) at par	4,270,000	4,270,000	-	-
11.25% Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 4-September-2020.	2,000,000,000	-	-	-
10.75% Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 3-June-2020.	100,000,000	-	-	-
10.75% Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 30-April-2020.	450,000,000	-	-	-
12% Unsecured Subordinate Non Convertible Debentures. Option I. Date Of Maturity 02-April-2020.	1,798,577,000	-	-	-
Unsecured Subordinate Non Convertible Debentures. Option ii. Date Of Maturity 02-April-2020.	201,423,000	-	-	-
Total	11,218,524,056	6,820,914,056	-	-

* For these Non Convertible Debentures, the subsidiary company has a call option, after 5 years from the date of allotment subject to prior approval from the Reserve Bank of India for redemption. The Non Convertible Debentures does not have any put option

CONSOLIDATED FINANCIAL STATEMENT OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming Part of Consolidated Financial Statement for the year ended March 31, 2015

NOTE 8. OTHER LIABILITIES

(Amount in ₹)

Particulars	Non Current		Current	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Current maturities of long term borrowings	-	-	14,163,830,306	16,878,194,159
Sub total	-	-	14,163,830,306	16,878,194,159
Security deposit received	60,505,809	78,138,108	-	-
Deposit (Beneficiary)	32,406,649	-	-	-
Temporary overdrawn bank balance as per books	-	-	2,136,645,875	1,143,506,857
Interest accrued but not due on borrowings	9,758,476	-	2,559,054,657	2,073,361,760
Advances from customers	-	-	1,125,695,678	622,375,081
Accrued Salaries & Benefits	-	-	478,355,941	404,011,045
Payables on account of assignment	-	-	851,060,351	334,909,820
Contractually Reimbursable Expenses	-	-	150,765,602	197,684,122
Deposits Received	-	-	344,903,716	652,874
Statutory Remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	-	-	422,718,459	176,530,117
Dividend Distribution tax payable	-	-	-	6,901,833
Income received in advance	-	-	82,635,247	72,200,735
Unpaid Dividend	-	-	7,755,450	7,324,899
Debenture application money received pending allotment*	-	-	-	2,122,377,000
Other Payables	-	-	575,742,530	829,648,253
Sub total	102,670,934	78,138,108	8,735,333,506	7,991,484,396
Total	102,670,934	78,138,108	22,899,163,812	24,869,678,555

* During the previous year, the subsidiary successfully completed the public offering of unsecured, Subordinated redeemable, non convertible debenture ("NCD") aggregating to ₹ 2,000,000,000 (the "Issue"). The Subsidiary has allotted the same on April 03, 2014 which was offered through the public offering in the previous year. Amount in excess of allotment has been refundable to the non allottee. Amount outstanding to be refunded ₹ 144,359/- (Grouped under the sub head "Other Payables")

NOTE 9. PROVISIONS

(Amount in ₹)

Particulars	Non Current		Current	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Provision for employee benefits				
Provision for Leave encashment	49,260,837	50,785,047	17,319,019	14,857,580
Provision for Gratuity	13,250,348	9,388,040	2,972,584	64,813,139
Sub total	62,511,185	60,173,087	20,291,603	79,670,719
Provision for others				
Contingent Provision against standard assets	550,095,124	309,897,893	-	-
Provision for expenses	-	-	1,736,047,063	845,419,998
Provision for tax	-	-	250,504,407	118,128,711
Proposed dividend on preference Share	-	-	35,976,026	-
Provision for tax on Dividend	-	-	14,449,033	-
Sub total	550,095,124	309,897,893	2,036,976,529	963,548,709
Total	612,606,309	370,070,980	2,057,268,132	1,043,219,428

CONSOLIDATED FINANCIAL STATEMENT OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming Part of Consolidated Financial Statement for the year ended March 31, 2015
NOTE 10. SHORT – TERM BORROWINGS

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Secured Loans*		
Cash credit from banks	4,377,713,799	4,104,862,698
Loan from banks	2,700,000,000	625,793,916
Sub total	7,077,713,799	4,730,656,614
Unsecured Loans		
Commercial Paper & Inter Corporate Loan	30,440,351,144	23,360,000,000
Sub total	30,440,351,144	23,360,000,000
Total	37,518,064,943	28,090,656,614

* The above secured borrowings are secured by way of first pari passu charge over the current assets in the form of receivables, book debts, bills, outstanding monies receivables including future movable assets, other than those specifically charged. Out of the above secured borrowings, borrowings amounting to ₹ 5,661,302,083/- (Previous Year ₹ 4,373,349,309 /-) are also guaranteed by IIFL Holdings Limited (Formerly known as India Infoline Limited).

NOTE 11. TRADE PAYABLE

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Outstanding dues of Micro & Small Enterprises*	-	-
Outstanding dues of creditors other than Micro & Small Enterprises	7,538,907,813	8,544,069,544
Total	7,538,907,813	8,544,069,544

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

NOTE 12. TANGIBLE ASSETS

(Amount in ₹)

Particulars	Land/ Leasehold Land	Buildings (Including Land)	Computers	Electrical Equipment	Furniture & Fixture	Office Equipment	Vehicles	Total
Cost or valuation as at April 1, 2014	1,830,017,793	1,837,616,433	689,858,572	732,269,587	1,921,381,478	802,961,791	11,426,721	7,825,532,375
Additions		363,897,324	31,872,175	86,449,938	224,189,996	60,443,300	29,260,875	796,113,608
Deductions / Adjustments during the year	2,256,803	4,713,708	7,298,295	5,058,997	41,526,442	7,561,898	-	68,416,143
As at March 31, 2015	1,827,760,990	2,196,800,049	714,432,452	813,660,528	2,104,045,032	855,843,193	40,687,596	8,553,229,840
Depreciation								
As at April 1, 2014	4,968,650	295,351,715	598,080,420	519,193,932	1,441,804,044	595,677,744	5,572,169	3,460,648,673
Depreciation For the year	1,084,067	96,814,152	59,384,196	100,282,870	226,238,251	93,009,575	3,062,185	579,875,296
Deductions/Adjustments during the year	-	-	6,296,850	3,426,229	33,938,024	5,966,658	-	49,627,761
Up to March 31, 2015	6,052,717	392,165,867	651,167,766	616,050,573	1,634,104,271	682,720,661	8,634,354	3,990,896,208
Net Block as at march 31, 2015	1,821,708,273	1,804,634,182	63,264,686	197,609,955	469,940,761	173,122,532	32,053,242	4,562,333,632
Net Block as at march 31, 2014	1,825,049,143	1,542,264,718	91,778,152	213,075,655	479,577,434	207,284,047	5,854,552	4,364,883,702

CONSOLIDATED FINANCIAL STATEMENT OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming Part of Consolidated Financial Statement for the year ended March 31, 2015

NOTE 13. INTANGIBLE ASSETS

(Amount in ₹)

Particulars	Software
Cost or valuation as at April 1, 2014	112,259,612
Additions	37,877,962
Deductions /Adjustments during the year	-
As at March 31, 2015	150,137,574
Depreciation	
As at April 1, 2014	87,844,859
Depreciation For the year	11,736,102
Deductions/Adjustments during the year	-
Up to March 31, 2015	99,580,961
Net Block as at March 31, 2015	50,556,613
Net Block as at March 31, 2014	24,414,754

Note: Capital work in progress is ₹ 103,561,879 (Previous Year ₹ 237,795,495)**NOTE 14. NON CURRENT INVESTMENT**

(Amount in ₹)

Particulars	Face Value	As at March 31, 2015		As at March 31, 2014	
		Number	Amount	Number	Amount
Unquoted, Non-Trade, Long Term (Valued at cost)		-	-	-	-
IIFL Real Estate Fund (Domestic) - series 1, the scheme launched by India Infoline Venture Capital Fund	100	-	-	7,500,000	750,000,000
IIFL Real Estate Fund (Domestic) - series 1, - Class -B Carry Units	10	230	2,300	-	-
IIFL National Development Agenda Fund - Class C Units	10	9,467	100,000	-	-
IIFL Assets Revival Fund - Class C Units	10	6,548	100,000	-	-
IIFL Income opportunity Fund Series - Special Situation -Class C units	10	2,477	25,000	-	-
CL Educate Limited (Converted to Equity shares)	10	23,980	9,999,660	23,980	9,999,660
Blume Venture Capital Fund	10,000	1,663	16,625,000	1,400	14,000,000
IIFL Venture Fund Category I - AIF	-	-	100,000	-	100,000
IIFL Private Equity Fund Category II - AIF	-	-	100,000	-	100,000
Investment in IIFL Opportunities Fund Category III - AIF	-	-	100,000	-	100,000
Investment in IIFL Income Opportunities Fund-I AIF CAT-II	10	-	-	14,890,182	150,000,000
Investment in IIFL Income Opportunities Fund-I AIF CAT-II (Partly paid up @15%)	10	-	-	3,750,000	37,500,000
IIFL Income Opportunities Fund Category II - AIF	10	5,000,000	52,752,971	-	-
IIFL Income Opportunities Special Situation Category II - AIF	10	5,000,000	79,234,358	-	-
IIFL Real Estate Fund (Domestic) - Series 2 Category II - AIF	10	5,000,000	75,000,000	-	-
Fineworthy Software Solutions	10	10,000	100,000	10,000	100,000
HDFC Debt Fund For Cancer Cure -50% Regular	10	2,000,000	20,000,000	-	-
Investment in India Alternative Private equity Fund (Paid up ₹ 62.25)	95.55	1,916,381	101,901,395	-	-


CONSOLIDATED FINANCIAL STATEMENT OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming Part of Consolidated Financial Statement for the year ended March 31, 2015
NOTE 14. NON CURRENT INVESTMENT

(Amount in ₹)

Particulars	Face Value	As at March 31, 2015		As at March 31, 2014	
		Number	Amount	Number	Amount
Investment in India Alternative Private equity Fund	95.07	821,306	43,648,561	-	-
Investment in MF Utilities India Pvt. Ltd.	1	500,000	500,000	500,000	500,000
IIFL Asset Revival Fund	10	9,481,291	100,000,000	9,481,291	100,000,000
Malabar Capital Trust	100	621,475	70,000,000	621,475	70,000,000
Arch Pharma Limited	-	-	-	-	-
Arch Agro Industries Limited	10,000	16,707	167,071,313	16,707	167,071,313
Less : Provision for diminution in the value of investment	-	-	(29,776,000)	-	-
Union KBC Mutual Fund	10	99,990	1,000,000	99,990	1,000,000
Sub Total			708,584,558		1,300,470,973
Debentures and Bonds- for Financing Real Estate projects					
Galleria Developers Pvt Ltd- (Series C)	100,000	857	85,710,000	-	-
Assotech Limited	100,000	4,680	468,000,000	4,160	416,000,000
Pratibha Impex Pvt. Ltd.	100,000	-	-	100	10,250,000
Neptune Developers Ltd	100,000	-	-	800	80,000,000
Roseberry Developers Pvt. Ltd.	100,000	2,400	240,000,000	3,200	320,000,000
Roseberry Developers Pvt. Ltd.- (Series B)	100,000	3,000	300,000,000	4,500	450,000,000
Wadhwa Group Holdings Pvt. Ltd.	100,000	11,500	1,150,000,000	-	-
Shambhavi Realty Private Limited	100,000	959	95,918,689	6,074	607,400,000
Sankalp Siddhi Developers Private Limited	100,000	-	-	3,011	301,100,000
Sumit Realty Private Limited	100,000	-	-	1,050	105,000,000
Renaissance Indus Infra Pvt Ltd.	100,000	10,000	1,000,000,000	-	-
Sheth Buildwell Private Limited	100,000	2,580	258,000,000	51	5,100,000
Parinee Realty Pvt. Ltd.	100,000	3,723	372,273,332	-	-
Sutlej Housing Pvt. Ltd	100,000	700	70,000,000	1,000	100,000,000
Ruchi Priya Developers Pvt. Ltd.	100,000	7,425	742,500,000	6,000	600,000,000
Subtotal			4,782,402,021		2,994,850,000
Unquoted, Non-Trade, Long Term (Valued at cost)					
Equity Shares of Bombay Stock Exchange Limited (Valued at written down value of the Membership card)	1	130,000	16,870,000	130,000	16,870,000
Reliance Capital Limited (Market Linked Debenture)	100,000	448	44,800,000	448	44,800,000
Credit Information Bureau (India) Limited		250,000	155,000,000	-	-
Quoted, Non-Trade, Long Term (Valued at cost)					
Non Convertible Debenture					
IIFL Unsecured NCD-Series N6	1,000	1,085	1,221,127	-	-
IIFL Unsecured NCD-Series N7	1,000	261	349,885	-	-
Total			5,709,227,592		4,356,990,973
Aggregate Book value - Quoted			1,571,012		-
- Unquoted			5,707,656,580		4,356,990,973

CONSOLIDATED FINANCIAL STATEMENT OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming Part of Consolidated Financial Statement for the year ended March 31, 2015

NOTE 15. DEFERRED TAX ASSET

The group has recognized deferred tax assets for the year ended on March 31, 2015 since the management is reasonably / virtually certain of its profitable operations in future. As per Accounting Standard 22 'Accounting for Taxes on Income', the timing differences mainly relates to following items and result in a net deferred tax asset.

(Amount in ₹)

Particulars	2014-2015	2013-2014
Deferred Tax Assets		
Depreciation	252,679,863	198,939,365
On Gratuity/Leave Encashment	4,647,030	23,844,822
Provision for doubtful debts	447,792,298	245,585,417
Provision for Standard assets	190,376,920	105,334,293
Preliminary Expenses	3,065	82,114
Short term/Long Term Capital losses/ Business Loss	240,230,695	278,071,317
Other	133,848,679	-
Sub total	1,269,578,550	851,857,328
Deferred tax Liability		
Deferred tax liability on Special reserve	42,045,494	-
Sub Total	42,045,494	-
Total	1,227,533,056	851,857,328

NOTE 16. LOANS & ADVANCES

(Amount in ₹)

Particulars	Non Current		Current	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Loans				
-Secured, considered good	50,415,475,529	38,590,518,290	86,939,335,697	62,359,424,650
-Secured, considered doubtful	747,978,659	531,855,328	321,807,762	3,857,03,321
-Unsecured considered good	140,170,553	-	224,000,977	-
Less: Provision for doubtful loans	(747,978,659)	(153,478,236)	(321,807,762)	(423,200,000)
Sub total	50,555,646,082	38,968,895,382	87,163,336,674	62,321,927,971
Dues from customers -				
-Secured, considered good	-	-	7,553,805,893	4,511,526,925
-Secured, considered doubtful	-	-	-	21,497,417
-Unsecured considered good	-	-	-	17,779,904
Advances recoverable in cash or in kind or for value to be received – Unsecured	-	-	27,028,268	11,041,315
Advances recoverable in cash or in kind or for value to be received – Secured	-	-	-	53,000,000
Deposits given	463,643,070	437,133,014	23,568,908	200,000,000
Deposit with exchange	91,325,000	112,400,000	135,049,226	576,970,821
Capital Advances – Secured	-	-	-	-
Capital Advances – Unsecured	740,369,120	453,228,716	-	-
Others – Secured	-	-	-	-
Others – Unsecured	18,061,045	3,381,751	99,741,434	160,346,093
Advance income tax (net of provisions ₹ 3,820,975,408 (Previous Year ₹ 4,645,895,601)) – Unsecured	877,166,327	809,621,095	-	-
MAT Credit	40,372,188	-	-	-
Prepaid expenses	88,354,228	-	49,313,556	-
Sub Total	2,319,290,978	1,815,764,576	7,888,507,285	5,552,162,475
Total	52,874,937,060	40,784,659,958	95,051,843,959	67,874,090,446

CONSOLIDATED FINANCIAL STATEMENT OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming Part of Consolidated Financial Statement for the year ended March 31, 2015
NOTE 17. OTHER ASSETS

(Amount in ₹)

Particulars	Non Current		Current	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Unamortised debenture issue expenses	97,353,998	246,824,928	143,627,012	108,748,527
Margin with exchanges	-	-	6,318,809	5,968,992
Prepaid expenses	-	-	205,542,565	505,818,402
Fixed Deposit - Current-Interest on FDR	-	-	34,574,909	-
Others	1,958,569	2,396,156	252,216,916	486,528,926
Total	99,312,567	249,221,084	642,280,211	1,107,064,847

NOTE 18. CURRENT INVESTMENT

(Amount in ₹)

NOTE 10: CURRENT INVESTMENT

Particulars	Face Value	As at March 31, 2015		As at March 31, 2014	
		Number	Amount	Number	Amount
Quoted, Non - Trade, Current (valued At cost or market value whichever is lower)					
IIFL Liquid Fund – Direct Plan - Dividend Reinvestment	1,000	-	-	50,014	50,014,607
Sub Total		-	-	50,014	50,014,607
Unquoted, Non - Trade, Current (valued at cost or market whichever is less)					
Mutual Funds					
DWS Ultra Short Term Fund - Institutional Plan – Growth	10	73,501,223	1,130,000,000	46,634,954	700,000,000
IIFL Income Opportunities Fund	10	9,890,182	99,640,143	8,530,293	85,558,848
IIFL Short Term Income Fund-Regular Plan-Growth	10	-	-	1,000,000	10,000,000
IIFL India Growth Fund	10	11,230,487	120,000,000	-	-
IIFL Liquid Fund Regular Growth	1000	8,986	10,000,000	-	-
JP Morgan Mutual Fund	10	-	-	9,307,872	97,788,979
IIFL National Development Agenda Fund	10	9,713,024	100,000,000	-	-
IIFL Income Opportunities - Special Situation Class B	10	5,857,833	59,532,799	-	-
IIFL Real Estate Fund (Domestic) Series 1 Class B	10	214	2,140	-	-
IIFL Real Estate Fund (Domestic) Series 1 Class C	57	7,500,000	489,093,187	-	-
Prudential ICICI liquid Plan	100	-	-	830,933	200,000,000
IIFL Liquid Fund	1,000	-	-	13,577	14,000,000
IIFL Liquid Fund – Direct Plan – Growth	10	22,907	24,240,843	-	-
IIFL India Growth Fund – Direct Plan - Growth	10	533,063	5,330,634		
IIFL Dynamic Bond Fund	10	563,625	6,115,323	-	-
ICICI Prudential Value Fund Series 6 (Div)	10	500,000	5,000,000	-	-
ICICI Prudential Value Fund Series 6 (G)	10	2,500,000	25,000,000	-	-
Birla Sunlife Fixed Term Plan SR IP Regular	10	3,500,000	38,760,400	-	-
HDFC Mutual fund	10	-	-	2,000,000	20,000,000
Birla Sunlife Mutual Fund	10	132,940	13,324,697	-	-
Kotak Bond Plan A	10	7,072,960	483,300,000	-	-
HDFC Monthly Income Plan-Long Term Plan-Growth		17,878,899	508,300,000	-	-
Birla Sunlife Income Plus Growth		7,493,687	470,800,000	-	-
Reliance Fixed Horizon Fund	10	20,000,000	200,000,000	-	-
Quoted, Non-Trade, Current Fixed Maturity Plan					
HDFC FMP SR 30	10	-	-	42,300,000	423,000,000

CONSOLIDATED FINANCIAL STATEMENT OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming Part of Consolidated Financial Statement for the year ended March 31, 2015

NOTE 18. CURRENT INVESTMENT

(Amount in ₹)

Particulars	Face Value	As at March 31, 2015		As at March 31, 2014	
		Number	Amount	Number	Amount
HDFC FMP SR 27	10	-	-	5,097,100	52,854,574
Pramerica Fixed Duration Fund SR 5	1,000	-	-	40,000	43,803,116
Subtotal			3,788,440,171		1,697,020,124
Bonds					
8.1% Hudco -2022	1,000	-	-	2,000	1,930,477
8.41% IIFCL -2024	1,000	-	-	15,000	15,217,738
8.48% IIFCL -2028	1,000,000	-	-	21	21,722,078
8.48% IRFC -2028	1,000,000	-	-	50	51,382,356
8.5% NHAI -2029	1,000	-	-	15,000	15,038,425
8.63% NHB -2029	5,000	-	-	7,524	38,260,426
8.41% NTPC -2023	1,000	-	-	8,422	8,616,052
8.67% PFC -2023	1,000	-	-	44,000	45,161,908
8.48% NHAI -2028	1,000,000	90	98,393,575	-	-
Subtotal			98,393,575		197,329,460
Non Convertible Debenture					
IIFL Unsecured NCD-Series N5	1,000	-	-	205,400	205,401,981
Subtotal			-		205,401,981
Debentures and Bonds - for Financing Real Estate Projects					
Galleria Mall Developers Pvt Ltd	100,000	-	-	3,378	337,840,000
Assotech Ltd.	100,000	520	52,000,000	1,040	104,000,000
Pratibha Impex Pvt. Ltd.	100,000	137	13,666,668	307	30,750,000
Neptune Developers Ltd	100,000	-	-	800	80,000,000
Roseberry Developers Pvt. Ltd.-(Series B)	100,000	2,000	200,000,000	500	50,000,000
Roseberry Developers Pvt. Ltd.	100,000	1,600	160,000,000	800	80,000,000
Ruchi Priya Developers Pvt. Ltd.	100,000	2,000	200,000,000	-	-
Wadhwa Constructions and Infrastructures Pvt. Ltd.	100,000	5,000	500,000,000	5,000	500,000,000
Wadhwa Group Holdings Pvt. Ltd.	100,000	-	-	11,500	1,150,000,000
Sutlej Housing Pvt. Ltd.	100,000	300	30,000,000	-	-
Parinee Realty Pvt. Ltd.	100,000	6,027	602,726,668	-	-
Galleria Mall Developers Pvt Ltd- Series C	100,000	-	-	2,285	228,560,000
Sankalp Siddhi Developers Pvt Ltd	100,000	-	-	3,157	315,780,000
Sumit Realty Private Limited	100,000	-	-	3,150	315,000,000
Subtotal			1,758,393,336		3,191,930,000
Quoted, Non-Traded, Current (Valued at cost)					
Investment in Infrastructure Leasing & Financial Services Ltd	7,500	-	-	2,256	28,200,000
Investments in Government Securities					
8.40% Government Security – 2024	100	10,000,000	1,029,400,000	-	-
7.16 % - 2023	100	5,000,000	450,500,000	5,000,000	450,500,000
Less: provision for diminution in the value investment		-	-	-	(11,750,000)
Sub Total			1,479,900,000		466,950,000
Total			7,125,127,080		5,758,631,564
Aggregate book value – Quoted			1,479,900,000		488,764,607
Unquoted			5,645,227,083		5,269,866,958

CONSOLIDATED FINANCIAL STATEMENT OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming Part of Consolidated Financial Statement for the year ended March 31, 2015
NOTE 19. INVENTORIES - (AT LOWER OF COST OR NET REALISABLE VALUE)

(Amount in ₹)

Particulars	Face Value	As at March 31, 2015		As at March 31, 2014	
		Number	Amount	Number	Amount
Equity Shares					
Fineworthy Software Solutions	10	381,940	91,908,573	381,940	91,908,573
L & T Finance Holding Ltd	100	-	-	5,120	512,587
GHCL Limited	10	856,466	29,145,978	856,466	29,145,978
Ess Dee Aluminium Limited	10	-	-	691	1,501,440
Sub Total			121,054,551		123,068,578
Commodities					
Castor Seed	Kg.	30,000	1,088,700	-	-
Guargum	Kg.	13,000	1,095,900	-	-
Jeera	Kg.	504,000	73,891,200	-	-
Gold	Kg.	11	28,763,800	-	-
Cotton Seed Oil Cake	Kg.			394,689	5,860,000
Sub total			104,839,600		5,860,000
Non convertible Debentures					
20% Prince Foundation Ltd	12,500	-	-	24	300,000
Equity linked Non convertible* Debentures of Macquarie Finance (India) Private Limited	100,000	-	-	473	47,300,000
11.52% IIFHL LTD SR-N1 26DC18	1,000	-	-	13,540	13,746,140
11.70% IIFL 18AG14	1,000	-	-	545	584,965
11.90% IIFL 18AG16	1,000	-	-	5,200	5,464,811
12.75% IIFL OPT-II 17SP18	1,000	-	-	3,000	3,230,415
12.75% IIFL SEPT 2018	1,000	-	-	610	616,370
8.10% HUDCO 05MR22	1,000	-	-	600	579,411
8.46% IIFCL 30AG28	1,000,000	-	-	4	4,143,238
Arch Agro Ind Pvt Ltd	10,000	1,797	15,359,949	1,797	17,066,610
8.91%/8.66% IIFCL BD 22JN34	1,000	2,000	2,300,828	-	-
8.40%/8.65% IRFC 18-Feb-29	1,000	1,000	1,172,334	-	-
12% IIFL LTD OPT-I NCD 29SP16	1,000	2,500	2,529,928	-	-
Wadhwa Holding Pvt. Ltd NCD		359	36,495,422	-	-
ECL Finance Ltd SR-D7C403	100,000	-	-	11	1,100,000
ECL Finance Ltd E7E401	100,000	-	-	55	5,500,000
IIFL I-020 18 JUL 16	100,000	-	-	50	5,588,118
IIFL SR-I-017 13MAY14	1,00,000	-	-	60	8,073,520
India Infoline Housing finance Limited 1152IIHF18	1,000	-	-	21	20,392
India Infoline Housing finance Limited IIFL NI	1,000	-	-	1,738	1,757,118
India Infoline Housing finance Limited IIFL NII	1,000	-	-	225	301,648
Subtotal			57,858,461		115,372,756

CONSOLIDATED FINANCIAL STATEMENT OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming Part of Consolidated Financial Statement for the year ended March 31, 2015

NOTE 19. INVENTORIES - (AT LOWER OF COST OR NET REALISABLE VALUE)

(Amount in ₹)

Particulars	Face Value	As at March 31, 2015		As at March 31, 2014	
		Number	Amount	Number	Amount
Venture Capital Fund					
IIFL Real Estate (Domestic) Fund – Series I	100	-	139,212,664	25,000	2,469,379
AIF CAT-II IIFL Income Opportunities Fund Series 1	10	28,048,660	295,526,291	28,720,269	296,029,079
IIFL Real Estate (Domestic) Fund – Series I - Class C	100	97,191	7,588,453	-	-
AIF CAT-II IIFL Income Opp Fund Series 1 -Carry units class B	10	58	580	-	-
AIF CAT-II IIFL Income Opp Fund Series Spl. Situations		5,330,459	51,768,761	-	-
AIF CAT-III IIFL National Development Agenda Fund		5,902,354	62,228,659	-	-
India Alternative Private Equity Fund	95.07	2,628,694	139,702,753	-	-
India Alternative Private Equity Fund (Paid up ₹ 62.25)	95.55	1,234,619	65,649,470	-	-
Subtotal			761,677,631		298,498,458
Options*					
Nifty Call 26-06-2014	4,500	-	-	13,550	15,514,750
Nifty Call 26-06-2014	4,600	-	-	9,000	10,620,000
Nifty Call 26-06-2014	6,500	-	-	(10,000)	(2,950,000)
Subtotal					23,184,750
Mutual Fund					
Birla Sunlife FTP Series DA Growth - 08MY14	10	-	-	1	11
Birla Sunlife FTP Series EH Growth - 09FB15	10	-	-	1	11
HDFC Debt Fund for Cancer Cure NFO	10	-	-	500,000	5,000,000
ICICI Prudential FMP Series 63 - 3 Yr Plan H Cumulative 04	10	-	-	1	11
JP Morgan Growth Open Ended	10	-	-	246,962	2,739,998
IIFL Dynamic Growth Fund	10	102,080	1,000,000	102,080	1,000,000
ICICI Prudential Value Discovery Fund	100	246,514	28,170,641	-	-
HDFC Equity Fund - Growth Option	400	18,568	8,694,774	-	-
IIFL Nifty ETF	800	5,180	4,592,806	-	-
IIFL Dynamic Bond Fund- Regular Plan-Grw Opt	10	867,062	10,000,000	-	-
ICICI Prudential Liquid Fund- Direct Plan – Growth	200	1,642,494	340,000,000	-	-
ICICI Prudential Flexible Income Fund- Direct Plan – Growth	250	3,415,034	900,000,000	-	-
Exchange Trade Fund					
EQ-IIFLNIFTY	10	-	-	180	121,038
IIFL Mutual Fund -IIFL NIFTY ETF	10	-	-	672	6,427,758
Inventory - Construction work in progress		-	211,240,309	-	-
Subtotal			1,503,698,530		15,288,827
Total			2,549,128,774		581,273,369
Aggregate market value- stock on hand –Quoted					581,273,369

* Held to cover possible payout in respect of certain Equity Linked Non-Convertible Debentures issued by the subsidiary company.

CONSOLIDATED FINANCIAL STATEMENT OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming Part of Consolidated Financial Statement for the year ended March 31, 2015
NOTE 20. TRADE RECEIVABLE

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
- Unsecured Considered good	402,076,759	274,285,564
- Unsecured Considered doubtful	86,549,214	51,626,857
Sub- Total	488,625,973	325,912,421
Other		
Unsecured Considered good	4,593,175,695	4,217,808,447
Provision for doubtful receivables	(86,459,214)	(51,626,857)
Sub- Total	4,506,716,481	4,166,181,590
Total	4,995,342,454	4,492,094,011

Note 21. CASH AND BANK BALANCES

(Amount in ₹)

Particulars	Current	
	As at March 31, 2015	As at March 31, 2014
Cash and Cash Equivalent		
Cash on hand	479,883,111	226,178,443
Balance with banks		
- In current accounts	-	-
- In client Account	1,635,678,559	1,074,475,362
- others	10,002,523,044	8,299,296,275
In deposit accounts (Less than three months)	151,759,143	100,000,000
Other Bank Balances		
In earmarked accounts		
- Unpaid dividend accounts	7,752,243	7,754,161
In deposit account (Maturity more than 3 months to 12 months)	4,516,265,010	-
in deposit account (Maturity more than 12 months)	1,493,519,254	4,414,288,801
Total	18,287,380,364	14,121,993,042

The group has pledged fixed deposits to the extent of ₹ 6,103,156,200/- (Previous Year ₹ 4,443,402,484/-) with banks for bank guarantees/overdraft facilities, Securitisation as lien and with the stock exchanges.

Note 22. OTHER INCOME

(Amount in ₹)

Particulars	2014-2015	2013-2014
Miscellaneous income	126,609,490	153,934,640
Profit/(loss) on Sale of Assets	-	-
Total	126,609,490	153,934,640

CONSOLIDATED FINANCIAL STATEMENT OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming Part of Consolidated Financial Statement for the year ended March 31, 2015

NOTE 23. EMPLOYEE BENEFIT EXPENSE

(Amount in ₹)

Particulars	2014-2015	2013-2014
Salaries and bonus	5,728,112,664	4,740,344,799
Contribution to provident and other funds	146,974,992	77,368,600
Gratuity expenses	32,571,520	15,984,553
Staff welfare expenses	116,425,169	104,211,752
Leave Encashment	25,142,381	-
Total	6,049,226,726	4,937,909,704

The company is recognising and accruing the employee benefits as per Accounting Standard (AS) -15 "Employee Benefit details are given below

Assumptions	2014-2015	2013-2014
Discount rate Previous Year	9.14%	8.50%
Salary Escalation Previous Year	5.00%	5.00%
Discount rate current year	7.89%/7.90%/7.92%/8.04% as applicable to respective companies	8.00%
Salary Escalation Current year	5.00%	5.00%
Change in Benefit Obligation	2014-2015	2013-2014
Liability at the beginning of the year	166,233,002	163,826,899
Interest Cost	15,193,696	13,106,152
Current Service Cost	38,966,426	43,866,851
Liability Transfer In	-	14,970,663
Liability Transfer out	-	(14,970,663)
Benefit paid	(12,965,967)	(27,586,317)
Actuarial gain on obligations	(8,805,770)	(26,980,583)
Liability at the end of the year	198,621,387	166,233,002
Amount Recognised in the balance sheet	2014-2015	2013-2014
Liability at the end of the year	198,621,387	166,233,002
Fair value of plan assets at the end of the year	184,729,350	92,031,823
Differences	13,892,037	74,201,179
Amount of liability Recognised in the balance sheet	13,892,037	74,201,179
Expenses Recognised in the Income statement	2014-2015	2013-2014
Current Service cost	38,966,426	43,866,851
Interest Cost	7,186,927	13,106,152
Expected return on plan assets	-	(9,506,268)
Actuarial Gain or Loss	(14,818,768)	(21,503,523)
Expense Recognised in P & L	31,334,585	25,963,212
Balance sheet reconciliation	2014-2015	2013-2014
Opening net liability	74,201,179	54,559,447
Expense as above	31,334,585	25,963,212
Net Transfer in	-	8,657,809
Net Transfer out	-	(14,970,663)
Employers contribution	(91,643,727)	(8,626)
Amount Recognised in Balance sheet	13,892,037	74,201,179

Defined Contribution Plans:

The subsidiary companies have recognised the following amounts as an expense and included in the Note 23 – Employee Benefit Expense:

(Amount in ₹)

Particulars	2014-2015	2013-2014
Contribution to Employee Provident Fund	118,067,421	46,828,260



CONSOLIDATED FINANCIAL STATEMENT OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming Part of Consolidated Financial Statement for the year ended March 31, 2015

NOTE 24. FINANCE COST

(Amount in ₹)

Particulars	2014-2015	2013-2014
Interest expenses	14,094,219,555	11,268,329,135
Other borrowing cost	244,016,521	263,953,269
Total	14,338,236,076	11,532,282,404

NOTE 25. DEPRECIATION AND AMORTISATION EXPENSES

(Amount in ₹)

Particulars	2014-2015	2013-2014
Depreciation of tangible assets	579,875,296	673,215,647
Depreciation of intangible assets	11,736,102	5,719,469
Total	591,611,398	678,935,116

NOTE 26. OTHER EXPENSES

(Amount in ₹)

Particulars	2014-2015	2013-2014
Advertisement	266,171,744	215,352,114
Bank Charges	108,051,220	162,255,557
Brokerage Related Expenses	761,800,150	542,397,733
Communication	261,458,424	325,199,941
Donation	13,635,545	11,551,932
Electricity	250,350,906	245,555,792
Exchange and Statutory Charges	44,331,878	42,265,340
Custodian Charges and Franking Charges	25,353,027	32,585,306
Investment and Financing related cost	1,115,826,451	773,736,126
Legal & Professional Fees	401,576,385	414,757,695
Marketing and Commission Expenses	1,487,810,772	1,305,496,344
Miscellaneous Expenses	128,656,582	89,943,077
Office expenses	508,951,791	456,275,190
Postage & Courier	51,070,358	75,032,644
Printing & Stationary	94,604,883	115,715,710
Bad debts write off/(write back)	70,316,815	(2,441,554)
Rent	662,628,537	707,193,807
Insurance	23,058,637	6,722,197
Rates and Taxes	26,346,920	161,468,955
Commission and sitting fee paid to non executive director	19,614,388	5,830,000
Sundry balances written off	13,200	3,347,388
Profit/loss on sale of assets	166,329,743	25,702,014
Repairs & Maintenance		
- Computer	16,858,909	5,239,349
- Others	93,022,428	83,866,163
Remuneration to Auditors :		
- Audit Fees	11,234,920	8,641,069
- Certification Expenses	298,500	463,910
- Out Of Pocket Expenses	379,703	161,360
Software Charges	199,564,979	260,002,521
Subscription & Business promotion	115,230,320	73,159,453
Travelling & Conveyance	447,489,849	438,229,147
Corporate Social Responsibility Expenses	24,561,325	-
Total	7,396,599,289	6,585,706,280

CONSOLIDATED FINANCIAL STATEMENT OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming Part of Consolidated Financial Statement for the year ended March 31, 2015

NOTE 27. PROVISIONS AND WRITE OFF

(Amount in ₹)

Particulars	2014-2015	2013-2014
Bad Debts written off	43,514,360	32,429,421
Provision for Contingencies	258,013,595	43,422,376
Provision for Diminution in value of Investments	14,396,000	11,750,000
Provision for Doubtful Loans	493,108,185	275,864,830
Provision for Standard Loans	240,197,231	76,495,100
Total	1,049,229,371	439,961,727

NOTE 28.

Basic and Diluted Earnings per share ["EPS"] computed in accordance with Accounting Standard (AS) 20 'Earnings per share'

Particulars		2014-2015	2013-2014
BASIC			
Profit after tax as per Statement of Profit and Loss	A	4,473,244,893	2,780,793,440
Weighted Average Number of Shares Subscribed	B	303,037,800	295,568,869
Basic EPS(Rupees)	A/B	14.76	9.41
DILUTED			
Profit after tax as per Statement of Profit and Loss	A	4,473,244,893	2,780,793,440
Weighted Average Number of Shares Subscribed		303,037,800	295,568,869
Add: Potential Equity Shares on Account conversion of Employees Stock Options.		8,468,141	8,675,577
Weighted Average Number of shares Outstanding	B	311,505,941	304,244,446
Diluted EPS (Rupees)	A/B	14.36	9.14

NOTE 29.

The summary of consolidated financial summary represents consolidation of accounts of the company with its following subsidiaries as detailed below:

Subsidiary	Proportion of ownership interest	
	As at March 31, 2015	As at March 31, 2014
India Infoline Limited (Formerly Known as India Infoline Distribution Company Limited)	100%	100%
India Infoline Commodities Limited	100%	100%
India Infoline Media and Research Services Limited	100%	100%
India Infoline Insurance Services Limited	100%	100%
India Infoline Insurance Brokers Limited	100%	100%
IIFL Capital Limited	100%	100%
IIFL Realty Limited	100%	100%
IIFL properties private limited (Formerly Known as Ultra sign and Display Private Limited)	100%	-
IIFL Wealth (UK) Limited	100%	100%
IIFL Capital Inc.	100%	100%
India Infoline Commodities DMCC	100%	100%
India Infoline Finance Limited	98.87%	98.87%
India Infoline Housing Finance Limited	98.87%	98.87%
IIFL Wealth Management Limited	76.77%	78.37%
IIFL Investment Advisor and Trustee Services Limited	76.77%	78.37%
India Infoline Trustee Company Limited	76.77%	78.37%
India Infoline Asset Management Company Limited	76.77%	78.37%
IIFL Distribution services Limited (Formerly known as Finest Wealth Managers Private Limited)	76.77%	78.37%
IIFL Alternate Asset Advisors Limited	76.77%	78.37%
IIFL (Asia) Pte. Limited*	76.77%	100%



CONSOLIDATED FINANCIAL STATEMENT OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming Part of Consolidated Financial Statement for the year ended March 31, 2015

Subsidiary	Proportion of ownership interest	
	As at March 31, 2015	As at March 31, 2014
IIFL Securities Pte. Limited*	76.77%	100%
IIFL Capital Pte. Limited*	76.77%	100%
IIFL Private Wealth Hong Kong Limited*	76.77%	100%
IIFL Private Wealth (Mauritius) Limited*	76.77%	100%
IIFL Private Wealth Management (Dubai) Limited*	76.77%	100%
IIFL Inc.*	76.77%	100%
IIFL Private Wealth (Suisse) SA*	76.77%	100%
India Alternative Investment Advisors Private Limited	54.50%	-

* During the year under review, these subsidiaries were transferred to IIFL Wealth Management Limited a Subsidiary company.

Jointly Controlled Entities	Proportion of ownership interest	
	As at March 31, 2015	As at March 31, 2014
Meenakshi Tower LLP*	50%	-

* Management certified financial statements as on 31 March, 2015 have been consolidated, as audited financial statements were not available.

NOTE 30. CAPITAL AND OTHER COMMITMENTS AT BALANCE SHEET DATE.

There are outstanding commitments for capital expenditure (net of advances) to the tune of ₹ 42,530,909 /- (Previous Year ₹ 237,474,306/-) and other commitment to the tune of ₹ 753,921,612/- (Previous Year ₹ 216,000,000/-) of the total contractual obligation entered during the year.

NOTE 31.

- (a) The claim against the group not acknowledged as debt were ₹ 59,695,124/- (Previous Year ₹ 84,677,373/-). As of March 31, 2015, The Company and its subsidiaries had certain contingent liabilities not provided for, including the following:

		(Amount in ₹)	
Sr. No	Name of the Statute	Amount	
		2014-2015	2013-2014
(i)	In respect of Income tax demands	348,310,635	265,763,875
(ii)	In respect of Service tax demands	-	-
(iii)	In respect of MVAT demands	5,895,818	563,342
(iv)	In respect of Profession tax demands	1,553,529	-
(v)	Guarantees and Counter Guarantees	55,900,000	175,000,000
(vi)	Claim acknowledged as debt	59,341,748	-
(vii)	Legal Suit Filed by the consumer in Consumer Forum and Civil Court	202,191	-
Total		471,203,921	441,327,217

The company and its subsidiaries have filed appeals with the Income Tax Appellate Tribunal/Service tax department against the said demands.

- (b) Apart from the above, group is subject to legal proceedings and claims which have arisen in the ordinary course of the business. The Company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have material and adverse effect on the Company's financial position.
- (c) One of the step down subsidiary India Infoline Commodities Limited is a member of National Spot Exchange Ltd (NSEL). NSEL has not honoured its settlement obligations to investors who traded on the exchange platform since July, 2013. The matter is currently under investigation by EOW as well as other investigating authorities. India Infoline Commodities Limited acted as a broker for the investors and facilitated execution of the orders of the investors through exchange system as a registered broker as per the Bye-laws and Rules of NSEL. As per the Bye-laws and Rules of NSEL, NSEL was the counter party for the trades and guaranteed settlement of funds of the clients. The same has also been confirmed by Forward Markets Commission vide its order dated December 17, 2013.

CONSOLIDATED FINANCIAL STATEMENT OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)**Notes forming Part of Consolidated Financial Statement for the year ended March 31, 2015****NOTE 32.**

The group has taken office premises on operating lease at various locations. Lease rent in respect of the same has been charged to Statement of Profit and Loss. The agreements are executed for a period ranging from one to five years with a renewable clause. Some agreements have a clause for a minimum lock-in period. The agreements also have a clause for termination by either party giving a prior notice period between 30 to 90 days. The Company and its subsidiaries have also taken some other assets under operating lease.

NOTE 33. The minimum Lease rentals outstanding as at March 31, 2015 are as under:

	(Amount in ₹)	
Minimum Lease Rentals	2014-15	2013-14
Due for		
- Up to one year	160,091,177	85,467,852
- Up to Five year	172,513,697	37,564,685
- Above five years	-	71,951,710
Total	332,604,874	194,984,247

NOTE 34.

The Company has implemented Employee Stock Options Scheme 2007 and 2008 (ESOP Schemes) and has outstanding options granted under the said schemes. The options vest in graded manner and must be exercised within a specified period as per the terms of grants by the Remuneration and Compensation Committee and ESOP Schemes.

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

Particulars	ESOP 2007	ESOP 2008
No. of options as on March 31, 2015	2,299,755	11,345,650
Method of accounting	Intrinsic Value	Intrinsic Value
Vesting Plan	Options granted would vest over a period of five years subject to a minimum period of one year from the date of grant of options	Options granted would vest over a period of five years subject to a minimum period of one year from the date of grant of options
Exercise Period	Five years from the date of grant	Seven years from the date of grant
Grant Dates	October 17, 2008, December 18, 2008, January 01, 2009 and March 05, 2012	December 18, 2008, January 01, 2009, May 27, 2009, December 10, 2009, September 20, 2010, May 07, 2011, May 15, 2012, August 10, 2012, October 29, 2012 November 05, 2013, August 05, 2014, November 20, 2014 and March 02, 2015
Grant Price ₹ Per Share	₹ 63.75, ₹ 45.30, ₹ 50.90 and ₹ 70.00	₹ 45.30, ₹ 50.90, ₹ 100.00, ₹ 136.00 ₹ 105.00, ₹ 72.40, ₹ 45.90, ₹ 56.60, ₹ 68.15, ₹ 58.10, ₹ 134.75, ₹ 188.40, and ₹ 181.55
Market Price on the date of Grant of Option (₹)*	₹ 63.75, ₹ 45.30, ₹ 50.90 and ₹ 70.00	₹ 45.30, ₹ 50.90, ₹ 100.00, ₹ 136.00 ₹ 105.00, ₹ 72.40, ₹ 45.90, ₹ 56.60, ₹ 68.15, ₹ 58.10, ₹ 134.75, ₹ 188.40, and ₹ 181.55

* Closing price at the stock exchange, as on the previous trading day of the date of grant, as per SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.

B) Movement of option Granted

Particulars	ESOP 2007	ESOP 2008
Options outstanding at the beginning of the year	4,075,100	24,248,350
Granted during the year	-	400,000
Exercised during the year	863,245	13,171,700
Lapsed during the year	912,100	131,000
Options outstanding at the end of the year	2,299,755	11,345,650



CONSOLIDATED FINANCIAL STATEMENT OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming Part of Consolidated Financial Statement for the year ended March 31, 2015

NOTE 35. SEGMENT REPORTING

Segment information for the year ended March 31, 2015. Primary segment information (by Business segment)

(Amount in ₹)

Sr No	Particulars	Fund based activity	Financial Product distribution	Capital market activity	Others	Total
I	Segment Revenue					
	External	26,234,193,038	5,827,007,213	4,475,715,078	126,609,490	36,663,524,819
		(20,271,759,363)	(4,484,284,458)	(3,462,917,584)	(153,934,640)	(28,372,896,046)
	Inter-segment	-	-	-	-	-
		-	-	-	-	-
	Total Revenue	26,234,193,038	5,827,007,213	4,475,715,078	126,609,490	36,663,524,819
		(20,271,759,363)	(4,484,284,458)	(3,462,917,584)	(153,934,640)	(28,372,896,046)
II	Segment Result	4,556,203,225	1,121,299,332	1,522,057,468	39,074,935	7,238,634,961
		(2,912,598,080)	(725,046,460)	(409,167,437)	(151,285,083)	(4,198,097,060)
	Less: Unallocated Expenses	-	-	-	-	-
		-	-	-	-	-
	Operating Profit	-	-	-	-	7,238,634,961
		-	-	-	-	(4,198,097,061)
	Interest Expense	-	-	-	-	-
		-	-	-	-	-
	Profit before Tax	-	-	-	-	7,238,634,961
		-	-	-	-	(4,198,097,061)
	Less: Current Tax	-	-	-	-	2,474,983,764
		-	-	-	-	(1,284,269,199)
	Net Profit after Tax	-	-	-	-	4,763,637,209
		-	-	-	-	(2,913,827,862)
III	Segment Assets	167,477,063,796	8,722,540,785	15,354,196,914	-	191,553,801,495
		(125,847,135,923)	(4,542,225,751)	(13,683,062,437)	-	(144,072,424,111)
	Unallocated Corporate assets	-	-	-	-	1,667,594,242
		-	-	-	-	(1,450,409,947)
	Total Assets	-	-	-	-	193,221,395,737
		-	-	-	-	(145,740,018,354)
IV	Segment Liabilities	146,150,703,883	7,246,269,677	12,041,245,778	-	165,438,219,338
		(109,360,535,923)	(3,890,135,751)	(10,539,262,437)	-	(123,789,934,111)
	Unallocated Corporate Liabilities	-	-	-	-	3,144,109
		-	-	-	-	(18,700,626)
	Total Liabilities	-	-	-	-	165,441,363,447
		-	-	-	-	(123,793,078,220)
V	Capital Expenditure	95,706,020	448,046,428	102,793,282	-	646,545,730
		(408,773,535)	(394,758,958)	(37,265,774)	-	(840,798,268)
	Unallocated Capital Expenditure	-	-	-	-	-
		-	-	-	-	(-)
	Total Capital Expenditure	-	-	-	-	646,545,730
		-	-	-	-	(840,798,269)
Vi	Depreciation	251,927,272	219,746,725	119,937,401	-	591,611,398
		(326,291,784)	(231,901,185)	(120,742,147)	-	(678,935,116)
	Unallocated Depreciation	-	-	-	-	-
		-	-	-	-	-
	Total Depreciation	-	-	-	-	591,611,398
		-	-	-	-	(678,935,116)
Vii	Non-Cash expenditure	-	-	-	-	-
		-	-	-	-	-
	other than depreciation	-	-	-	-	-
		-	-	-	-	-

CONSOLIDATED FINANCIAL STATEMENT OF IIFL HOLDINGS LIMITED (Formerly Known as India Infoline Limited)

Notes forming Part of Consolidated Financial Statement for the year ended March 31, 2015

NOTE 36. RELATED PARTY DISCLOSURE FOR THE YEAR ENDED MARCH 31, 2015

a) Name of the related parties with whom transactions have been entered during the year and description of relationship.

Key Management Personnel	Nirmal Jain
	R. Venkataraman
Other related parties	Madhu Jain (wife of Mr. Nirmal Jain)
	Aditi Venkataraman (wife of Mr. R. Venkataraman)
	Ardent Impex Private Limited
	Orpheous Trading Private Limited

Disclosure of Transaction with Related Parties

Nature of Transaction	Key Management Personnel	Other Related Party	Total
Brokerage Income	1,772,996	496,498	2,269,494
	(549,981)	-	(549,981)
Remuneration	47,792,271	-	47,792,271
	(37,853,645)	-	(37,853,645)
Rent Expense	-	2,880,000	2,880,000
	-	(2,880,000)	(2,880,000)

Outstanding as on March 31, 2015

Nature of Transaction	Key Management Personnel	Other Related Party	Total
Sundry Payables	-	34,153	34,153
	-	(122,068)	(122,068)
Sundry Receivable	-	50,000,000	50,000,000
	(24,517,588)	(50,000,000)	(74,517,588)

Note: Figures in bracket indicate previous year figures

NOTE 37.

Interest expense includes the interest on debenture ₹ 3,889,028,811/- (Previous year ₹ 1,613,910,719/-), Discount in commercial paper ₹ 3,508,416,628/- (Previous Year ₹ 3,072,040,203/-) and Interest on bank term Loans ₹ 5,352,766,005/- (Previous Year ₹ 3,727,988,957/-).

NOTE 38.

There are no dues to Micro & Small Enterprises (MSEs) outstanding for more than 45 days.

NOTE 39. CORPORATE SOCIAL RESPONSIBILITY

During the financial year 2014-15, the Company could spent ₹ 24,561,325 out of the total amount of ₹ 70,357,336 required to be spent as per section 135 of the Companies Act 2013 in respect of Corporate Social Responsibility. During the financial year 2014-15 the Company focused on establishing the system and process to identify and select the CSR projects. In the years to come, the Company envisages to enhance the scope of its CSR projects and increase the quantum of CSR expenditure into greater number of impact-driven projects.

NOTE 40.

Figures pertaining to subsidiary companies have been reclassified wherever necessary to bring them in line with parent company's financial statements.

NOTE 41.

Figures for the Previous Year have been regrouped / reclassified wherever considered necessary

As per our attached report of even date

For Sharp & Tannan Associates

Chartered Accountants

Firm's Registration No. 109983W

By the hand of

Tirtharaj Khot

Partner

Membership No.: (F) 037457

Place : Mumbai

Dated: May 07, 2015

For and on behalf of the Board of Directors

Nirmal Jain

Chairman

(DIN: 00010535)

Parag Shah

Chief Financial Officer

R. Venkataraman

Managing Director

(DIN: 00011919)

Ashutosh Naik

Company Secretary



Form AOC-I (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

Sr. No.	Particulars	Reporting Currency	Share Capital	Reserves & Surplus	Exchange Rate	Total Assets	Total Liabilities	Investments	Total Turnover	Profit / (Loss) before taxation	Provision for taxation (including deferred tax)	Profit after taxation	Proposed Dividend	% of shareholding
1	India Infoline Finance Limited	INR	5,621,540,300	15,853,078,576	-	151,547,506,968	151,547,506,968	12,231,614,212	22,791,298,444	3,713,353,537	1,236,093,684	2,477,259,853	35,976,027	98.87%
2	IIFL Realty Limited	INR	90,000,000	679,761,409	-	6,530,290,605	6,530,290,605	161,172,527	984,328,046	36,112,809	8,853,707	27,259,102	-	100.00%
3	India Infoline Media and Research Services Limited	INR	500,000	(158,245,397)	-	285,586,091	285,586,091	-	395,521,727	(306,488,238)	(10,668,047)	(295,820,191)	-	100.00%
4	IIFL Wealth Management Limited	INR	117,237,240	1,599,046,799	-	5,037,930,602	5,037,930,602	2,268,526,977	3,705,537,208	1,478,055,873	486,305,304	991,750,569	-	76.77%
5	India Infoline Insurance Services Limited	INR	2,806,300	207,183,906	-	214,101,184	214,101,184	-	26,856,745	(4,000,941)	3,361,673	(7,362,614)	-	100.00%
6	India Infoline Commodities Limited	INR	2,090,000	166,633,705	-	811,138,413	811,138,413	-	236,113,474	62,135,019	4,280,929	57,854,090	-	100.00%
7	India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	INR	169,001,000	1,476,158,333	-	10,626,609,798	10,626,609,798	682,481,055	5,459,817,808	1,058,561,848	348,069,962	710,491,886	-	100.00%
8	India Infoline Housing Finance Limited	INR	1,659,000,000	1,921,469,035	-	21,077,392,161	21,077,392,161	1,571,012	2,366,278,340	801,169,393	266,151,441	535,017,952	101,000,000	98.87%
9	India Infoline Insurance Brokers Limited	INR	5,000,000	118,394,609	-	442,302,650	442,302,650	-	605,078,691	125,794,284	43,819,471	81,974,813	-	100.00%
10	India Infoline Trustee Company Limited	INR	5,000,000	(2,341,217)	-	2,683,358	2,683,358	-	320,246	(390,119)	(987,268)	597,149	-	76.77%
11	IIFL Capital Limited	INR	30,500,000	145,804,913	-	347,155,430	347,155,430	-	113,714,302	51,732,513	16,425,523	35,306,991	-	100.00%
12	IIFL Distribution Services Limited	INR	512,000	42,499,837	-	67,422,130	67,422,130	7,000,000	85,763,039	5,248,399	2,993,673	2,254,727	-	76.77%
13	India Infoline Asset Management Company Limited	INR	321,000,000	286,019,961	-	700,786,477	700,786,477	225,125,905	384,667,857	115,014,326	38,453,155	76,561,172	-	76.77%
14	IIFL Alternate Asset Advisors Limited	INR	500,000	59,695,115	-	103,237,336	103,237,336	100,000,000	17,600,648	8,940,196	2,821,837	6,118,359	-	76.77%
15	IIFL Investment Advisors And Trustee Services Limited	INR	2,250,000	(18,075,272)	-	14,152,722	14,152,722	-	8,346,731	(17,832,186)	(5,731,420)	(12,100,766)	-	76.77%
16	India Alternatives Investment Advisors Private Limited	INR	100,000	(9,174,980)	-	62,028,716	62,028,716	24,042,425	35,749,094	(32,593,014)	(10,722,928)	(21,870,087)	-	54.50%
17	IIFL Properties Private Limited (Formerly known as Ultra Sign and Display Private Limited)	INR	107,000	(26,240,074)	-	243,786,128	243,786,128	-	386,386	(26,136,576)	-	(26,136,576)	-	100.00%
			473,165,900	(163,173,024)	-	310,488,091	310,488,091	-	398,506	(1,625,029)	16,214,394	(17,839,422)	-	76.77%
18	IIFL (Asia) Pte. Limited	S \$	14,000,000	(7,176,857)	45.43	6,834,043	6,834,043	-	8,607	(35,141)	348,396	(383,537)	-	

Sr. No.	Particulars	Reporting Currency	Share Capital	Reserves & Surplus	Exchange Rate	Total Assets	Total Liabilities	Investments	Total Turnover	Profit / (Loss) before taxation	Provision for taxation (including deferred tax)	Profit after taxation	Proposed Dividend	% of shareholding
19	IIFL Securities Pte. Limited	INR	49,149,844	27,382,015	-	82,805,652	82,805,652	-	79,660,032	9,448,652	-	9,448,652	-	76.77%
20	IIFL Capital Pte. Limited	S \$	1,030,000	654,516	45.43	1,822,606	1,822,606	-	1,721,521	193,336	-	193,336	-	76.77%
		INR	252,906,963	(177,606,188)	-	121,343,686	121,343,686	-	157,807,817	38,305,458	-	38,305,458	-	76.77%
21	IIFL Inc	S \$	5,300,000	(3,642,581)	45.43	2,670,853	2,670,853	-	3,425,368	830,982	-	830,982	-	76.77%
		INR	61,687,626	(12,513,260)	-	58,439,529	58,439,529	-	43,931,697	(15,451,839)	(3,391,713)	(12,060,127)	-	76.77%
22	IIFL Capital Inc	USD	1,029,500	(240,634)	62.34	937,500	937,500	-	718,954	(252,873)	(55,506)	(197,367)	-	100.00%
		INR	40,293,000	(1,970,073)	-	44,936,234	44,936,234	-	121,423,145	16,275,684	2,122,057	14,153,626	-	100.00%
23	India Infoline Commodities DMCC	USD	687,500	(72,715)	62.34	720,877	720,877	-	2,080,502	278,873	36,360	242,513	-	100.00%
		INR	11,755,102	9,467,842	-	7,454,440	7,454,440	-	-	-	-	-	-	100.00%
24	IIFL Private wealth Management (Dubai) Limited	AED	950,000	(4,431,699)	17.02	433,312	433,312	-	-	-	-	-	-	76.77%
		INR	57,987,206	(24,310,407)	-	37,104,456	37,104,456	-	74,087,337	19,928,313	-	19,928,313	-	76.77%
25	IIFL Wealth (UK) Limited	AED	3,370,682	(1,386,558)	16.97	2,186,070	2,186,070	-	4,404,199	1,181,988	-	1,181,988	-	100.00%
		INR	11,197,657	4,245,701	-	17,443,477	17,443,477	-	43,749,101	3,311,853	918,897	2,392,956	-	100.00%
26	IIFL Private Wealth Hong Kong Limited	GBP	150,000	16,494	92.76	188,057	188,057	-	455,306	34,467	9,563	24,904	-	76.77%
		INR	51,904,157	(1,929,274)	-	51,373,763	51,373,763	-	37,924,991	19,461,585	-	19,461,585	-	76.77%
27	IIFL Private Wealth (Mauritius) Limited	HKD	6,476,324	(260,183)	8.04	6,390,141	6,390,141	-	4,800,076	2,458,896	-	2,458,896	-	76.77%
		INR	4,191,431	70,978,857	-	125,030,399	125,030,399	-	409,884,741	35,539,640	562,613	34,977,027	-	76.77%
28	IIFL Private Wealth (Suisse) SA	USD	69,975	1,135,923	62.34	2,005,765	2,005,765	-	6,707,870	581,615	9,207	572,408	-	76.77%
		INR	6,684,983	(2,214,672)	-	4,738,132	4,738,132	-	1,980,891	1,114,784	-	1,114,784	-	76.77%
		CHF	100,000	(30,320)	64.15	73,855	73,855	-	30,014	16,891	-	16,891	-	76.77%

Note 1 - Names of subsidiaries which are yet to commence operations:

(a) IIFL Assets Reconstruction Limited (b) India Infoline Foundation

Note 2 - Names of Subsidiaries which have been liquidated or sold during the year: *

(a) IIFL Private wealth Management (Dubai) Limited (c) IIFL (Asia) Pte. Limited (e) IIFL Capital Pte. Limited (g) IIFL Private Wealth (Suisse) SA

(b) IIFL Private Wealth Hong Kong Limited (d) IIFL Securities Pte. Limited (f) IIFL Inc (h) IIFL Private Wealth (Mauritius) Limited

* During the year, these subsidiaries were transferred to IIFL Wealth Management Limited (a Subsidiary company).

Note 3 - All subsidiaries have common year end of March 31, 2015 hence no additional information under Section 129(3) read with rule 5 has been disclosed.

For and on behalf of the Board of Directors

Nirmal Jain
Chairman
(DIN: 00010535)

R. Venkataraman
Managing Director
(DIN: 00011919)

Place : Mumbai
Dated: May 07, 2015

Parag Shah
Chief Financial Officer

Ashutosh Naik
Company Secretary


Form AOC-I (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures
Part "B": Associates and Joint Ventures

Name of Associates/Joint Ventures		Meenakshi Towers LLP
1.	Latest audited Balance Sheet Date	31st March 2014
2.	Shares of Associate/Joint Ventures held by the company on the year end.	
	Number	NA
	Amount of Investment in Associates/Joint Venture	50,000
	Extend of Holding %	50%
3.	Description of how there is significant influence	Note A): There is significant influence due to percentage(%) of Capital.
4.	Reason why the associate/joint venture is not consolidated	NA
5.	Networth attributable to Shareholding as per latest audited Balance Sheet	(22,142,718)
6.	Profit / (Loss) for the year	
i)	Considered in Consolidation	(22,192,718)
ii)	Not Considered in Consolidation	NIL

For and on behalf of the Board of Directors

Nirmal Jain
Chairman
(DIN: 00010535)

R. Venkataraman
Managing Director
(DIN: 00011919)

Place : Mumbai
Dated: May 07, 2015

Parag Shah
Chief Financial Officer

Ashutosh Naik
Company Secretary



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INDIA INFOLINE LTD., IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, MIDC, Thane Industrial Area, Wagle Estate, Thane - 400 604. Tel.: (91-22) 2580 6650.
• Email: advise@indiainfoonline.com • Customer Service: 40071000 • SEBI Regn. No.: BSE (Cash) INB 011097533, BSE (F&O) INF 011097533, NSE (Cash) INB 231097537, NSE (F&O) INF 231097537, NSE (CDS) INE 231097537, MCX (CDS) INE 261097537 Depository: IN DP NSDL: 1852000, IN DP CDSL: 352 2006 • Portfolio Manages Registration No.: INP000002213,
• Merchant Banking: INM000010940 • ARN: 47791 • MCX SX (Cash) INB 261097530 MCX_SX(FO) INF261097530 • Loan products are offered by India Infoline Finance Ltd.
• Investment in securities are subject to market risks.

Corporate Information

BOARD OF DIRECTORS

Nirmal Jain
Chairman

R. Venkataraman
Managing Director

A.K. Purwar
Independent Director

Dr. S. Narayan
Independent Director

Nilesh Vikamsey
Independent Director

Kranti Sinha
Independent Director

Sunil Kaul
Non Executive Director

Chandran Ratnaswami
Non Executive Director

Geeta Mathur
Independent Director

COMMITTEE OF BOARD

Audit Committee

Nilesh Vikamsey
Chairman, Independent Director

R. Venkataraman

Kranti Sinha

Nomination and Remuneration Committee

Kranti Sinha
Chairman, Independent Director

Nilesh Vikamsey

A.K. Purwar

Stakeholders' Relationship Committee

Geeta Mathur
Chairperson, Independent Director

Nirmal Jain

R. Venkataraman

Risk Management Committee

Nirmal Jain

Nilesh Vikamsey

A.K. Purwar

Sunil Kaul

CSR Committee

Nirmal Jain
Chairman

Nilesh Vikamsey

R. Venkataraman

CHIEF FINANCIAL OFFICER

Parag Shah

COMPANY SECRETARY

Gajendra Thakur

AUDITORS

Sharp & Tannan Associates
Chartered Accountants

INTERNAL AUDITORS

KPMG
Mahajan & Aibara

CORE MANAGEMENT TEAM

Bharat Parajia
MD, IIFL (Asia) Pte Ltd.

Karan Bhagat
MD, IIFL Wealth Management Ltd

Amit Shah
CEO, IIFL Inc

Yatin Shah
ED, IIFL Wealth Management Ltd

H. Nemkumar
President, Institutional Equities

Prabodh Agarwal
Head of Research

Nipun Goel
President, Investment Banking

Rajashree Nambiar
ED & CEO, India Infoline Finance Ltd

Monu Ratra
CEO, India Infoline Housing Finance Ltd

Prasanth Prabhakaran
President, Retail Broking

Balaji Raghavan
Head - Real Estate Services

Vasudev Jagannath
President, Institutional Sales

Aniruddha Dange
Chief Strategy Officer

R. Mohan
Chief Compliance Officer

Narendra Jain
President, Internal Audit and Risk Management

Pallab Mukherji
President, Human Resources

Sushil Tolani
Chief Technology Officer

Arun Malkani
Chief Marketing Officer

B.S. Amarnath
Treasurer

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078

REGISTERED OFFICE

IIFL House, Sun Infotech Park, Road No. 16, Plot No. B-23, MIDC, Thane Industrial Estate, Wagale Estate, Thane – 400 604

CORPORATE OFFICE

IIFL Centre, Kamala City, Lower Parel (West), Mumbai – 400 013

LIST OF BANKERS

Allahabad Bank	Mashreq Bank
Andhra Bank	Oriental Bank of Commerce
Axis Bank Ltd	Punjab & Sind Bank
Bank of Baroda	Punjab National Bank
Bank of India	RBL Bank Ltd
Bank of Maharashtra	Small Industries Development Bank of India
Canara Bank	South Indian Bank
Central Bank of India	Standard Chartered Bank
Citibank	State Bank of Hyderabad
Corporation Bank	State Bank of India
DCB Bank Ltd	Syndicate Bank
Dena Bank	The Jammu and Kashmir Bank
Deutsche Bank	The Saraswat Co-op Bank Ltd
Federal Bank	UCO Bank
HDFC Bank Ltd	Vijaya Bank
ICICI Bank Ltd	Yes Bank Ltd
IDBI Bank Ltd	
Indian Overseas Bank	
IndusInd Bank Ltd	
Karnataka Bank	
Karur Vysya Bank	
Kotak Mahindra Bank	

CAUTIONARY STATEMENT

This document contains forward-looking statement and information. Such statements are based on our current expectations and certain assumptions, and are, therefore, subject to certain risk and uncertainties. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary. IIFL does not intend to assume any obligation to update or revise these forward-looking statements in the light of developments, which differs from those anticipated.



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IIFL

IIFL HOLDINGS LIMITED

CIN - L74999MH1995PLC093797

Corporate Office:

IIFL Centre, Kamala City, Lower Parel (W), Mumbai - 400013

Registered Office:

IIFL House, Sun Infotech Park, Road No. 16, Plot No. B-23,
MIDC, Thane Industrial Estate, Wagle Estate, Thane - 400604

Email: pr@indiainfoline.com

Tel: 022 42499000



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