



**India Infoline Housing
Finance Limited**

**Standalone Financial Statements
as on 31st March, 2015**

Independent Auditor's Report

To the Members of India Infoline Housing Finance Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of India Infoline Housing Finance Limited ("the Company"), 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 thereunder.

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

1. 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.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The balance Sheet, the statement of profit and loss and the cash flow statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting 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 which would impact its financial position in its financial statements - refer note no.24 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.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Mumbai
Date: 6th May, 2015

For Sharp and Tannan Associates
Chartered Accountants
Firm's Registration No.:109983W
By the hand of




Parthiv S. Desai
Partner
Membership No.: 042624

Annexure to the Auditors' Report

The Annexure referred to in our report to the members of **India Infoline Housing Finance 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) As explained to us, these fixed assets have been physically verified by the management in accordance with a phased programme of verification which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. The frequency of physical verification is reasonable and no material discrepancies were noticed on such verification.
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 not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore the Paragraph 3 (iii) (a) and (b) of the Order are not applicable to the Company.
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 the purchase of fixed assets and for 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 thereunder 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 and records of the Company examined by us, there are no cases of non-deposit with the appropriate authorities of disputed dues income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess.

(c) According to the information and explanations given to us, there is no amount required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and the rules made thereunder.

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, we are of the opinion that the Company has not defaulted in repayment of its dues to its financial institution, banks and debenture holders.
10. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institution.
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.
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 management.

For Sharp and Tannan Associates
Chartered Accountants

Firm's Registration No.: 109983W

By the hand of



Parthiv S. Desai
Partner

Membership No.: 042624

Place: Mumbai
Date: 5th May, 2015

India Infoline Housing Finance Limited
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) Shareholder's Funds			
(a) Share Capital	3	1,659,000,000	1,659,000,000
(b) Reserve and Surplus	4	1,921,469,035	1,517,801,427
Sub Total		3,580,469,035	3,176,801,427
(2) Share Application Money-Pending Allotment		-	-
(3) Non Current Liabilities			
(a) Long-Term Borrowings	5	11,996,636,000	5,814,374,000
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long-Term Liabilities		-	-
(d) Long-Term Provisions	6	207,443,092	90,131,170
Sub Total		12,204,079,092	5,904,505,170
(4) Current Liabilities			
(a) Short-Term Borrowings	7	2,736,066,068	-
(b) Other Current Liabilities	8	-	-
Current Maturities of Long Term Borrowings		425,000,000	150,000,000
Others		2,085,029,752	2,795,642,818
(c) Short-Term Provisions	6	46,748,214	41,521,537
Sub Total		5,227,844,034	2,987,164,355
TOTAL		21,077,392,161	12,068,470,952
II ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	9	3,138,599	-
(ii) Intangible Assets		-	-
(iii) Capital Work-in-Progress		905,975	-
(iv) Intangible Assets Under Development		-	-
Sub Total		4,044,574	-
(b) Non-Current Investments	10	1,571,012	-
(c) Deferred Tax Assets (Net)	11	29,476,112	30,824,160
(d) Long-Term Loans & Advances	12	-	-
Loans		15,319,308,728	8,338,454,073
Others		3,342,756	-
(e) Other Non-Current Assets	13	64,578,374	86,966,457
Sub Total		15,438,276,962	8,456,244,690
(2) Current Assets			
(a) Current Investments	14	-	205,401,981
(b) Inventories		-	-
(c) Trade Receivables		-	-
(d) Cash and Bank Balances	15	777,900,580	2,451,821,902
(e) Short-Term Loans & Advances	12	-	-
Loans		4,384,560,782	669,445,247
Others		403,451,512	261,951,626
(f) Other Current Assets	13	89,157,731	23,605,506
Sub Total		5,655,070,605	3,612,226,262
TOTAL		21,077,392,161	12,068,470,952
See accompanying notes forming part of the 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



Parthiv S. Desai

Partner

Membership No. (F) 042624



Place : Mumbai

Date : 6th May 2015

For and on behalf of the Board of Directors
of India Infoline Housing Finance Limited



R. Mohan
Director
(DIN no: 00012070)



Rajashree Nambiar
Director
(DIN no: 06932632)



Manu Ratna
Chief Executive Officer



Amit Gupta
Chief Financial Officer



Anjali Jaiswal
Company Secretary



India Infoline Housing Finance Limited
Standalone Statement of Profit and Loss for the year ended March 31, 2015

(Amount in ₹)

Particulars	Note No.	2014-15	2013-14
REVENUE			
Revenue from Operations	16	2,172,129,644	996,918,303
Other Income	17	194,148,696	137,457,168
Total Revenue		2,366,278,340	1,134,375,471
EXPENSES			
Employee Benefit Expenses	18	127,330,581	41,926,990
Finance Cost	19	1,173,331,130	489,019,885
Depreciation and Amortisation Expenses	9	155,920	-
Other Expenses	20	146,896,144	98,844,830
Provisions & Write off	21	117,395,172	65,047,644
Total Expenses		1,565,108,947	694,839,349
Profit / (Loss) before Tax		801,169,393	439,536,122
Tax Expenses			
Current Tax		274,043,559	155,458,982
Deferred Tax		(8,441,072)	(26,442,239)
Current Tax Expense relating to prior years		548,954	-
Total Tax Expense		266,151,441	129,016,743
Profit / (Loss) for the Year		535,017,952	310,519,379
Earnings Per Share			
(1) Basic	22	37.93	24.12
(2) Diluted		37.93	24.12
Face Value Per Equity Share		10.00	10.00
See accompanying notes forming part of the 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





Parthiv S. Desai
Partner
Membership No. (F) 042624

Place : Mumbai
Date : 6th May 2015

For and on behalf of the Board of Directors
of India Infoline Housing Finance Limited


R. Mohan
Director
(DIN no: 00012070)


Rajashree Nambiar
Director
(DIN no : 06932632)


Monu Ratra
Chief Executive Officer


Amit Gupta
Chief Financial Officer


Ajay Jaiswal
Company Secretary



INDIA INFOLINE HOUSING FINANCE LIMITED
Standalone Cash Flow Statement for the year ended March 31, 2015

(Amount in ₹)

Particulars	2014-2015	2013-2014
Cash Flows from Operating Activities		
Net Profit before Taxation and Extraordinary item	801,169,393	439,536,122
Adjustments for:		
Depreciation Expenses	155,920	-
Provision for Doubtful Loans	76,662,185	32,050,528
Provision for Standard Loans	40,444,534	32,995,100
Gratuity	621,396	978,184
Leave Encashment	575,009	505,044
Operating Profit before Working Capital changes	919,628,437	506,064,978
Increase / (Decrease) in Short Term Provisions	(1,810,676)	(309,678)
Increase / (Decrease) in Other Liabilities	(481,825,068)	2,337,927,568
Decrease / (Increase) in Other Current Assets	(88,552,225)	(139,670,450)
Decrease / (Increase) in Other Non Current Assets	22,388,085	(82,666,310)
Cash Generated from Operations	359,828,553	2,621,346,108
Tax (Paid) / Refund	(296,382,793)	(130,623,225)
Net Cash from Operating Activities	73,445,760	2,490,722,883
Decrease/ (Increase) in Long Term Loans & Advances	(6,984,197,411)	(5,093,166,506)
Decrease/ (Increase) in Short Term Loans & Advances	(3,856,615,421)	(644,518,366)
Net Cash Used in Operating Activities	(10,767,367,072)	(3,246,961,989)
Cash Flows from Investing Activities		
Purchase of Fixed Assets including Intangible Assets, Capital Work-in-Progress and Capital Advances	(4,200,495)	-
Purchase of Non Current Investments	(1,571,012)	-
Proceeds from Sale/Maturity of Current Investments	-	130,000,000
Purchase of Non Convertible Debentures -Others	(205,401,981)	(205,401,981)
Net Cash from Investing Activities	(199,630,474)	(75,401,981)
Cash Flows from Financing Activities		
Dividend & Dividend Distribution Tax paid	(47,512,792)	-
Proceeds from Issuance of Share Capital	-	1,350,000,000
Proceeds from Long Term Borrowings (Net)	6,182,262,000	5,164,374,000
Proceeds from Short Term Borrowings (Net)	2,736,066,068	(1,000,000,000)
Net Cash from Financing Activities	8,870,815,276	5,514,374,000
Net Increase/(Decrease) in Cash and Cash Equivalents	(1,696,921,322)	2,192,010,030
Opening Cash and Cash Equivalents	2,311,221,902	119,211,872
Closing Cash and Cash Equivalents	614,300,580	2,311,221,902

As per our attached report of even date

For Sharp & Tannan Associates
Chartered Accountants
Firm's Registration No. 109983W

By the hand of


Parthiv S. Desai
Partner
Membership No. (F) 042624



For and on behalf of the Board of Directors
of India Infoline Housing Finance Limited


R. Mohan
Director
(DIN no. 00012070)


Rajashree Nambiar
Director
(DIN no. 06932632)


Monu Ratra
Chief Executive Officer


Amit Gupta
Chief Financial Officer


Ajay Jalowal
Company Secretary



Place : Mumbai
Date : 6th May 2015

1. Corporate Information :

India Infoline Housing Finance Limited (IIHFL) is a subsidiary of India Infoline Finance Limited. India Infoline Housing Finance Limited received a Certificate of Registration from the National Housing Bank ("NHB") in February 2009 to carry on the business of a housing finance institution. IIHFL offers housing finance in line with NHB Directions.

2. Significant Accounting Policies**2.1 Basis of 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 the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014 issued by the Ministry of Corporate Affairs and the guidelines issued by the National Housing Bank (NHB) as applicable to Housing Finance Companies. 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 consistently followed except where the changes are required in accounting policy as per newly issued NHB notifications/circulars, other regulatory changes & compliance requirements. The financial statements comply in all material aspect with the National Housing Bank Act, 1987 and The Housing Finance Companies (NHB) Directions, 2010.

2.2 Presentation and disclosure of financial statements:

Pursuant to applicability of Schedule III on presentation of financial statements, the Company has classified all its assets / liabilities into current / non-current portion based on the time frame of twelve months from the date of financial statements. Accordingly, assets/ liabilities expected to be realised /settled within twelve months from the date of financial statements are classified as current and other assets/ liabilities are classified as non-current. The adopted Schedule III does not impact recognition and measurement principle followed for preparation of financial statements. The Company has also regrouped/reclassified the previous year figures in accordance with the requirement applicable in the current year.

2.3 Prudential norms:

The Company follows the National Housing Bank ("NHB") Directions in respect of The Housing Finance Companies (NHB) Directions, 2010 as amended from time to time in respect of Income recognition, income from investments, accounting of investments, asset classification, provisioning and disclosures in the Balance Sheet. Accounting Standards (AS) notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014 issued by the Ministry of Corporate Affairs and Guidance Notes issued by The Institute of Chartered Accountants of India ("ICAI") are followed in so far as they are not inconsistent with the NHB Directions.

2.4 Use of estimates:

The presentation of financial statements is 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. Difference between the actual result and estimates are recognized in the period in which the results are known / materialized.

2.5 Fixed Assets and Depreciation:

Fixed assets are stated at cost of acquisition less accumulated depreciation and impairment loss, if any thereon. Depreciation is charged using the straight line method based on the useful life of fixed assets as estimated by the management as specified below.



Depreciation is charged from the month in which new assets are put to use. No depreciation is charged from the month in which assets are sold.

In the case of transfer of used fixed assets from group companies, depreciation is charged over the remaining useful life of the assets.

Individual assets / group of similar assets costing up to ₹ 5,000 are 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
Buildings*	20 years
Computers*	3 years
Office equipment	5 years
Electrical*	5 years
Furniture and fixtures*	5 years
Vehicles*	5 years
Software	3 years

*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 are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

2.6 Assignment of loan portfolio:

Derecognition of loans assigned in the books of the 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. Expenditure in respect of direct assignment is recognised upfront. Credit enhancement in the form of cash collateral provided by the Company is included under Cash and bank balance / Loans and advances as applicable.

2.7 Revenue recognition:

The Company complies, in all material respects, with the Accounting Standard - 9 issued by the Institute of Chartered Accountants of India, NHB directions relating to income recognition, asset classification and the minimum provisioning for bad and doubtful debts and standard assets, specified in the directions issued by the NHB, as applicable to it, and

- Interest Income is recognised on the time proportionate basis as per agreed terms.
- Interest income on non-performing assets is recognised on cash basis.
- Income from Penal charge, Penal interest and Cheque Bouncing Charges pertaining to loan assets are recognised on receipt basis.
- Dividend income is recognised when the right to receive payment is established.
- In respect of the other heads of income, the Company accounts the same on accrual basis.
- Processing fees received from customers are recognised as income on receipt basis.

2.8 Preliminary expenses:

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

2.9 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 for "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.

2.10 Provisions, Contingent liabilities and Contingent assets:

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 No. NHB. HFC. DIR. 9/ CMD/ 2013 dated September 6, 2013 issued by NHB. All such provisions are classified as long term provisions.

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.

2.11 Taxes on Income:

The accounting treatment for the Income Tax in respect of the Company's income is based on the Accounting Standard on 'Accounting for Taxes on Income' (AS-22).

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. At each reporting date the Company re-assesses unrecognized deferred tax assets. 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.

As per NHB circular dated August 22, 2014 "NHB(ND)/DRS/Policy Circular 65/2014-15" Deferred tax liability is recognised on the Special Reserves created & maintained under Section 36(1)(viii) of Income Tax Act, 1961. In case of other timing differences Deferred Tax Liability will be recognised as and when arises.

2.12 Operating Leases:

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

2.13 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. Provision for diminution in value of non current investments is made if in the opinion of the management such diminution is other than temporary or in accordance with the norms



prescribed by the National Housing Bank and Accounting Standard on 'Accounting for Investments' (AS-13). 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.

2.14 Inventories:

Closing stock is valued at cost or market value whichever is lower. Cost is computed on FIFO basis.

2.15 Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.16 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.

2.17 Debenture Issue Expense:

Debenture issue expenses incurred on public issue of NCD is amortized over the tenure of the underlying debenture.

In case of private placement of NCD the same is charged to profit and loss Account in the year in which they are incurred.

3. Share Capital

(Amount in ₹)

Authorised Capital	March 31, 2015	March 31, 2014
Authorised Share Capital:		
11,000,000 Equity Shares of ₹ 10/- each with voting rights (P.Y. 11,000,000)	110,000,000	110,000,000
20,000,000 10% Redeemable Preference Shares of ₹ 10/- each (P.Y. 20,000,000)	200,000,000	200,000,000
135,000,000 6% Convertible Preference Shares of ₹ 10/- each (P.Y. 135,000,000)	1,350,000,000	1,350,000,000
Total	1,660,000,000	1,660,000,000
Issued, Subscribed and Paid-up Share Capital		
Equity Share Capital		
10,900,000 Equity Shares of ₹ 10/- each fully paid-up (P.Y. 10,900,000)	109,000,000	109,000,000
Preference Share Capital		
20,000,000 10% Redeemable Preference Shares of ₹ 10/- each fully paid-up (P.Y. 20,000,000)	200,000,000	200,000,000
135,000,000 6% Compulsorily Convertible Cumulative Redeemable Preference Shares of ₹ 10/- each fully paid up (P.Y. 135,000,000)	1,350,000,000	1,350,000,000
Total	1,659,000,000	1,659,000,000



i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:

Particulars	March 31, 2015		March 31, 2014	
	No of Shares	Amount (₹)	No of Shares	Amount(₹)
Equity Shares				
As at the beginning of the year	10,900,000	109,000,000	10,900,000	109,000,000
Issued during the year	-	-	-	-
Outstanding at end of the year	10,900,000	109,000,000	10,900,000	109,000,000
10% Redeemable Preference Shares				
At the beginning of the year	20,000,000	200,000,000	20,000,000	200,000,000
Add: Issued during the year	-	-	-	-
Less : Buy back of shares	-	-	-	-
Outstanding at the end of the year	20,000,000	200,000,000	20,000,000	200,000,000
6% Compulsorily Convertible Cumulative Redeemable Preference shares				
At the beginning of the year	135,000,000	1,350,000,000	-	-
Add: Issued during the year	-	-	135,000,000	1,350,000,000
Less : Buy back of shares	-	-	-	-
Outstanding at the end of the year	135,000,000	1,350,000,000	135,000,000	1,350,000,000

ii) Rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹ 10/- per shares. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

iii) Rights attached to Preference Shares

i. The 10% Non – Convertible Redeemable Preference Shares aggregating to ₹ 200,000,000/- shall have seniority over Equity Shareholders with respect to payment of capital and dividend. It shall carry dividend rate of 10% per annum. Their rights to dividend in not on Cumulative basis. Other rights of the holders of Preference shares shall be governed by the provisions of Companies Act, 2013 read with applicable rules and any amendment/ modification in law from time to time and such other applicable regulations.

ii. The 6% Compulsorily Convertible Cumulative Redeemable Preference shares of ₹ 10/- each aggregating to ₹ 1,350,000,000/- shall have seniority over Equity Shareholders with respect to payment of capital and dividend. It shall carry dividend rate of 6% per annum and will have cumulative right with respect to payment of dividend. Further these shares will not have voting rights other than matters directly affecting them.



iv) Shares held by holding company / ultimate holding company including shares held by its subsidiaries/ associates:

Particulars	March 31, 2015		March 31, 2014	
	No of Shares	% holding	No of Shares	% holding
Equity Shares of ₹ 10/- each fully paid up				
India Infoline Finance Limited	10,900,000	100.00%	10,900,000	100.00%
10% Redeemable Preference Shares of ₹ 10/- each fully paid up				
India Infoline Finance Limited	20,000,000	100.00%	20,000,000	100.00%
6% Compulsorily Convertible Cumulative Redeemable Preference shares of ₹ 10/- each fully paid up				
India Infoline Finance Limited	25,000,000	18.52%	135,000,000	100.00%
India Infoline Limited	50,000,000	37.04%	-	-
IIFL Holdings Limited	60,000,000	44.44%	-	-
Subtotal	135,000,000	100.00%	135,000,000	100.00%
Total	155,000,000		155,000,000	

v) Details of Shareholders holding more than 5% shares in the Company:

Particulars	March 31, 2015		March 31, 2014	
	No of Shares	% holding	No of Shares	% holding
Equity Shares of ₹ 10/- each fully paid up				
India Infoline Finance Limited	10,900,000	100.00%	10,900,000	100.00%
10% Redeemable Preference Shares of ₹ 10/- each fully paid up				
India Infoline Finance Limited	20,000,000	100.00%	20,000,000	100.00%
6% Compulsorily Convertible Cumulative Redeemable Preference Shares of ₹ 10/- each fully paid up				
India Infoline Finance Limited	25,000,000	18.52%	135,000,000	100.00%
India Infoline Limited	50,000,000	37.04%	-	-
IIFL Holdings Limited	60,000,000	44.44%	-	-

vi) Terms of conversion of 6% Compulsorily Convertible Cumulative Redeemable Preference shares into Equity Shares:

The 6% Convertible Preference Shares are compulsorily convertible into Equity Shares at a fair value on the date of conversion within 10 years from the date of allotment.



4. Reserves and Surplus (Amount in ₹)

Particulars	March 31, 2015	March 31, 2014
Securities Premium Account		
Opening Balance as per last financial statement	994,250,000	994,250,000
Addition during the year	-	-
Deduction during the year	-	-
Closing Balance	994,250,000	994,250,000
Debenture Redemption Reserve (Refer Note 4.1)		
Opening Balance as per last financial statement	110,000,000	-
Addition during the year from statement of profit & loss	230,000,000	110,000,000
Appropriation during the year	-	-
Closing Balance	340,000,000	110,000,000
Special Reserve (Refer Note 4.2)		
Opening Balance as per last financial statement	115,200,000	53,000,000
Addition during the year from statement of profit & loss	108,000,000	62,200,000
Appropriation during the year	-	-
Closing Balance	223,200,000	115,200,000
Surplus in the Statement of Profit & Loss		
Opening Balance as per last financial statement	298,351,427	207,544,840
Addition during the year from statement of profit & loss	535,017,952	310,519,379
Appropriations during the year		
Transfer to Special Reserve	108,000,000	62,200,000
Transfer to Debenture Redemption Reserve	230,000,000	110,000,000
Preference Dividend (Refer Note 4.3)	101,000,000	40,610,959
Dividend Distribution Tax	20,561,224	6,901,833
Deferred Tax Liability (Refer Note 4.4)	9,789,120	-
Closing Balance	364,019,035	298,351,427
Total	1,921,469,035	1,517,801,427

- 4.1 Pursuant to Section 71 of the companies Act, 2013 read with Rule 18 of the companies (Share Capital and Debentures) Rules, 2014, the Company being a Housing Finance Company is required to create Debenture Redemption Reserve of a value equivalent to 25% of the debentures offered through a public issue. Accordingly, ₹ 230,000,000/- (Previous year ₹ 110,000,000/-) has been transferred to Debenture Redemption Reserve Account for the financial year ended March 31, 2015.

4.2 Special Reserve:

Disclosure as per NHB Guidelines

(Amount in ₹)

Particulars	March 31, 2015	March 31, 2014
Balance at the beginning of the year		
a) Amount of special reserve U/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve U/s 29C of the NHB Act, 1987	75,195,751	22,537,231
b) Statutory Reserve U/s 29C of the National Housing Bank Act, 1987	40,004,249	30,462,769
Total	115,200,000	53,000,000



INDIA INFOLINE HOUSING FINANCE LIMITED
Notes forming part of Standalone Financial Statements for the year ended March 31, 2015

Particulars	March 31, 2015	March 31, 2014
Addition/Appropriation/Withdrawal during the year		
Add: a) Amount of special reserve U/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve U/s 29C of the NHB Act, 1987	94,899,600	52,658,520
b) Amount transferred U/s 29C of the NHB Act, 1987	13,100,400	9,541,480
Less: a) Amount withdrawn from the Special Reserve U/s 36(1)(viii) of Income Tax Act, 1961 which has been taken into account for the purpose of provision U/s 29C of the NHB Act, 1987	-	-
b) Amount appropriated from the Statutory Reserve U/s 29C of the NHB Act, 1987	-	-
Balance at the end of the year	223,200,000	115,200,000
a) Amount of special reserve U/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve U/s 29C of the NHB Act, 1987	170,095,351	75,195,751
b) Statutory Reserve U/s 29C of the National Housing Bank Act, 1987	53,104,649	40,004,249
Total	223,200,000	115,200,000

Note: As per Section 29C(i) of the National Housing Bank Act, 1987, the Company is required to transfer atleast 20% of its net profit every year to a reserve before any dividend is declared. Amount of ₹ 94,899,600/- (P.Y. ₹ 52,658,520/-) has been transferred towards special reserve u/s 36(1)(viii) of Income Tax Act, 1961 which has also been considered for creating special reserve of ₹ 108,000,000/- (P.Y. ₹ 62,200,000/-) under section 29C(i) of the National Housing Bank Act, 1987.

4.3 Proposed Preference Dividend:

Preference Dividend Proposed for the Financial Year 2014-15 is as follows: (Amount in ₹)

Particulars	March 31, 2015	March 31, 2014
On 6% Compulsory Convertible Cumulative Redeemable Preference Shares of ₹ 10/- Each	₹ 0.6 Per share	₹ 0.6 Per share
No of Shares	135,000,000	135,000,000
Dividend (A)	81,000,000	40,610,959
On 10% Redeemable Preference Shares of ₹ 10/- Each	₹ 1 Per share	-
No of Shares	20,000,000	-
Dividend (B)	20,000,000	-
Total Dividend Proposed (A) + (B)	101,000,000	40,610,959

- 4.4 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 Deferred Tax Liability on the Special Reserves created & maintained under Section 36(1)(viii) of Income Tax Act, 1961 from reserves and the balance ₹ 15,769,916/- will be adjusted in phased manner over a period of next 2 financial years.

5. Long Term borrowings

(Amount in ₹)

Particulars	Non-current		Current Maturities	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Debentures				
Secured:				
Non Convertible Debentures (Refer Note 5.1)	8,621,636,000	5,814,374,000	300,000,000	150,000,000



Particulars	Non-current		Current Maturities	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Amount disclosed under the head "Other current liabilities" (Refer Note- 8)	-	-	(300,000,000)	(150,000,000)
Unsecured				
Non Convertible Debentures (Refer Note - 5.2)	2,000,000,000	-	-	-
Sub Total	10,621,636,000	5,814,374,000	-	-
Term Loans				
Secured :				
Loan from Banks (Refer Note 5.3)	1,375,000,000	-	125,000,000	-
Amount disclosed under the head "Other current liabilities" (Refer Note- 8)	-	-	(125,000,000)	-
Sub Total	1,375,000,000	-	-	-
Total	11,996,636,000	5,814,374,000	-	-

During the year, the Company has raised secured term loans aggregating ₹ 1,500,000,000/- (Previous Year ₹ 650,000,000/-) from various Banks.

The Company has also raised ₹ 3,993,000,000/- (Previous Year ₹ 5,810,000,000/-) and ₹2,000,000,000/- (Previous Year ₹ Nil/-) by issue of secured and unsecured non convertible debentures respectively.

Note 5.1: Non Convertible Debentures - Secured

(Amount in ₹)

Particulars	Non-current		Current Maturities	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
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	-	-
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% Secured Redeemable Non Convertible debenture of Face Value ₹ 1,000 Each Redeemable on 26-Dec-2018 at par	4,018,636,000	4,904,374,000	-	-
10.40% Secured Redeemable Non Convertible Debentures of Face Value ₹ 1,000,000 Each Redeemable on 21-Jun-2018 at par	100,000,000	100,000,000	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures, Series 5, Option IV, Date of Maturity 18-04-2018 at premium	70,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures, Series 5, Option III, Date of Maturity 10-04-2018 at premium	37,000,000	-	-	-



Particulars	Non-current		Current Maturities	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Zero Coupon Secured Redeemable Non-Convertible Debentures, Series 6, Option IV, Date of Maturity 03-04-2018 at premium	433,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures, Series 5, Option II, Date of Maturity 02-04-2018 at premium	33,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures, Series 4, Option III, Date of Maturity 02-04-2018 at premium	62,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures, Series 5, Option I, Date of Maturity 07-03-2017 at premium	500,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures, Series 4, Option II, Date of Maturity 23-01-2018 at premium	33,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures, Series 4, Option I, Date of Maturity 09-01-2018 at premium	30,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures, Series 3, Option II, Date of Maturity 18-12-2017 at premium	60,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures, Series 3, Option I, Date of Maturity 06-12-2017 at premium	40,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures, Series 4, Option 2, Date of Maturity 20-11-2017 at premium	115,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures, Series 4, Option 1, Date of Maturity 02-11-2017 at premium	35,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures, Series 1, Option I, Date of Maturity 21-09-2017 at premium	195,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures, Option I, Date of Maturity 31-08-2017 at premium	170,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures, Date of Maturity 16-08-2017 at premium	180,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures, Series 6, Option III, Date of Maturity 15-06-2017 at premium	500,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures, Date of Maturity 15-05-2017 at premium	100,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures of Face Value ₹ 1,000,000 Each Redeemable on 24-04-2017 at premium	350,000,000	350,000,000	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures, Series 6, Option II, Date of Maturity 10-04-2017 at premium	850,000,000	-	-	-



Particulars	Non-current		Current Maturities	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Zero Coupon Secured Redeemable Non-Convertible Debentures, Series 6, Option I, Date of Maturity 20-03-2017 at premium	500,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures, Option II, Date of Maturity 06-09-2016 at premium	50,000,000	-	-	-
Zero Coupon Secured Redeemable Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 27-07-2015 at premium	-	100,000,000	100,000,000	-
Zero Coupon Secured Redeemable Non-Convertible Debentures of Face Value ₹ 1,000,000 Each Redeemable on 22-04-2015 at premium	-	200,000,000	200,000,000	-
11.35% Secured Redeemable Non-Convertible Debentures of Face value ₹ 1,000,000 Each Redeemable on 28-11-2014 at par	-	-	-	150,000,000
Total	8,621,636,000	5,814,374,000	300,000,000	150,000,000

Note: The above Debentures are secured by way of charge on Current Assets, Book debts, Receivables (both present and future) and other assets of the Company.

Note 5.2: Non Convertible Debentures - Unsecured

(Amount in ₹)

Particulars	Non-current		Current Maturities	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
12% Unsecured Subordinate Non Convertible Debentures, Option I, Date Of Maturity 02-04-2020 at par	1,798,577,000	-	-	-
Zero Coupon Unsecured Subordinate Non Convertible Debentures, Option II, Date Of Maturity 02-04-2020 at premium	201,423,000	-	-	-
Total	2,000,000,000	-	-	-

Note 5.3 : Details of Term Loans from Banks - Secured

(Amount in ₹)

Repayment Terms	Rate of interest	Tenure	Non Current Portion (₹)	Current Maturities (₹)
Quarterly	10.01% to 11.00%	Up to 5 years	875,000,000	125,000,000
Maturity	10.01% to 11.00%	Up to 3 years	500,000,000	-

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.

The above term loans are secured by way of First Pari Passu charge over the Current Assets in the form of Receivables, Book Debts, Bills Outstanding, Money Receivables including Future Movable Assets other than those specifically charged. Loans from Banks are also guaranteed by our Ultimate Holding Company IIFL Holdings Limited (Formerly known as India Infoline Limited).



6. Provisions (Amount in ₹)

Particulars	Long-Term		Short-Term	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Provision for Employee Benefits				
Provision for gratuity	-	-	296,183	1,234,260
Provision for leave encashment	884,665	679,462	323,828	205,225
Provision – Others				
Provision for sub-standard and doubtful assets	110,040,421	33,378,236	-	-
Provision for standard assets	96,518,006	56,073,472	-	-
Provision for expenses	-	-	38,792,608	10,956,178
Provision for Tax (Net of Advance Tax, TDS ₹ 502,747,612/-) (P.Y. ₹ 216,204,204/-)	-	-	7,335,595	29,125,874
Total	207,443,092	90,131,170	46,748,214	41,521,537

7. Short Term Borrowings (Amount in ₹)

Particulars	March 31, 2015	March 31, 2014
Loan Repayable on demand		
Secured		
Cash Credit* (A)	492,577,613	-
Borrowing from Related party		
Unsecured		
Inter Corporate Deposit (B)	1,020,000,000	-
Other borrowings		
Unsecured		
Commercial Papers	1,250,000,000	-
Less : Unexpired Discount on Commercial Paper	26,511,545	-
Subtotal (C)	1,223,488,455	-
Total (A+B+C)	2,736,066,068	-

*The above 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. The same are also guaranteed by our Ultimate Holding Company IIFL Holdings Limited (Formerly known as India Infoline Limited).

8. Other Current Liabilities (Amount in ₹)

Particulars	March 31, 2015	March 31, 2014
Current Maturities of Long Term Loans (Refer Note - 5)	425,000,000	150,000,000
Interest accrued but not due on borrowings	241,523,811	50,289,577
Others		
Temporary overdrawn bank balance	1,425,202,751	371,456,497
Advances from customers	206,662,486	92,748,688
Contractually reimbursable expenses	47,820,045	55,630,621
Payables on account of assignments	6,844,952	47,622,131
Statutory remittances	7,396,839	2,762,659
Accrued salaries and benefits	25,704,897	4,997,722



Particulars	March 31, 2015	March 31, 2014
Preference dividend payable	101,000,000	40,610,959
Dividend distribution tax payable	20,561,224	6,901,833
Other payables	2,312,747	245,131
NCD public issue application money*	-	2,122,377,000
Total	2,510,029,752	2,945,642,818

*Note : During the year, Company has allotted Un-Secured, Subordinated, Redeemable, Non-Convertible Debentures ("NCDs") aggregating to ₹ 2,000,000,000/- on 3rd April 2014 which was offered through the Public Offering in the previous year. Amount in excess of allotment has been refunded to the Non allottees. Amount outstanding to be refunded as on 31st March 2015 is ₹ 144,359/- (Grouped under the sub head "Other payables").

9. Tangible Assets

(Amount in ₹)

Particulars	Computer	Electrical Equipment	Furniture And Fixture	Office Equipment	Premises	Total
Cost or valuation as at April 01, 2014	-	-	-	-	-	-
Additions	326,500	245,530	132,258	246,931	2,343,300	3,294,519
Deductions/Adjustments during the year	-	-	-	-	-	-
As at March 31, 2015	326,500	245,530	132,258	246,931	2,343,300	3,294,519
Depreciation						
Upto April 01, 2014	-	-	-	-	-	-
Depreciation	41,417	12,321	2,459	31,377	68,346	155,920
Deductions/Adjustments during the year	-	-	-	-	-	-
Upto March 31, 2015	41,417	12,321	2,459	31,377	68,346	155,920
Net Block as at March 31, 2015	285,083	233,209	129,799	215,554	2,274,954	3,138,599
Net Block as at March 31, 2014	-	-	-	-	-	-

10. Non – Current Investments

(Amount in ₹)

Particulars	March 31, 2015	March 31, 2014
Other Investments		
Investment in Quoted Non Convertible Debentures		
IIFL Unsecured NCD-Series N6	1,221,127	-
IIFL Unsecured NCD-Series N7	349,885	-
Total	1,571,012	-
Market value of Quoted Investment	1,468,595	-

11. Deferred Tax Assets (Net)

The Company has recognized deferred tax assets as 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 results in a net deferred tax asset.



(Amount in ₹)

Particulars	March 31, 2015	March 31, 2014
Deferred Tax Asset		
Provision for gratuity	102,503	419,525
Provision for substandard & doubtful assets	38,082,789	11,345,262
Provision for standard assets	33,402,951	19,059,373
Depreciation	(66,637)	-
Gross Deferred Tax Asset (A)	71,521,606	30,824,160
Deferred Tax Liability		
Special Reserve	42,045,494	-
Gross Deferred Tax Liability (B)	42,045,494	-
Net Deferred Tax Asset (A-B)	29,476,112	30,824,160

12. Loans & Advances

(Amount in ₹)

Particulars	Non Current		Current	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Loans & Advances				
Secured considered good	15,164,221,157	8,256,218,907	4,375,397,281	669,445,247
Secured considered doubtful*	155,087,571	82,235,166	9,163,501	-
Other Loans & Advances				
Dues from customers				
-Secured considered good	-	-	362,181,240	225,899,472
-Secured considered doubtful*	-	-	6,270,272	1,052,154
Unsecured - Deposits with Exchange	-	-	35,000,000	35,000,000
Unsecured - Security Deposit	3,342,756	-	-	-
Total	15,322,651,484	8,338,454,073	4,788,012,294	931,396,873

*The Loans and Advances and dues from customer which are secured and considered doubtful are disclosed at gross amount, provision against the same is disclosed under the Note 6 Provisions.

13. Other Assets

(Amount in ₹)

Particulars	Non Current		Current	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Unamortized Debenture Issue Expenses	64,578,374	86,966,457	23,341,503	21,994,555
Prepaid Expenses	-	-	7,103,661	-
Service Tax input Credit Receivable	-	-	168,074	1,281,745
Accrued Interest on Fixed Deposits	-	-	204,643	254,206
Salary Advance	-	-	-	75,000
Others	-	-	58,339,850	-
Total	64,578,374	86,966,457	89,157,731	23,605,506



14. Current Investments (Valued at cost or market value whichever is lower unless stated otherwise)
(Amount in ₹)

Particulars	March 31, 2015	March 31, 2014
Investment in Quoted Non Convertible Debentures		
IIFL Unsecured NCD-Series N5	-	205,401,981
Total	-	205,401,981
Market value of Quoted Investment	-	205,401,981
Aggregate provision made for diminution in value of investments	-	-

15. Cash and Bank Balances (Amount in ₹)

Particulars	Non Current		Current	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Cash and Cash Equivalents				
Balance with Banks:				
- In Current Accounts	-	-	614,300,580	2,311,221,902
Total Cash & Cash Equivalents (A)	-	-	614,300,580	2,311,221,902
Other Bank Balances:				
Fixed deposits pledged with bank as margin for credit enhancement & guarantees *	-	-	140,600,000	140,600,000
Short term fixed deposits with banks with original maturity of 3 to 12 months	-	-	23,000,000	-
Total Other Bank Balances (B)	-	-	163,600,000	140,600,000
Total (A + B)	-	-	777,900,580	2,451,821,902

*Note: Out of the total fixed deposits of ₹ 140,600,000/-, fixed deposits amounting to ₹ 105,600,000/- (P.Y. ₹ 105,600,000/-) has been lien marked as a credit enhancement with respect to assignment transaction and ₹ 35,000,000/- for bank guarantee with National Stock exchange for public issue of Non Convertible Debenture .

16. Revenue from Operations (Amount in ₹)

Particulars	2014-15	2013-14
Interest Income	2,149,709,160	985,606,856
Profit from Sale of Investments	6,753,724	6,266,417
Dividend Income	15,666,760	5,045,030
Total	2,172,129,644	996,918,303

Note : Revenue from operation would have been higher by ₹ 40,921,941/- had there been no change in accounting policies for revenue recognition of penal charges and cheque bouncing charges. (Refer note no 2.7 for policy in respect of revenue recognition from penal charges and cheque bouncing charges).

17. Other Income (Amount in ₹)

Particulars	2014-15	2013-14
Interest on fixed deposits	15,535,799	11,779,746
Processing fee	146,245,512	96,756,928
Administration fee & other charges from customer	32,361,746	28,920,494
Miscellaneous income	5,639	-
Total	194,148,696	137,457,168



18. Employee Benefit Expenses (Amount in ₹)

Particulars	2014-15	2013-14
Salaries and Bonus	122,215,766	39,724,395
Contribution to Provident and other funds*	2,653,491	509,526
Leave Encashment	575,009	505,044
Gratuity Expenses	621,396	978,184
Staff Welfare Expenses	1,264,919	209,841
Total	127,330,581	41,926,990

18.1 The Company is recognizing and accruing the employee benefit as per Accounting Standard (AS) – 15 on "Employee Benefits". (Amount in ₹)

Assumptions	2014-15	2013-14
Discount rate	9.14%	9.14%
Salary Escalation	5.00%	5.00%
Change in Benefit Obligation		
Present value of benefit obligation as at beginning of the current period	2,454,135	1,724,593
Interest Cost	224,308	137,967
Current Service Cost	463,912	289,177
Liability transferred in	420,074	-
Liability transferred out	(9,547)	-
Benefit paid in normal course	(615,076)	(384,711)
Actuarial (Gains)/ Losses on obligations	54,986	687,109
Liability at the end of the year	2,992,792	2,454,135
Amount Recognised in the Balance Sheet		
Fair value of plan assets at the end of the year	2,696,609	1,219,875
Liability at the end of the year	(2,992,792)	(2,454,135)
Funded Status	(296,183)	(1,234,260)
Net Asset recognised in Balance sheet	(296,183)	(1,234,260)
Expenses Recognised in the Income Statement		
Current Service Cost	463,912	289,177
Interest Cost	224,308	137,967
Expected return on plan assets	(106,129)	(127,757)
Actuarial (Gains)/Losses	39,305	678,797
Expense Recognised in statement of Profit & loss	621,396	978,184
Balance Sheet Reconciliation		
Opening Net liability	1,234,260	256,124
Expenses as above	621,396	978,184
Net transfer in	420,074	-
Net transfer out	(9,547)	-
Employers Contribution	(1,970,000)	(48)
Net Asset Recognised in Balance Sheet	296,183	1,234,260



*Defined contribution Plans:

The Company has also recognised the following amount as an expense (Amount in ₹)

Particulars	2014-15	2013-14
Contribution to Provident and Other Fund	2,394,593	494,956

19. Finance Cost (Amount in ₹)

Particulars	2014-15	2013-14
Interest Expense	1,143,350,141	466,142,087
Other borrowing cost	29,980,989	22,877,798
Total	1,173,331,130	489,019,885

20. Other expenses (Amount in ₹)

Particulars	2014-15	2013-14
Advertisement	9,860,655	3,747,185
Books & periodicals	383	3,470
Bank charges	289,942	331,406
Communication	1,227,870	385,384
Electricity	518,288	250,932
Direct operating expenses	24,214,553	22,292,362
Exchange and statutory charges	3,913,381	7,525,504
Legal & professional fees	15,266,917	9,876,272
Marketing expenses	57,248,422	34,685,079
Miscellaneous expenses	243,710	123,064
Office expenses	8,680,311	5,808,866
Postage & courier	734,936	858,152
Printing & stationery	1,900,664	2,703,142
Rates & taxes	18,685	11,699
Rent	6,549,675	1,601,203
Repairs & Maintenance		
- Computer	1,146,305	15,830
- Others	11,360	409,601
Remuneration to Auditors :		
- Audit fees	225,000	175,000
- Certification expenses	42,500	25,500
- Out of pocket expenses	12,563	5,159
Software charges	296,369	38,184
Subscription	-	1,913
Travelling & conveyance	14,450,770	7,969,923
Corporate Social Responsibility (CSR) Expenses (Refer note - 31)	47,885	-
Total	146,896,144	98,844,830



21. Provisions & Write off (Amount in ₹)

Particulars	2014-15	2013-14
Bad Debts Written off	288,453	2,016
Provision for Substandard & Doubtful Loans	76,662,185	32,050,528
Provision for Standard Loans	40,444,534	32,995,100
Total	117,395,172	65,047,644

22. Basic & Diluted Earning Per Share (Amount in ₹)

Particulars		2014-15	2013-14
Basic & Diluted Earning Per Share (EPS)			
Profit after tax as per statement of profit & Loss		535,017,952	310,519,379
Less: Preference Dividend		101,000,000	40,610,959
Less: Dividend Distribution Tax		20,561,224	6,901,833
Net Profit after Tax After Preference Dividend	A	413,456,728	263,006,587
Weighted average number of Equity Shares	B	10,900,000	10,900,000
Basic EPS (₹)	A/B	37.93	24.12
Potential Dilutive Preference Shares	C	135,000,000	135,000,000
Average number of Potential Dilutive preference shares considered for EPS	D	74,511	46,242
Total number of shares for Dilutive EPS	E=B+D	10,974,511	10,946,242
Profit after tax after adjustment of diluted Earnings	F	510,946,422	310,519,379
Diluted EPS (₹)*	F/E	37.93	24.12

*DEPS on 6% Preference shares has been calculated on book value being considered as fair value on the date of conversion. Book value as on the date of conversion is considered based on compounded annual growth rate calculated over last 6 years. Potential equity shares on conversion are anti dilutive.

23. Contingent Liability and Commitments:

- Contingent Liabilities : Nil (P.Y. Nil)
- Commitments: As on the balance sheet date there were undrawn credit commitments of ₹ 2,982,196,759/- (P.Y. ₹ 481,805,073/-) representing the amount sanctioned but not disbursed.

24. The Company 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.

25. The Company has taken office premises on operating lease at various locations. Lease rents in respect of the same have been charged to Statement of Profit and Loss. 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 180 days. The minimum lease rentals outstanding as at March 31, 2015 are as under:

(Amount in ₹)

Minimum Lease Payments	March 31, 2015	March 31, 2014
Up to One year	2,976,929	-
One to Five years	-	-
Total	2,976,929	-



26. The Company operates from and uses the premises infrastructure and other facilities and services as provided by its holding company/group companies which are termed as 'Shared Services'. Hitherto such shared services consisting of administrative and other revenue expenses incurred for the company were identified and paid based on reasonable management estimates which are constantly refined in the light of additional knowledge gained relevant to such estimation.
27. **Segment Reporting:**
In the opinion of the management there is only one reportable business segment (Financing & Investing) as envisaged by Accounting Standard 17 'Segment Reporting' issued by the Institute of Chartered Accountants of India. 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.
28. Disclosure regarding penalty as per The Housing Finance Companies (NHB) Directions, 2010 :
- No penalty has been imposed during the year.
 - No adverse comments have been received in writing from National Housing Bank on regulatory compliances.
29. **Details of Dues to Micro, Small and Medium Enterprises:**
Other Current liabilities includes ₹ Nil/- (Previous year: ₹ Nil/-) payable to "Suppliers" registered under the Micro, Small and Medium Enterprises Development Act, 2006. No interest has been paid / is payable by the Company during the year to "Suppliers" registered under this act. The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the said Act.
30. Disclosures in respect of applicability of AS – 18 Related Party Disclosures

A) Related parties where control exists:

Nature of relationship	Name of party
Holding company	India Infoline Finance Limited
Ultimate Holding Company	IIFL Holdings Limited (Formerly known as India Infoline Limited)
Group Company	India Infoline Commodities Limited
	India Infoline Media & Research Services Limited
	India Infoline Insurance Services Limited
	India Infoline Insurance Brokers Limited
	India Infoline Commodities DMCC
	India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)
	IIFL Capital Limited
	IIFL Realty Limited
	IIFL Wealth Management Limited
	IIFL Alternate Asset Advisors Limited
	IIFL (Asia) Pte Limited
	IIFL Inc
	IIFL Capital Pte Limited



INDIA INFOLINE HOUSING FINANCE LIMITED

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

Nature of relationship	Name of party
	IIFL Wealth (UK) Limited
	India Infoline Asset Management Company Limited
	India infoline Trustee Company Limited
	IIFL Private Wealth Mauritius Limited
	IIFL Distribution Services Limited (Formerly IIFL Distribution Services Private Limited)
	IIFL Investment Advisor and Trustee Services Limited (Formerly known as IIFL Trustee Services Limited)
	IIFL Private Wealth Management Dubai Limited
	IIFL Private Wealth Hong Kong Limited
	IIFL Private Wealth (Suisse) SA
	IIFL Capital Inc
	IIFL Securities Pte. Limited
	IIFL Properties Private Limited (formerly Ultra Sign and Display Private Limited)
	IIFL Asset Reconstruction Company Limited
	India Infoline Foundation
	India Alternative Investment Advisors Private Limited
Key Management Personnel	Mr. Monu Ratra
	Mr. Kaushik Chatterjee
Other Related Parties	Mr. Nirmal Jain
	Mr. R Venkatarman
	Orpheus Trading Private Limited
	Ardent Impex Private Limited

(B) Significant Transaction with Related Parties:

(Amount in ₹)

Nature of Transaction	Ultimate Holding Company	Holding Company	Group Companies	Key Management Personnel	Total
Interest Income					
India Infoline Finance Limited	-	31,363,824	-	-	31,363,824
	-	-	-	-	-
Interest Expenses					
India Infoline Finance Limited	-	51,814,032	-	-	51,814,032
	-	(82,500,599)	-	-	(82,500,599)
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	-	702,740	-	702,740
	-	-	-	-	-
India infoline Commodities Limited	-	-	377,918	-	377,918
	-	-	-	-	-
IIFL Realty Limited	-	-	474,740	-	474,740
	-	-	-	-	-



Nature of Transaction	Ultimate Holding Company	Holding Company	Group Companies	Key Management Personnel	Total
IIFL Holdings Limited (Formerly known as India Infoline Limited)	3,310,684	-	-	-	3,310,684
	-	-	-	-	-
Servicing Charges Expense					
India Infoline Finance Limited	-	6,976,031	-	-	6,976,031
	-	-	-	-	-
Brokerage/Delayed Payin Expenses					
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	-	5,322,576	-	5,322,576
	-	-	(1,475,237)	-	(1,475,237)
Debenture Issue Expenses					
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	-	9,608,640	-	9,608,640
	-	-	(5,484,780)	-	(5,484,780)
Preference Dividend (Proposed)					
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	-	30,000,000	-	30,000,000
	-	-	-	-	-
IIFL Holdings Limited (Formerly known as India Infoline Limited)	36,000,000	-	-	-	36,000,000
	-	-	-	-	-
India Infoline Finance Limited	-	35,000,000	-	-	35,000,000
	-	(40,610,959)	-	-	(40,610,959)
Receipt towards Assignment Transaction					
India Infoline Finance Limited	-	145,986,140	-	-	145,986,140
	-	-	-	-	-
Payment towards Assignment Transaction					
India Infoline Finance Limited	-	640,118,041	-	-	640,118,041
	-	-	-	-	-
Purchase of Investment					
India Infoline Finance Limited	-	1,009,780,822	-	-	1,009,780,822
	-	-	-	-	-
IIFL Wealth Management Limited	-	-	50,245,053	-	50,245,053
	-	-	-	-	-
Purchase of Immovable Asset					
IIFL Realty Limited	-	-	2,190,000	-	2,190,000
	-	-	-	-	-
ICD taken					
IIFL Holdings Limited (Formerly known as India Infoline Limited)	2,500,000,000	-	-	-	2,500,000,000
	-	-	-	-	-
IIFL Realty Limited	-	-	1,020,000,000	-	1,020,000,000
	-	-	-	-	-



Nature of Transaction	Ultimate Holding Company	Holding Company	Group Companies	Key Management Personnel	Total
India Infoline Commodities Limited	-	-	110,000,000	-	110,000,000
	-	-	-	-	-
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	-	750,000,000	-	750,000,000
	-	-	-	-	-
India Infoline Finance Limited	-	4,708,500,000	-	-	4,708,500,000
	-	(4,007,000,000)	-	-	(4,007,000,000)
ICD returned back					
IIFL Holdings Limited (Formerly known as India Infoline Limited)	2,500,000,000	-	-	-	2,500,000,000
	-	-	-	-	-
IIFL Realty Limited	-	-	-	-	-
	-	-	-	-	-
India Infoline Commodities Limited	-	-	110,000,000	-	110,000,000
	-	-	-	-	-
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	-	750,000,000	-	750,000,000
	-	-	-	-	-
India Infoline Finance Limited	-	4,708,500,000	-	-	4,708,500,000
	-	(4,007,000,000)	-	-	(4,007,000,000)
Advance taken*					
India Infoline Finance Limited	-	-	-	-	-
	-	(80,000,000)	-	-	(80,000,000)
Advance returned*					
India Infoline Finance Limited	-	-	-	-	-
	-	(80,000,000)	-	-	(80,000,000)
Advance given*					
India Infoline Finance Limited	-	-	-	-	-
	-	(50,000,000)	-	-	(50,000,000)
Advance received back*					
India Infoline Finance Limited	-	-	-	-	-
	-	(50,000,000)	-	-	(50,000,000)
Purchase/cancellation assignment of Portfolio / Foreclosures / EMIS					
India Infoline Finance Limited	-	834,761,964	-	-	834,761,964
	-	-	-	-	-
Preference Share Allotment					
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	-	-	-	-
	-	-	(1,350,000,000)	-	(1,350,000,000)



Nature of Transaction	Ultimate Holding Company	Holding Company	Group Companies	Key Management Personnel	Total
Allocation / Reimbursement of expenses Paid					
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	-	464,842	-	464,842
	-	-	(8,861,138)	-	(8,861,138)
India Infoline Finance Limited	-	26,874,109	-	-	26,874,109
	-	(21,208,504)	-	-	(21,208,504)
Allocation / Reimbursement of expenses Paid Others					
India Infoline Finance Limited	-	21,616,931	-	-	21,616,931
	-	-	-	-	-
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	-	2,076,837	-	2,076,837
	-	-	(1,243,236)	-	(1,243,236)
Allocation / Reimbursement of expenses Received Others					
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	-	-	-	-
	-	-	(58,169)	-	(58,169)
India Infoline Finance Limited	-	1,021,611	-	-	1,021,611
	-	(17,901,370)	-	-	(17,901,370)

Figures in Bracket represents previous year's figure.

* Advance represents maximum balance outstanding during the year.

C) Closing Balance

(Amount in ₹)

Nature of Transaction	Ultimate Holding Company	Holding Company	Group Companies	Total
Sundry payable				
IIFL Realty Limited	-	-	1,020,000,000	1,020,000,000
	-	-	-	-
Sundry receivables				
India Infoline Finance Limited	-	58,339,850	-	58,339,850
	-	-	-	-

31. Corporate Social Responsibility:

During the financial year 2014-15, the Company could spent ₹ 47,885/- out of the total amount of ₹ 4,655,410/- 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.



32. Disclosure regarding provisions made for Sub standard, Doubtful and Loss Assets as per the NHB Directions contained in the National Housing Bank Guidelines:

(Amount in ₹)

Particulars	March 31, 2015		March 31, 2014	
	Portfolio Balance	Provisions	Portfolio Balance	Provisions
Standard Assets				
Housing loans	13,004,752,858	70,374,263	7,189,996,164	43,529,261
Other property loans	6,534,865,580	26,143,743	1,735,667,990	12,544,211
	19,539,618,438	96,518,006	8,925,664,154	56,073,472
Sub Standard Assets				
Housing loans	56,981,601	37,401,429	51,670,920	20,768,600
Other property loans	69,164,729	47,090,487	30,564,246	12,609,636
	126,146,330	84,491,916	82,235,166	33,378,236
Doubtful Assets				
Housing loans	37,880,310	25,398,813	-	-
Other property loans	224,432	149,692	-	-
	38,104,742	25,548,505		
Loss Assets				
Housing loans			-	-
Other property loans			-	-
Total	19,703,869,510	206,558,427	9,007,899,320	89,451,708

Note: Gross NPA (including Principal Overdue of ₹ 6,270,272/- (P.Y. ₹ 1,052,154/-)) is ₹ 170,521,344/- (P.Y. ₹ 83,287,320/-).

33. Disclosures as required under NHB guidelines

The following additional disclosures have been given in terms of the circular no. NHB/ND/DRS/Pol- No.35/2010- 11 dated October 11, 2010 issued by the National Housing Bank:

I. Capital To Risk Assets Ratio

Particulars	March 31, 2015	March 31, 2014
CRAR (%)	29.11	38.28
CRAR - Tier I Capital (%)	18.30	35.11
CRAR - Tier II Capital (%)	10.81	3.17



II. Exposure to Real Estate Sector		(Amount in ₹)	
Category	March 31, 2015	March 31, 2014	
a) Direct exposure			
(i) Residential Mortgages-			
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;			
- Up to ₹ 15 Lacs	1,865,325,240	710,098,573	
- More Than ₹ 15 Lacs	10,472,141,252	4,063,737,085	
(ii) Commercial Real Estate-			
Lending secured by mortgages on commercial real estate's (office buildings retail space multipurpose commercial premises multi-family residential buildings multi-tenanted commercial premises industrial or warehouse space hotels land acquisition development and construction etc.).Exposure would also include non-fund based(NFB)limits;	7,366,403,010	4,234,063,662	
(iii) Investments in Mortgage Backed Securities(MBS) and other securitized exposures-			
a. Residential	-	-	
b. Commercial Real Estate	-	-	
b) Indirect Exposure			
Fund based and non-fund based exposures on National Housing Bank(NHB)and Housing Finance Companies(HFCs)	-	-	

III. Asset Liability Management

Maturity pattern of certain items of Assets and Liabilities (Amount in ₹)

Particulars	Liabilities		Assets	
	Borrowings from Banks	Market Borrowings	Advances	Investments
1 day to 30/31 days (one month)	-	1,954,093,073	256,586,610	-
Over 1 to 2 months	-	-	288,358,632	-
Over 2 to 3 months	-	-	420,079,243	-
Over 3 to 6 months	-	589,395,382	1,073,117,882	-
Over 6 to 1 year	322,031,045	-	2,346,418,415	-
Over 1 to 3 years	1,295,546,568	3,708,000,000	4,882,112,905	1,571,012
Over 3 to 5 years	375,000,000	4,913,636,000	1,857,713,087	-
Over 5 to 7 years	-	2,000,000,000	1,744,986,721	-
Over 7 to 10 years	-	-	2,549,021,897	-
Over 10 years	-	-	4,285,474,118	-
Total	1,992,577,613	13,165,124,455	19,703,869,510	1,571,012



INDIA INFOLINE HOUSING FINANCE LIMITED

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

34. Previous year figures have been re-grouped, re-classified & 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



Parthiv S. Desai
Partner
Membership No (F) 042624

Place: Mumbai
Dated: 6th May 2015

**For and on behalf of the Board of Directors
of India Infoline Housing Finance Limited**



R. Mohan
Director
(DIN no: 00012070)



Rajashree Nambiar
Director
(DIN no : 06932632)



Monu Ratra
Chief Executive officer



Amit Gupta
Chief Financial Officer



Ajay Jaiswal
Company Secretary

