IIFL FACILITIES SERVICES LIMITED

(Formerly known as IIFL Real Estate Limited)

Standalone Financial Statements
as on March 31, 2020
(₹ in Millions)

V. Sankar Aiyar & Co.
CHARTERED ACCOUNTANTS
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INDEPENDENT AUDITOR'S REPORT

To The Members of IIFL Facilities Services Limited (formerly Known as IIFL Real Estate Limited)

Report on the Audit of the Standalone Ind AS financial statements

Opinion

We have audited the standalone Ind AS financial statements of IIFL Facilities Services Limited (formerly known as IIFL Real Estate Limited) ("the Company"), which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have not determined any key audit matters for the Company. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Response to Key Audit Matter
The Company has sold one property to a related party during the year and the Company has accounted for a profit of Rs 1017.19 Millions on the said transaction which has been disclosed as an exceptional item in the financial statements (Refer Note 30 of the Financial Statements). Since the transaction involved related parties and consequent compliance with the requirements of the Companies Act, 2013 and since the amount involved was material, the same was considered as a Key Audit Matter.	Our audit procedures in respect of the sale of property to a related party included: a) Review of the minutes of the meeting approving the sale transaction; b) Review of the Valuation Report obtained from an approved independent valuer to ensure that the transaction was entered into at arm's length; c) Review of Sale Agreement and other documents to ensure that the documents were properly executed; d) Verification of the accounting entries passed including profit on sale and tax impact of the said transaction. Our audit procedures did not reveal any non-compliances.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting standards specified under Sec 133 of the Act. 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.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast

V. Sankar Aiyar & Co.
CHARTERED ACCOUNTANTS
Mumbai – 400 020

significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" 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 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 financial statements.
    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
    c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account maintained for the purpose or preparation of the financial statements.
    d) In our opinion, the aforesaid financial statements comply with the Ind AS 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
    f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
    g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
    According to the information and explanations given to us and based on verification of records, the company has not paid or provided for managerial remuneration during the year.

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

        (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note No 36 of the financial statements.

        (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **V. Sankar Aiyar & Co.,**
Chartered Accountants
(FRN 109208W)

Place: Mumbai
Date: May 15, 2020

(G.SANKAR)
(M.No.46050)
UDIN: 20046050AAAABV3357

Annexure A to the Independent Auditor's Report

Annexure referred to in our report of even date to the members of IIFL Facilities Services Limited (formerly known as IIFL Real Estate Limited) on the accounts for the year ended 31st March 2020

(i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As explained to us, the assets have been physically verified by the management in accordance with a phased programme of verification which in our opinion is reasonable considering the size of the Company and nature of its fixed assets. According to the information and explanations given to us, no material discrepancies have been noticed on such physical verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties which are freehold are held in the name of the Company.

(ii) The Company is not carrying on any trading or manufacturing activity. Therefore Para 3(ii) of the Order is not applicable to the Company

(iii) The Company has granted loans, unsecured to 5 companies / LLPs covered in the register maintained under Section 189 of the Companies Act, 2013:

(a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the Companies were not, prima facie, prejudicial to the interests of the Company;

(b) The borrowers have been regular in the payment of the principal and interest as stipulated;

(c) There are no overdue amounts as at the balance sheet date, in respect of these loans.

(iv) According to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act with respect to the loans, investments, guarantees and securities made as applicable.

(v) The Company has not accepted any deposits from the public, within the meaning of Section 73 to 76 or any other relevant provisions of the Act and Rules framed thereunder. We are informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or other tribunal.

(vi) According to the information and explanations given to us, in respect of the class of industry the company falls under, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act. Therefore, paragraph 3(vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us the Company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax , service tax, sales tax, value added tax, goods and services tax, cess and other statutory dues as applicable to the Company with the appropriate authorities. Further as explained, there are no undisputed statutory dues outstanding for more than six months as at 31st March 2020 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 dues of Income Tax, Wealth Tax, Sales Tax, Service Tax, Value Added Tax, Goods and Services Tax, Excise Duty, Customs Duty and Cess which have not been deposited on account of any dispute.

(viii) 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, banks and financial institutions. The Company has not borrowed from government during the year.

(ix) According to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year. However it has raised monies by way of Commercial Papers and the monies raised were utilized for the purpose for which these were raised.

(x) According to the information and explanations given to us, and based on the audit procedures performed and the representations obtained from the management, we report that no fraud by the company or on the Company by its officers or employees, having a material misstatement on the financial statements has been noticed or reported during the period under audit.

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(xi) According to the information and explanations given to us and based on verification of records, the company has not paid or provided for managerial remuneration during the year. Therefore Para 3(xi) of the Order is not applicable to the Company.

(xii) In our Opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence clause (xii) of the order is not applicable to the Company.

(xiii) According to the information and explanation given to us and based on verification of the records and approvals of the Audit Committee, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) According to the information and explanations given to us, the company is not required to be registered under Sec 45-IA of the Reserve Bank of India Act, 1934.

For **V. Sankar Aiyar & Co.,**
Chartered Accountants
(FRN 109208W)

gSankar

(G.SANKAR)
(M.No.46050)
UDIN: 20046050AAAABV3357

Place: Mumbai
Date: May 15, 2020

V. Sankar Aiyar & Co.
CHARTERED ACCOUNTANTS
Mumbai – 400 020

Annexure B to the Independent Auditor's Report

Annexure referred to in our report of even date to the members of IIFL Facilities Services Limited (formerly Known as IIFL Real Estate Limited) on the standalone accounts for the year ended 31st March 2020

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

We have audited the internal financial controls over financial reporting of IIFL Facilities Services Limited (formerly Known as IIFL Real Estate Limited) ("the Company") as of March 31st, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **V. Sankar Aiyar & Co.,**
Chartered Accountants
(FRN 109208W)

Place: Mumbai
Date: May 15, 2020

(G.SANKAR)
(M.No.46050)
UDIN: 20046050AAAABV3357

IIFL FACILITIES SERVICES LIMITED (FORMERLY KNOWN AS IIFL REAL ESTATE LIMITED)
STANDALONE BALANCE SHEET

(₹ in million)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
ASSETS			
(I) Non-current assets			
(a) Property, Plant and Equipment	4	3,240.71	3,427.62
(b) Capital work-in-progress	4	418.67	1.30
(c) Other Intangible assets	5	10.64	0.01
(d) Investments in subsidiaries, associates and joint ventures	6	0.99	-
(e) Financial Assets			
(i) Investments	7	-	204.03
(ii) Loans	8	318.48	14.40
(iii) Finance lease receivable	9	16.05	22.92
(iv) Other financial assets	10	-	0.03
(f) Deferred tax assets (net) (Including MAT Credit)	11	8.87	12.07
(g) Other non-current assets	12	471.78	843.10
		4,486.19	**4,525.48**
(II) Current assets			
(a) Financial Assets			
(i) Investments	7	201.21	-
(ii) Trade receivables	13	18.75	7.02
(iii) Cash and cash equivalents	14	78.74	214.90
(iv) Bank balances other than (iii) above	15	51.10	51.10
(v) Loans/Advance/Deposits	8	500.75	3,392.15
(vi) Finance Lease Receivable	9	6.87	6.75
(vii) Others financial assets	10	27.24	13.55
(b) Current Tax Assets (Net)		-	-
(c) Other current assets	12	2.64	5.64
		887.30	**3,691.11**
(III) Assets held for Sale	16	-	1,266.63
TOTAL ASSETS (I + II + III)		**5,373.49**	**9,483.22**
EQUITY AND LIABILITIES			
(I) Equity			
(a) Equity Share capital	17	90.00	90.00
(b) Other Equity	18	1,515.66	583.55
		1,605.66	**673.55**
(II) LIABILITIES			
(i) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	2,769.50	486.40
(ii) Other financial liabilities	20	259.48	286.49
(b) Provisions	21	0.18	0.10
		3,029.16	**772.99**
(ii) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	-	5,745.23
(ii) Trade payables	22		
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		9.34	24.78
(iii) Other financial liabilities	20	680.74	414.32
(b) Other current liabilities	23	48.58	1,852.30
(c) Provisions	21	0.01	0.05
		738.67	**8,036.68**
		3,767.83	**8,809.67**
Total Equity and Liabilities		**5,373.49**	**9,483.22**

The accompanying notes form an integral part of the financial statements **1-44**

As per our report of even date

For V. Sankar Aiyar & Co.
Chartered Accountants
Firm's Registration No. 109208W
By the hand of

G. Sankar
Partner
Membership No. : 046050

For and on Behalf of Board of Directors

IIFL Facilities Services Limited

Balaji Raghavan
Whole Time Director
(DIN: 05326740)

Ashok Mittal
Director
(DIN: 08690899)

Jayesh Upadhyay
Company Secretary

Saurabh Jain
Chief Financial Officer

Place : Mumbai
Dated : May 15, 2020

IIFL FACILITIES SERVICES LIMITED (FORMERLY KNOWN AS IIFL REAL ESTATE LIMITED)
STANDALONE STATEMENT OF PROFIT AND LOSS

(₹ in million)

PARTICULARS	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
INCOME			
(i) Revenue from operations	24	669.84	890.78
(ii) Other income	25	340.35	229.06
(I) Total Income (i+ii)		**1,010.19**	**1,119.84**
(i) Employee benefits expense	26	4.18	4.01
(ii) Finance costs	27	698.10	595.33
(iii) Depreciation and amortization expense	28	244.12	251.17
(iv) Other expenses	29	143.90	110.24
(II) Total expenses (i+ii+iii+iv)		**1,090.30**	**960.75**
(III) Profit/(loss) before exceptional items and tax (I-II)		(80.11)	159.09
(IV) Exceptional Items	30	1,017.19	-
(V) Profit/(loss) before tax (III+IV)		**937.08**	**159.09**
Tax expense	31		
Current tax (i)		-	33.63
MAT credit entitlement (ii)		-	(0.57)
(VI) Net current tax (i+ii)		**-**	**33.06**
(VII) (Excess)/short provision of tax relating to earlier years		2.22	2.73
(VIII) Deferred tax		(8.26)	0.53
(IX) Total Tax Expenses (VI+VII+VIII)		**(6.04)**	**36.32**
(X) Profit/(loss) for the period before impact of rate change on opening deferred tax (V-IX)		**943.12**	**122.77**
(XI) Impact of change in rate on opening deferred tax		10.60	-
(XII) Total Profit/(loss) for the period (X-XI)		**932.52**	**122.77**
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss		(0.55)	0.10
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.14	(0.01)
(XIII) Other Comprehensive Income for the year (i+ii)		**(0.41)**	**0.09**
(XIV) Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period) (XII+XIII)		**932.11**	**122.86**
(XV) Earnings per equity share	32		
(1) Basic (in ₹)		103.61	13.64
(2) Diluted (in ₹)		103.61	13.64

The accompanying notes form an integral part of the financial statements **1-44**

As per our report of even date
For V. Sankar Aiyar & Co.
Chartered Accountants
Firm's Registration No. 109208W
By the hand of

G Sankar

V. SANKAR AIYAR & CO. MUMBAI CHARTERED ACCOUNTANTS

G. Sankar
Partner
Membership No. : 046050

IIFL Facilities Services Limited

For and on Behalf of Board of Directors

Balaji Raghavan
Whole Time Director
(DIN: 05326740)

Ashok Mittal
Director
(DIN: 08690899)

Jayesh Upadhyay
Company Secretary

Saurabh Jain
Chief Financial Officer

Place : Mumbai
Dated : May 15, 2020

IIFL FACILITIES SERVICES LIMITED (FORMERLY KNOWN AS IIFL REAL ESTATE LIMITED)
STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(₹ in million)

FOR THE YEAR ENDED	As at March 31, 2020	As at March 31, 2019
Cash flow from operating activities		
Profit/(loss) before taxation and exceptional item	(80.11)	159.09
Adjustments For:		
Depreciation and amortisation	244.12	251.17
Provision for gratuity	0.04	0.06
Provision for leave encashment	0.18	0.05
Provision for expenses	7.39	23.88
Capital gain	5.89	(44.27)
Interest expenses	698.10	595.33
Interest income	(442.32)	(156.05)
Bad debts written off	0.04	0.22
Net (gain)/loss on derecognition of property, plant and equipment	(23.34)	1.28
Provision equivalent to loss on share of partnership firm	32.02	-
Operating profit before working capital changes	**442.01**	**830.76**
(Increase) / decrease in trade receivables	(11.77)	7.15
(Increase) / decrease in other current financial assets	(1.39)	-
(Increase) / decrease in other current assets	3.00	(1.20)
(Increase) / decrease in long-term loans and advances	0.93	(6.42)
(Increase) / Decrease in other non-current financial assets	0.03	-
(Increase) / decrease in other non-current assets	397.11	(547.29)
Increase / (decrease) in other long-term liabilities	(27.01)	(336.39)
Increase / (decrease) in long term provision	(0.09)	(0.06)
Increase / (decrease) in trade payable	(22.83)	(19.57)
Increase / (decrease) in current financial liabilities	(297.70)	414.22
Increase / (decrease) in current liabilities	(1,803.72)	1,839.52
Increase / (decrease) in short term provisions	(0.05)	-
Cash generated from operations	**(1,321.48)**	**2,180.72**
Tax (paid) / refund	(26.72)	(113.54)
Net cash flow from / (used in) operating activities (A)	**(1,348.20)**	**2,067.18**
Cash flow from investing activities		
(Purchase) of fixed assets	(469.94)	(417.50)
Sale of fixed assets	2,291.90	0.68
(Purchase)/sale of current/non current investments (net)	(306.76)	241.37
Investments in subsidiaries, associates and joint ventures	(0.99)	-
Interest received	22.50	174.45
Bank balances not considered as cash and cash equivalents- (placed)/matured	-	(45.50)
Net cash flow from / (used in) investing activities (B)	**1,536.71**	**(46.50)**
Cash flow from financing activities		
Proceeds of long term borrowings (Net)	2,769.50	(300.00)
(Repayment) of short term borrowings (Net)	(5,677.45)	(937.26)
(Investment) / repayment of asset given on finance lease	6.75	4.42
Investment in fixed deposits	0.64	-
Interest paid	(720.78)	(609.08)
Interest received	405.27	-
(Increase) / decrease in short term loans and advances	2,891.40	-
Net cash flow from / (used in) financing activities (C)	**(324.67)**	**(1,841.92)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**(136.16)**	**178.76**
Reconciliation of cash and cash equivalents		
Cash and cash equivalents at the beginning of the year (Refer Note 14)	214.90	36.14
Cash and cash equivalents at the end of the year (Refer Note 14)	78.74	214.90
Net change in cash & cash equivalents	**(136.16)**	**178.76**

The accompanying notes form an integral part of the financial statements **1-44**

As per our report of even date
For V. Sankar Aiyar & Co.
Chartered Accountants
Firm's Registration No. 109208W
By the hand of

G. Sankar

G. Sankar
Partner
Membership No. : 046050

Place : Mumbai
Dated : May 15, 2020

For and on Behalf of Board of Directors

Balaji Raghavan
Whole Time Director
(DIN: 05326740)

Ashok Mittal
Director
(DIN: 08690899)

Jayesh Upadhyay
Company Secretary

Saurabh Jain
Chief Financial Officer

IIFL FACILITIES SERVICES LIMITED (FORMERLY KNOWN AS IIFL REAL ESTATE LIMITED)
STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

A. EQUITY SHARE CAPITAL (₹ in million)

Particulars	No. of Shares	Amount
As at March 31, 2019	90,00,000	90.00
Change in equity share capital	-	-
As at March 31, 2020 (Refer note 17)	**90,00,000**	**90.00**

B. OTHER EQUITY FOR FY 2019-20 (₹ in million)

Particulars	Reserves and Surplus				Other items of Other Comprehensive Income (Actuarial gain /(loss))	Total
	Securities Premium	General Reserve	Debenture Redemption Reserve (DRR)	Retained Earnings		
Opening balance as at April 1, 2019	**344.30**	**411.41**	**45.29**	**(217.94)**	**0.49**	**583.55**
Total comprehensive income for the year	-	-	-	932.52	(0.41)	932.11
Closing balance as at March 31, 2020 (Refer note 18)	**344.30**	**411.41**	**45.29**	**714.58**	**0.08**	**1,515.66**

B. OTHER EQUITY FOR FY 2018-19 (₹ in million)

Particulars	Reserves and Surplus				Other items of Other Comprehensive Income (Actuarial gain /(loss))	Total
	Securities Premium	General Reserve	Debenture Redemption Reserve (DRR)	Retained Earnings		
Opening balance as at April 1, 2018	**344.30**	**411.41**	**45.29**	**(340.71)**	**0.40**	**460.69**
Total comprehensive income for the year	-	-	-	122.77	0.09	122.86
Closing balance as at March 31, 2019 (Refer note 18)	**344.30**	**411.41**	**45.29**	**(217.94)**	**0.49**	**583.55**

The accompanying notes form an integral part of the financial statements **1-44**

As per our report of even date
For V. Sankar Aiyar & Co.
Chartered Accountants
Firm's Registration No. 109208W
By the hand of

For and on Behalf of Board of Directors

G. Sankar
Partner
Membership No. : 046050

Balaji Raghavan
Whole Time Director
(DIN: 05326740)

Ashok Mittal
Director
(DIN: 08690899)

Jayesh Upadhyay
Company Secretary

Saurabh Jain
Chief Financial Officer

Place : Mumbai
Dated : May 15, 2020

Note 1. Corporate Information

IIFL Facilities Services Limited Formerly known as IIFL Real Estate Limited ("The Company") is a subsidiary of IIFL Securities Ltd. The Company is into providing office and related infrastructure and facility services catering mainly to group companies and outsiders and providing property advisory, consultancy and allied services. The financial statement comprises financial statements of the Company for the year ended March 31, 2020.

1.1 Composite Scheme of Arrangement:

The Board of Directors of IIFL Securities Limited ("IIFL Securities") and IIFL Finance Limited ("IIFL Holdings") at its meeting held on January 31, 2018, had approved the Composite Scheme of Arrangement amongst IIFL Securities, IIFL Finance Limited (formerly IIFL Holdings), India Infoline Finance Limited (merged with "IIFL Finance Limited" w.e.f. March 30, 2020), India Infoline Media and Research Services Limited ("IIFL M&R"), IIFL Wealth Management Limited ("IIFL Wealth") and IIFL Distribution Services Limited ("IIFL Distribution"), and their respective shareholders, under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 ("Scheme") which inter-alia, envisages the following:

i. amalgamation of IIFL M&R with IIFL Holdings;

ii. demerger of the Securities Business Undertaking (as defined in the Scheme) of IIFL Holdings into IIFL Securities;

iii. demerger of the Wealth Business Undertaking (as defined in the Scheme) of IIFL Holdings into IIFL Wealth;

iv. transfer of the Broking and Depository Participant Business Undertaking (as defined in the Scheme) of IIFL Wealth to its wholly owned subsidiary i.e., IIFL Distribution; and

v. amalgamation of India Infoline Finance Limited with the IIFL Holdings Limited, on a going-concern basis.

The Appointed Date for the amalgamation of IIFL M&R with the IIFL Holdings is opening hours of April 01, 2017 and for all the other demergers/transfers/amalgamation, the Appointed Date is opening hours of April 01, 2018.
The shareholders of the respective Companies have approved the Scheme. The National Company Law Tribunal Bench at Mumbai (Tribunal) has approved the aforementioned Scheme on March 07, 2019 under the applicable provisions of the Companies Act, 2013.
Certified copy of the said order of the Tribunal was received by IIFL Holdings on March 15, 2019 and filed with the Registrar of Companies on April 11, 2019.

The Board of Directors of the respective companies at its meeting held on May 13, 2019 have decided to give effect to the Scheme in the following manner:

a) Merger of IIFL M&R with IIFL Holdings with effect from the Appointed Date i.e. April 01, 2017;

b) Demerger of Securities Business Undertaking and the Wealth Business Undertaking from IIFL Holdings with effect from the Appointed Date i.e. April 01, 2018; and

c) Transfer of the Broking and Depository Participant Business Undertaking from IIFL Wealth to its wholly owned subsidiary, IIFL Distribution Services Limited with effect from the Appointed Date April 01, 2018.

d) Merger of the India Infoline Finance Limited with IIFL Finance Limited (formerly IIFL Holdings Limited) has been effective from March 30, 2020.

Pursuant to the above, the Company has become 100% subsidiary of IIFL Securities Limited w.e.f April 01, 2018 as per the scheme of arrangement.

1.2 Key Accounting Estimates And Judgements

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Note 2. Significant Accounting Policies

2.01 Basis of accounting and preparation of financial statements

The standalone financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with the Section 133 of the Companies Act, 2013 ("the 2013 Act") and the relevant provisions and amendments, as applicable. The standalone financial statements have been prepared on accrual basis under the historical cost convention except certain financial instruments, defined benefit plans and share based payments measured at fair value.

The Financial Statements of the Company comprises of Balance Sheets and Statement of Changes in Equity as at March 31, 2020 and March 31, 2019. Cash Flow Statements and Statement of Profit and Loss for years ended March 31, 2020 and March 31, 2019, a summary of significant accounting policies, notes and other explanatory Information. The Financial Statements are presented in million, except when otherwise indicated. Amount which is less than ₹ 0.01 million is shown as ₹ 0.00 million. The Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The standalone financial statements of the Company for the year ended March 31, 2020 were approved by the Board of Directors and authorised for issue on May 15, 2020.

2.02 Current vs non-current classification

The Company presents assets and liabilities in the balance sheet based on current vs non-current classification.

An asset is treated as current when it is:
i) Expected to be realised or intended to be sold or consumed in normal operating cycle
ii) Held primarily for the purpose of trading
iii)Expected to be realised within twelve months after the reporting period, or
iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:
i) It is expected to be settled in normal operating cycle
ii) It is held primarily for the purpose of trading
iii)It is due to be settled within twelve months after the reporting period, or
iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.03 Foreign currency translation

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

i. Functional and presentation currencies:

Items included in the Standalone financial statements are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’). The financial statements are presented in INR which is the functional and presentation currency for Company.

ii. Transactions & Balances:

Foreign currency transactions are translated into the functional currency at the exchange rates on the date of transaction. Foreign exchange gains and losses resulting from settlement of such transactions and from translation of monetary assets and liabilities at the year-end exchange rates are generally recognized in the Statement Profit and Loss. They are deferred in equity if they relate to qualifying cash flow hedges.
All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis.
Non-monetary foreign currency items are carried at cost and accordingly the investments in shares of foreign subsidiaries are expressed in Indian currency at the rate of exchange prevailing at the time when the original investments are made or fair values determined.

iii) Foreign operations:

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
• assets and liabilities are translated at the closing rate as on that balance sheet date
• income and expenses are translated at average exchange rates, and
• all resulting exchange differences are recognised in other comprehensive income.
On disposal of a foreign operation, the associated exchange differences are reclassified to Statement of Profit and Loss as part of the gain or loss on disposal.

2.04 Property, Plant & Equipment (PPE)

Measurement at recognition: An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.
The Company identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalized if the recognition criteria are met. Expenses related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefit associates with these will flow into the Company and the cost of the item can be measured reliably.

Items of Property, plant and equipment that have been retired from active use and are held for disposal are stated at the lower of their net book value or net realisable value and are shown separately in the financial statements.

Gains or losses arising from disposal or retirement of tangible Property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised net, within "Other Income" or "Other Expenses", as the case maybe, in the Statement of Profit and Loss in the year of disposal or retirement.

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property as its carrying amount on the date of reclassification.

On transition to Ind AS, the Company has elected to continue with the carrying value for all of its PPE recognized as at April 1, 2017 measured as per the previous GAAP and use that varying value as the deemed cost of the PPE.

Subsequent measurement (depreciation and useful lives):
Depreciation on each item of property, plant and equipment is provided using the Straight-Line Method based on the useful lives of the assets as estimated by the management and is charged to the Statement of Profit and Loss. The estimate of the useful life of the assets has been assessed based on technical advice which considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc. Significant components of assets identified separately pursuant to the requirements under Schedule II of the Companies Act, 2013 are depreciated separately over their useful life.

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

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

Estimated useful life of the assets is as under:

Class of assets	Useful life in years
Buildings*	20
Computers*	3
Electrical equipment*	5
Office equipment	5
Furniture and fixtures *	5
Vehicles*	5

* For these class of assets 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.

Individual assets or group of similar assets costing less than or equal to ₹5,000 are fully depreciated in the year of purchase.

De-recognition: PPE are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of de-recognition.

2.05 Intangible assets

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

On transition to Ind AS, the Company has elected to continue with the carrying value for all its intangible assets as recognised as at April 1, 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible Assets.

Intangible Assets with finite lives are amortized on a Straight Line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss.

The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

Estimated useful life of the intangible assets is as under:

Class of assets	**Useful life in years**
Computer software	3
Other intangible asset	Remaining useful life of base asset

Derecognition:

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

2.06 Investment properties

Recognition and initial measurement

Investment Property are measured on initial recognition at cost. Transaction costs are included in the initial measurement. The cost of a purchased investment property comprises its purchase price and any directly attributable expenditure. Directly attributable expenditure includes, for example, professional fees for legal services, property transfer taxes and other transaction costs. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

On transition to Ind AS, the Company has elected to continue with the carrying value for all investment property as recognised in its IGAAP financials as deemed cost at the transition date of April 01, 2017.

Depreciation:

Depreciation on each item of Investment property is provided using the Straight-Line Method based on the useful lives of the assets as estimated by the management and is charged to the Statement of Profit and Loss. The estimate of the useful life of the assets has been assessed based on technical advice which considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc.

De-recognition

An investment property shall be derecognised (eliminated from the balance sheet) on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. Gains or losses arising from the retirement or disposal of investment property shall be determined as the difference between the net disposal proceeds and the carrying amount of the asset and shall be recognised in profit or loss in the period of the retirement or disposal.

2.07 Impairment of Non-Financial Assets:

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

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

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

2.08 Capital work in progress

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

2.09 Non Current Assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.
Non-Current Assets held for sale and disposal groups are measured at the lower of their carrying amount or the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

PPE, investment property and intangible assets once classified as held for sale are not depreciated or amortized.

2.10 Revenue from Contracts with Customers

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115, Revenue from contracts with customers, outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Company recognizes revenue from contracts with customers based on a five-step model as set out in Ind AS 115:
Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
Step 4: Allocate the contract price to the performance obligations in the contract: For contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.
Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements.

Revenue is recognized when a customer obtains a control over goods or services and thus has ability to direct the use and obtain the benefits from such goods or services or as per the terms agreed in the contract. The Company recognizes revenue from various activities as follows:
1) Revenue from lease rentals and related income: Lease income is recognised in the statement of profit and loss net of indirect taxes, if any. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease except where-
(i) Another systematic basis is more representative of the time pattern of the benefit derived from the asset given on lease.; or
(ii) The payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases
2) Revenue from property management service is recognised at value of service and is disclosed net of indirect taxes, if any.
3) Interest Income: Interest Income is recognized on accrual basis.
4) Other Income including treasury: Other Incomes are accounted on accrual basis or right to receive is established.
5) Profit / loss on sale of investment are recognised on trade date basis. Profit / loss on sale of investments are determined after consideration of cost on weighted average basis.
6) Other operational revenue: Other operational revenue represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

Security deposits taken/ given are not discounted if they do not constitute a significant finance component.

2.11 Accounting for Leases

The Company has adopted Ind AS 116 Accounting for Leases with effect from April 1, 2019. The Company assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company considers whether (i) the contract involves the use of identified asset; (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Company has right to direct the use of the asset.

As a lessee

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

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

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

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

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

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

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

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

Short-term leases and leases of low-value assets

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

As a lessor

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

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right of use asset arising from the head lease.

Transition

Effective from 1 April 2019 ('the date of transition'), the Company applied Ind AS 116 using the modified retrospective approach, wherein Right-of-use ('ROU') asset is recognised at an amount equal to the lease liability. Accordingly, the comparative information is not restated – i.e. it is presented, as previously reported, under Ind AS 17. Additionally, the disclosure requirements in Ind AS 116 have not generally been applied to comparative information.

The Company as a lessee

As a lessee, the Company leases assets which includes office premises and vehicles to employees. The Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Company. Under Ind AS 116, the Company recognises right-of-use assets and lease liabilities for these leases.

On transition, for leases classified as operating leases under Ind AS 17, the lease liabilities are measured at the present value of the remaining lease payments, discounted at the Company's incremental borrowing rate as at 1 April 2019. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments. The Company has tested its right-of-use assets for impairment on the date of transition and has concluded that there is no indication that the right-of-use assets are impaired.

Following is the summary of practical expedients elected on initial application:

• applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
• excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application;
• used hindsight when determining the lease term.

The difference between the future minimum lease rental commitments towards non-cancellable operating leases reported as at March 31, 2019 compared to the lease liability as accounted as at April 1, 2019 is primarily due to inclusion of present value of the lease payments for the cancellable term of the leases, reduction due to discounting of the lease liabilities as per the requirement of Ind AS 116 and exclusion of the commitments for the leases to which the Company has chosen to apply the practical expedient as per the standard.

The Company as a lessor

The Company is not required to make any adjustments on transition to Ind AS 116 for leases in which it acts as a lessor, except for a finance - lease. The Company accounted for its leases in accordance with Ind AS 116 from the date of initial application.

2.12 Financial Instruments

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

2.12.1 Financial Assets

Initial recognition and measurement

Trade Receivables, Loans and Deposits are initially recognized when they are originated. The Company recognizes a financial asset in its Balance Sheet when it becomes party to the contractual provisions of the instrument.

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset.

Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial asset.

Trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:
i) The Company business model for managing the financial asset and
ii) The contractual cash flow characteristics of the financial asset.
Based on the above criteria, the Company classifies its financial assets into the following categories:
i) Financial assets measured at amortized cost
ii) Financial assets measured at fair value through other comprehensive income (FVTOCI)
iii) Financial assets measured at fair value through profit or loss (FVTPL)

(i) Financial assets at amortised cost

Financial assets are measured at the amortised cost, if both of the following criteria are met:

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

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

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The SPPI assessment is made in the currency in which the financial asset is denominated.

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI.

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Company determines the business models at a level that reflects how financial assets are managed together to achieve a particular business objective. The Company business model does not depend on management's intentions for an individual instrument, therefore the business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

This category generally applies to cash and bank balances, trade receivables, loans and other financial assets of the Company.

Under the effective interest method, the future cash receipts are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest income over the relevant period of the financial asset.

The amortized cost of a financial asset is also adjusted for loss allowance, if any.

(ii) Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are classified as FVTOCI if one of the following criteria are not met:

(a) The business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and

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

Such financial assets are measured initially as well as at each reporting date at fair value. Fair value changes are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes interest income and impairment losses and its reversals in the Statement of Profit and Loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss.

(iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. This is a residual category applied to all other investments of the Company excluding investments in subsidiaries and associate , Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss. Further, the Company, through an irrevocable election at initial recognition, has measured certain investments in equity instruments at FVTPL. The Company has made such election on an instrument by instrument basis. These equity instruments are neither held for trading nor are contingent consideration recognized under a business combination. Pursuant to such irrevocable election, subsequent changes in the fair value of such equity instruments are recognized in Statement of Profit & Loss. The Company recognizes dividend income from such instruments in the Statement of Profit and Loss.

(iv) Equity instruments

Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination are classified as FVTPL and measured at fair value with all changes recognised in the statement of profit and loss.

Reclassifications:

If the business model under which the Company holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that results in reclassifying the Company's financial assets. During the current financial year and previous accounting period there was no change in the business model under which the Company holds financial assets and therefore no reclassifications were made. Changes in contractual cash flows are considered under the accounting policy on modification and derecognition of financial assets described below.

De-recognition

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

i. The contractual rights to cash flows from the financial asset expires;

ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;

iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);

iv. The Company neither transfers nor retains, substantially all risk and rewards of ownership, and does not retain control over the financial asset.

In cases where Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On Derecognition of a financial asset ,the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

Impairment of financial assets:

The Company applies Expected Credit Loss (ECL) model for measurement and recognition of loss allowance on the following:

i. Trade receivables and lease receivables

ii. Financial assets measured at amortized cost (other than trade receivables and lease receivables) iii. Financial assets measured at fair value through other comprehensive income (FVTOCI)

In case of trade receivables and lease receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance.

In case of other assets (listed as i and ii above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL area portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

2.12.2 Financial Liabilities

Initial recognition and measurement:

The Company recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial liabilities are recognized initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.

Where the fair value of a financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial liability.

Subsequent measurement:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Derecognition:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

2.12.3 Fair value measurement

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

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.
The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).
Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities,
Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly,
Level 3 —inputs that are unobservable for the asset or liability.
For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

2.13 Cash and cash equivalents

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.14 Income taxes

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

Current income tax

Provision for current tax is made as per the provisions of the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Where there is uncertainty over income tax treatments, the Company determines the probability of the income tax authorities accepting each such tax treatment or group of tax treatments in computing the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

Deferred tax

Deferred tax is provided using the balance sheet method on temporary differences between the tax bases of assets & liabilities & their carring amounts for financials reporting purposes as at the reporting date. Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction(other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

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

The tax effects of income tax losses, available for carry forward, are recognised as deferred tax asset, when it is probable that future taxable profits will be available against which these losses can be set-off.

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

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.
Additional taxes that arise from the distribution of dividends by the Company are recognised directly in equity at the same time as the liability to pay the related dividend is recognised.

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

The recently promulgated Taxation Laws (Amendment) Ordinance 2019, has inserted section 115BAA in the Income Tax Act, 1961, providing existing domestic companies with an option to pay tax at a concessional rate of 22% plus applicable surcharge and cess. The reduced tax rates come with the consequential surrender of specified deductions/incentives. The option needs to be exercised within the prescribed time for filing the return of income under section 139(1) of the Income Tax Act, 1961, for assessment year (AV) 2020-21 or subsequent AYs. Once exercised, such an option cannot be withdrawn for the same or subsequent AYs.

Presentation of current and deferred tax:

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

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

2.15 Statement of Cash Flows :

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- changes during the period in operating receivables and payables transactions of a noncash nature;
- non-cash items such as depreciation, provisions, deferred taxes and unrealised foreign currency gains and losses.
- all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments. Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of balance sheet.

2.16 Provisions and contingent liabilities

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated. The amount recognised as a provision is the best estimate of the consideration require to settle the present obligation at the end of reporting period, taking into account the risk & uncertainties surrounding the obligation.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The Company in the normal course of its business, comes across client claims/ regulatory penalties/ inquiries, etc. and the same are duly clarified/ address from time to time. The penalties/ action if any are being considered for disclosure as contingent liability only after finality of the representation of appeals before the lower authorities.

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

2.17 Borrowing Costs

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

2.18 Employee benefits

Short-Term Benefits

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

Post-Employment Benefits:

Defined contribution plans

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

Recognition and measurement of defined contribution plans: The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

Defined benefit plans

Gratuity scheme: The Company, operates a gratuity scheme for employees. The contribution is paid to a separate fund , towards meeting the Gratuity obligations.

Recognition and measurement of defined benefit plans:

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

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

Other Long Term Employee Benefits: Entitlements to annual leave and sick leave are recognized when they accrue to employees. Sick leave can only be availed while annual leave can either be availed or encashed subject to a restriction on the maximum number of accumulation of leave. The Company determines the liability for such accumulated leaves using the Projected Accrued Benefit method with actuarial valuations being carried out at each Balance Sheet date.

2.19 Goods and Services tax input credit

Goods and Services tax input credit is accounted for in the books in the period in which the supply of goods or service received is accounted and when there is no uncertainty in availing/utilising the credits.

2.20 Earnings per share

Basic earnings per share is calculated by dividing the net profit / (loss) for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit / (loss) for the year attributable to equity shareholders and the weighted average numbers of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares, if any.

3 KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

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

3.1 Significant management judgements

3.1.1 Classification of property

The properties of the Company are classified as Property, Plant and Equipment since the main business of the Company is to acquire property with an intention earn rental income by providing it on lease to the outsider and group company being the ordinary course of business.

The properties of the Company would be classified as Investment property if acquired with an intention of capital appreciation.

3.1.2 Operating lease contracts – the Company as lessor

The Company has entered into leases of its Property, Plant and Equipment properties. The Company has determined based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties and so accounts for the leases as operating leases.

3.1.3 Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

3.2 Critical accounting estimates and assumptions

3.2.1 Classification of assets and liabilities into current and non-current

The management classifies the assets and liabilities into current and non-current categories based on the operating cycle of the respective business / projects which has been determined to be 12 months cycle.

3.2.2 Income taxes

The Company tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

3.2.3 Useful lives of depreciable / amortisable assets (Property, plant and equipment, intangible assets and investment property)

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

3.2.4 Defined benefit obligation (DBO)

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services.
The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Notes - 'Employee benefits'.

3.2.5 Determination of lease term

Ind AS 116 Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

3.2.6 Discount rate

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

3.2.7 Impairment of financial assets

The provision for expected credit loss involves estimating the probability of default and loss given default based on the Company own experience & forward looking estimation.

3.2.8 Provision for litigations:

In estimating the final outcome of litigation, the Company applies judgment in considering factors including experience with similar matters, past history, precedents, relevant and other evidence and facts specified to the matter. Application of such judgment determines whether the Company requires an accrual or disclosure in the financial statements.

NOTE 4 : PROPERTY, PLANT AND EQUIPMENT (₹ in million)

March 31, 2020	Building	Computer	Electrical equipment	Furniture and fixture	Office equipment	Land	Total
Gross block							
Opening balance as at April 01, 2019	2,846.51	2.72	77.38	202.29	36.64	687.10	3,852.64
Addition/adjustment during the year/period	-	0.41	9.80	24.74	5.32	-	40.27
Deletion/adjustment during the year/period	(21.50)	(1.70)	(0.67)	-	-	-	(23.87)
Reclassification from asset held for sale	40.21	-	-	-	-	-	40.21
Closing gross block as at March 31, 2020	**2,865.22**	**1.43**	**86.51**	**227.03**	**41.96**	**687.10**	**3,909.25**
Accumulated depreciation							
Opening balance as at April 01, 2019	289.63	2.05	38.34	78.70	14.26	2.04	425.02
Depreciation for the year	165.46	0.44	22.47	46.01	9.04	0.33	243.75
Deletion/adjustment during the year/period	(4.67)	(1.47)	(0.47)	-	-	-	(6.61)
Reclassification from asset held for sale	6.38	-	-	-	-	-	6.38
Closing balance as at March 31, 2020	**456.80**	**1.02**	**60.34**	**124.71**	**23.30**	**2.37**	**668.54**
Net block closing as at March 31, 2020	**2,408.42**	**0.41**	**26.17**	**102.32**	**18.66**	**684.73**	**3,240.71**
Net block opening as at April 01, 2019	**2,556.88**	**0.67**	**39.04**	**123.59**	**22.38**	**685.06**	**3,427.62**

March 31, 2019	Building	Computer	Electrical equipment	Furniture and fixture	Office equipment	Land	Total
Gross block							
Opening balance as at April 01, 2018	2,776.59	2.66	59.71	119.39	19.24	1,761.86	4,739.45
Addition/adjustment during the year/period	301.10	0.26	19.64	83.24	18.19	-	422.43
Deletion/adjustment during the year/period	(231.18)	(0.20)	(1.97)	(0.34)	(0.79)	(1,074.76)	(1,309.24)
Closing gross block as at March 31, 2019	**2,846.51**	**2.72**	**77.38**	**202.29**	**36.64**	**687.10**	**3,852.64**
Accumulated depreciation							
Opening balance as at April 01, 2018	154.19	1.33	17.90	32.29	6.01	2.79	214.51
Depreciation for the year	172.58	0.91	21.15	46.54	8.56	1.42	251.16
Deletion/adjustment during the year/period	(37.14)	(0.19)	(0.71)	(0.13)	(0.31)	(2.17)	(40.65)
Closing balance as at March 31, 2019	**289.63**	**2.05**	**38.34**	**78.70**	**14.26**	**2.04**	**425.02**
Net block closing as at March 31, 2019	**2,556.88**	**0.67**	**39.04**	**123.59**	**22.38**	**685.06**	**3,427.62**
Net block opening as at April 01, 2018	**2,622.40**	**1.33**	**41.81**	**87.10**	**13.23**	**1,759.07**	**4,524.94**

Note:

(a) Refer note 40 for Assets pledged as security.

(b) During the current year building having written down value of ₹ 33.83 million was reclassified into PPE which was disclosed under asset held for sale At March 31, 2019. Refer note no 16.

(c) Capital work in progress of ₹ 418.67 million (previous year ₹ 1.30 million) pertains to assets not yet captalized.

NOTE 5 : OTHER INTANGIBLE ASSETS (₹ in million)

March 31, 2020	Software	Other Intangibles
Gross block		
Opening balance	0.06	-
Addition/adjustment during the year/period	-	11.00
Deletion/adjustment during the year/period	-	-
Closing gross block	**0.06**	**11.00**
Amortisation		
Opening balance	0.05	-
Addition/adjustment during the year/period	0.01	0.36
Deletion/adjustment during the year/period	-	-
Closing balance	**0.06**	**0.36**
Net block closing as at March 31, 2020	**-**	**10.64**
Net block opening as at April 01, 2019	**0.01**	**-**

NOTE 5 : OTHER INTANGIBLE ASSETS (₹ in million)

March 31, 2019	Software	Other Intangibles
Gross block		
Opening balance	0.04	-
Addition/adjustment during the year/period	0.02	-
Deletion/adjustment during the year/period	-	-
Closing gross block	**0.06**	-
Amortisation		
Opening balance	0.04	-
Addition/adjustment during the year/period	0.01	-
Deletion/adjustment during the year/period	-	-
Closing balance	**0.05**	-
Net block closing as at March 31, 2019	**0.01**	-
Net block opening as at April 01, 2018	-	-

NOTE 6 : INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (₹ in million)

Particulars	March 31, 2020	March 31, 2019
Investment in subsidiaries		
Shreyansh Foundations LLP	0.99	-
Total	**0.99**	-

During the year, the Company has acquired 99% stake in Shreyans Foundations LLP.

NOTE 7 : INVESTMENTS (₹ in million)

A) Non Current	March 31, 2020	March 31, 2019
Investments carried at amortised cost:		
Investments in bonds and debentures (refer note 41)		
(a) 200 (March 31, 2019 Qty 200) 11.25% unsecured redeemable non convertible debenture. Date of maturity 05/09/2020 (Face value ₹ 10,00,000 each)	-	204.03
Total	-	**204.03**
Aggregate amount of quoted investments	-	**204.03**
Market value of quoted investments	-	**201.30**
Aggregate amount of unquoted investments	-	-

NOTE 7 : INVESTMENTS (₹ in million)

B) Current	March 31, 2020	March 31, 2019
Currrent maturities of long term investments:		
Investments carried at amortised cost:		
Investments in bonds and debentures (refer note 41)		
(a) 200 (March 31, 2019 Qty 200) 11.25% unsecured redeemable non convertible debenture. Date of maturity 05/09/2020 (Face value ₹ 10,00,000 each)	201.21	-
Total	**201.21**	-
Aggregate amount of quoted investments	**201.21**	-
Market value of quoted investments	**198.15**	-
Aggregate amount of unquoted investments	-	-

NOTE 8 : LOANS (₹ in million)

A) Non Current	March 31, 2020	March 31, 2019
Loans receivables considered good - Unsecured		
(a) Inter corporate deposit (refer note 41)	305.00	-
(b) Security deposits	13.48	14.40
Total	**318.48**	**14.40**

B) Current	March 31, 2020	March 31, 2019
Loans receivables considered good - Secured		
(a) Loans to other	-	3,112.15
Loans receivables considered good - Unsecured		
(a) Inter corporate deposit (refer note 41)	500.00	160.00
(b) Security deposits	0.75	-
(c) Loans to other	-	120.00
Total	**500.75**	**3,392.15**

NOTE 9 : FINANCE LEASE RECEIVABLE (₹ in million)

A) Non Current	March 31, 2020	March 31, 2019
Asset given under finance lease (refer note 35)	16.05	22.92
Total	**16.05**	**22.92**

B) Current	March 31, 2020	March 31, 2019
Asset given under finance lease (refer note 35)	6.87	6.75
Total	**6.87**	**6.75**

NOTE 10 : OTHER FINANCIAL ASSETS (₹ in million)

A) Non Current	March 31, 2020	March 31, 2019
Fixed deposits with banks, having remaining maturity for more than twelve months (refer note 15)	-	0.03
Total	**-**	**0.03**

B) Current	March 31, 2020	March 31, 2019
(a) Interest accrued on deposits/loans and investments	25.25	13.55
(b) Receivable from related parties (refer note 41)	1.83	-
(c) Other financial asset	0.16	
Total	**27.24**	**13.55**

NOTE 11 : DEFERRED TAX ASSETS (NET) (₹ in million)

Particulars	Balance as at April 01, 2019	Recognised/ (reversed) in statement of profit and loss	Recognised/ (reversed) in other comprehensive income	Impact of change in rate on opening deferred tax	Mat Credit Utilised	Balance as at March 31, 2020
Deferred tax assets						
Compensated absences and retirement benefits	0.21	(0.07)	0.14	(0.03)	-	0.25
Provisions, allowances for doubtful receivables	0.37	(0.13)	-	(0.05)	-	0.19
Minimum alternate tax carry-forward	11.53	-	-	(10.53)	(1.00)	-
Business loss carry-forward	-	6.95	-	-	-	6.95
Other	-	1.48	-	-	-	1.48
Total (a)	**12.11**	**8.23**	**0.14**	**(10.61)**	**(1.00)**	**8.87**
Deferred tax liabilities						
Expenses deductible in future years	(0.04)	0.03	-	0.01	-	-
Total (b)	**(0.04)**	**0.03**	**-**	**0.01**	**-**	**-**
Deferred tax assets/(liability) (a + b)	**12.07**	**8.26**	**0.14**	**(10.60)**	**(1.00)**	**8.87**

NOTE 11 : DEFERRED TAX ASSETS (NET) (₹ in million)

Particulars	Balance as at April 01, 2018	Recognised/ (reversed) in statement of profit and loss	Recognised/ (reversed) in other comprehensive income	Impact of change in rate on opening deferred tax	Mat Credit Utilised	Balance as at March 31, 2019
Deferred tax assets						
Compensated absences and retirement benefits	0.14	0.08	(0.01)	-	-	0.21
Provisions, allowances for doubtful receivables	1.58	(1.21)	-	-	-	0.37
Minimum alternate tax carry-forward	15.04	(3.51)	-	-	-	11.53
Total (a)	**16.76**	**(4.64)**	**(0.01)**	**-**	**-**	**12.11**
Deferred tax liabilities						
Unrealised profit on investments	(0.52)	0.52	-	-	-	-
Expenses deductible in future years	(0.12)	0.08	-	-	-	(0.04)
Total (b)	**(0.64)**	**0.60**	**-**	**-**	**-**	**(0.04)**
Deferred tax assets/(liability) (a + b)	**16.12**	**(4.04)**	**(0.01)**	**-**	**-**	**12.07**

NOTE 12 : OTHER ASSETS (₹ in million)

A) Non Current	March 31, 2020	March 31, 2019
(a) Capital and related advances	154.43	551.67
(b) Income tax (net of provision)	302.91	277.12
(c) Prepaid expense	4.33	4.20
(d) Other non - financials assets	10.11	10.11
Total	**471.78**	**843.10**

B) Current	March 31, 2020	March 31, 2019
(a) Advances to suppliers		
Unsecured and considered good	0.36	2.78
(b) Prepaid expense	2.28	2.86
Total	**2.64**	**5.64**

NOTE 13 : TRADE RECEIVABLES (₹ in million)

Current	March 31, 2020	March 31, 2019
(a) Trade receivables considered good - unsecured	18.75	7.02
(b) Trade receivables - credit impaired	0.77	1.27
Total	**19.52**	**8.29**
Less: Allowance for credit Loss (refer note 38)	(0.77)	(1.27)
Total	**18.75**	**7.02**

NOTE 14 : CASH AND CASH EQUIVALENTS (₹ in million)

Current	March 31, 2020	March 31, 2019
Cheque and draft in hand	-	-
Balances with banks :		
In current accounts	78.74	214.90
Total	**78.74**	**214.90**

NOTE 15 : BANK BALANCES OTHER THAN ABOVE (₹ in million)

Current	March 31, 2020	March 31, 2019
(a) Fixed deposits with banks, having remaining maturity for less than twelve months	51.10	51.10
(b) Fixed deposits with banks, having remaining maturity for more than twelve months	-	0.03
	51.10	**51.13**
Less : Amount disclosed under non-current asset (refer note 10)	-	(0.03)
Total	**51.10**	**51.10**

Out of the fixed deposits shown above:	March 31, 2020	March 31, 2019
(a) Lien marked	0.50	0.53
(b) Other deposits	50.60	50.60
Total	**51.10**	**51.13**

NOTE 16 : ASSETS HELD FOR SALE (₹ in million)

Particulars	March 31, 2020	March 31, 2019
(a) Building	-	194.04
(b) Land	-	1,072.59
Total	-	**1,266.63**

NOTE 17 : EQUITY SHARE CAPITAL (₹ in million)

Particulars	March 31, 2020	March 31, 2019
Authorized share capital:		
1,11,00,000 (Previous Year 1,11,00,000) Equity Shares of ₹ 10 each	111.00	111.00
Issued, subscribed and paid up:		
90,00,000 (Previous Year 90,00,000) Equity Shares of ₹ 10 each fully paid-up with voting rights	90.00	90.00

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

A. Reconciliation of shares outstanding at the beginning and at the end of the year

(₹ in million)

Particulars	March 31, 2020		March 31, 2019	
	No. of Shares	Amount	No. of Shares	Amount
Issued, subscribed and paid up at the beginning of the year	90,00,000	90.00	90,00,000	90.00
Issued, subscribed and paid up at the end of the year	**90,00,000**	**90.00**	**90,00,000**	**90.00**

B. Terms / rights attached to equity shares

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

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

C. Equity shares held by holding company / ultimate holding company and their subsidiaries

Equity shares of ₹ 10 each fully paid	March 31, 2020		March 31, 2019	
	No. of Shares	% of holding	No. of Shares	% of holding
IIFL Securities Limited, the Holding Company	90,00,000	100	90,00,000	100

D. Details of shareholders holding more than 5% shares in the company

Equity shares of ₹ 10 each fully paid	March 31, 2020		March 31, 2019	
	No. of Shares	% of holding	No. of Shares	% of holding
IIFL Securities Limited, the Holding Company	90,00,000	100	90,00,000	100

E. During the period of five years immediately preceeding the balance sheet date, the Company has not issued any shares without payment being received in cash or by any way of bonus shares or shares bought back.

NOTE 18 : OTHER EQUITY **(₹ in million)**

Particulars	March 31, 2020	March 31, 2019
General reserve		
Opening balance	411.41	411.41
Addition during the year	-	-
Deduction during the year	-	
Balance in general reserve	**411.41**	**411.41**
Debenture redemption reserve		
Opening balance	45.29	45.29
Addition during the year	-	
Deduction during the year	-	-
Balance in debenture redemption reserve	**45.29**	**45.29**
Securities premium		
Opening balance	344.30	344.30
Addition during the year	-	-
Deduction during the year	-	-
Balance in securities premium	**344.30**	**344.30**
Retained earnings		
Opening balance	(217.94)	(340.71)
Transfer to DRR	-	-
Total comprehensive income for the year	932.52	122.77
Balance in retained earnings	**714.58**	**(217.94)**
Other comprehensive income		
Opening balance	0.49	0.40
Addition during the year	(0.41)	0.09
Deduction during the year	-	-
Balance in other comprehensive income	**0.08**	**0.49**
Total other equity attributable to owners	**1,515.66**	**583.55**

Other Notes:

i) Securities premium : Securities premium represents the surplus of proceeds received over the face value of shares, at the time of issue of shares.

ii) At FY 2019-20 Company is not required to make DRR pursuant to notification issued by MCA dated: August 16, 2019.

For FY 2018-19 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 placement on profit available for distribution of dividend. Accordingly, since there was no profit available for the dividend payment during the FY 2018-19 due to unabsorbed losses, the debenture redemption reserve account has not been created for the year ended March 31, 2019.

iii) General reserve : General reserve is used from time to time to transfer profits from retained earnings for appropriation purpose. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

iv) Retained earnings : The balance in retained earnings primarily represents the surplus after payment of dividend (including tax on dividend) and transfer to reserves.

NOTE 19 : BORROWINGS **(₹ in million)**

A) Non Current	March 31, 2020	March 31, 2019
(a) Secured		
Non-convertible debentures		
(i) Zero coupon secured non convertible debenture of face value ₹ 10,00,000 each date of maturity 12/05/2020 and redeemable at premium	531.51	486.40
(ii) Less : current maturities to be settled within 12 months from balance sheet date	(531.51)	-
(b) Unsecured	-	-
(i) Inter corporate deposit (refer note 41)	2,769.50	-
Total	**2,769.50**	**486.40**

B) Current	March 31, 2020	March 31, 2019
(a) Unsecured		
(i) Non-convertible debentures		
9.30% Un-secured unlisted redeemable non convertible debentures series U01 date of maturity 28/06/2019	-	500.38
(ii) Inter corporate deposit (refer note 41)	-	527.50
(iii) Commercial paper	-	4,717.35
Total	**-**	**5,745.23**

(a) At FY 2019-20 Company is not required to make DRR pursuant to notification issued by MCA dated: August 16, 2019.

For FY 2018-19 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 placement on profit available for distribution of dividend. Accordingly, since there was no profit available for the dividend payment during the FY 2018-19 due to unabsorbed losses, the debenture redemption reserve account has not been created for the year ended March 31, 2019.

(b) The zero coupon secured non convertible debentures are secured by way of pari passu charge over current assets and fixed assets of the company. The security cover as required under the terms of the issue of the said debentures is maintained. Refer note 40 for assets pledged as security.

(c) Inter corporate deposits are borrowed as per the business requirement. The rate of interest for the ICD is linked to marginal cost of funds / treasury bills, etc. plus applicable spread, closing applicable rate of interest as at March 31, 2020 @ 10.40% and as at March 31, 2019 @ 10.31%.

(d) Commercial papers as stated above are net of unexpired discount of ₹ Nil in FY 2019-20 (PY: ₹ 32.65 million).

NOTE 20 : OTHER FINANCIAL LIABILITIES **(₹ in million)**

A) Non current	March 31, 2020	March 31, 2019
(a) Security deposits from tenants#		
Unsecured considered good	259.10	286.49
(b) Provision for gratuity (funded) (refer note 26)	0.38	-
Total	**259.48**	**286.49**

B) Current	March 31, 2020	March 31, 2019
(i) Secured		
Current maturity of long term borrowing		
(a) Non-convertible debentures		
Zero coupon secured non convertible debenture of face value ₹ 10,00,000 each date of maturity 12/05/2020 and redeemable at premium	531.51	-
(ii) Unsecured		
(a) Security deposits from tenants Unsecured considered good #	61.15	-
(b) Provision for gratuity (funded) (refer note 26)	0.13	-
(c) Book overdraft	-	398.43
(d) Payable to related parties (refer note 41)	3.24	15.50
(e) Payable to joint venture (net of investment)	32.02	
(f) Other payables	50.80	0.39
(g) Loans to other	1.89	-
Total	**680.74**	**414.32**

#Details of Security Deposit	March 31, 2020	March 31, 2019
(a) From group company (refer note 41)	149.53	152.48
(b) From others	170.72	134.01
Total	**320.25**	**286.49**

NOTE 21 : PROVISIONS (₹ in million)

A) Non current	March 31, 2020	March 31, 2019
Provision for leave encashment	0.18	0.10
Total	**0.18**	**0.10**

B) Current	March 31, 2020	March 31, 2019
Provision for leave encashment	0.01	0.05
Total	**0.01**	**0.05**

NOTE 22 : TRADE PAYABLES (₹ in million)

Current	March 31, 2020	March 31, 2019
Total outstanding dues of micro enterprises and small enterprises		
(a) Creditors for supplies and services	-	-
Total (a)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		
(a) Creditors for supplies and services	1.95	0.90
(b) Accrued salaries & benefits	-	-
(c) Provision for expenses	7.19	23.80
(d) Other payables	0.20	0.08
Total (b)	9.34	24.78
Total (a+b)	**9.34**	**24.78**

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

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

(₹ in million)

Particulars	March 31, 2020	March 31, 2019
(a) Principal amount remaining unpaid to any supplier at the year end	-	-
(b) Interest due thereon remaining unpaid to any supplier at the year end	-	-
(c) Amount of interest paid and payments made to the supplier beyond the appointed day during the year	-	-
(d) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
(e) Amount of interest accrued and remaining unpaid at the year end	-	-
(f) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the act	-	-

NOTE 23 : OTHER CURRENT LIABILITIES (₹ in million)

Current	March 31, 2020	March 31, 2019
(a) Advances received from customers		
- Asset held for sale	-	1,830.00
- Others	38.53	3.86
(b) Statutory dues (net of input credit)	10.05	18.44
Total	**48.58**	**1,852.30**

NOTE 24 : REVENUE FROM OPERATIONS **(₹ in million)**

Particulars	March 31, 2020	March 31, 2019
(a) Rent income	511.01	790.32
(b) Interest income	157.93	75.46
(c) Advisory fees	0.90	25.00
Total	**669.84**	**890.78**

NOTE 25 : OTHER INCOME **(₹ in million)**

Particulars	March 31, 2020	March 31, 2019
(a) Interest income from		
-Investments	36.69	29.17
-Finance lease	0.45	0.89
-Inter corporate deposit	243.55	122.56
-Fixed deposit	3.71	3.44
-Income tax refund	7.07	3.94
(b) Net gain on derecognition of property, plant and equipment	23.34	-
(c) Capital gains on investments	25.34	44.27
(d) Other income	0.20	24.79
Total	**340.35**	**229.06**

NOTE 26 : EMPLOYEE BENEFITS EXPENSE **(₹ in million)**

Particulars	March 31, 2020	March 31, 2019
(a) Salaries and wages	3.74	3.67
(b) Contribution to provident and other funds	0.22	0.23
(c) Gratuity	0.04	0.06
(d) Leave encashment	0.18	0.05
Total	**4.18**	**4.01**

The company have recognised the following amounts as an expense in the statement of profit and loss: **(₹ in million)**

Particulars	March 31, 2020	March 31, 2019
A : Defined contribution plans		
Employer’s contribution to provident fund	0.14	0.12
Employer’s contribution to pension fund	0.01	0.01
Employer’s contribution to NPS	0.06	0.10

As per Indian Accounting Standard 19 “Employee benefits”, the disclosures as defined are given below:

B : Defined benefit plans **(₹ in million)**

i) Reconciliation of opening and closing balances of defined benefit obligation		
Present value of benefit obligation at the beginning of the year	0.16	0.33
Interest cost	0.01	0.02
Liability transferred in / aquisitions	-	-
(Liability transferred out / divestments)	-	(0.15)
Current service cost	0.04	0.05
Actuarial (gains)/ loss on obligations – Due to change in demographic assumptions	-	0.03
Actuarial (gains)/ loss on obligations – Due to change in financial assumptions	0.10	(0.08)
Actuarial (gains)/ loss on obligations – Due to experience	0.45	(0.04)
Present value of benefit obligation at the end of the year	**0.76**	**0.16**

ii) Reconciliation of opening and closing balances of fair value of plan assets		
Fair value of plan assets at the beginning of the year	0.16	0.14
Interest income	0.01	0.01
Contributions by the employer	0.08	-
Return on plan assets, excluding interest income	-	0.01
Fair value of plan assets at the end of the year	**0.25**	**0.16**

iii) Amount recognised in the balance sheet		
(Present value of benefit obligation at the end of the period)	(0.76)	(0.16)
Fair value of plan assets at the end of the period	0.25	0.16
Funded status (surplus/ (deficit))	(0.51)	-
Net (liability)/asset recognized in the balance sheet	**(0.51)**	-

As per Indian Accounting Standard 19 "Employee benefits", the disclosures as defined are given below:

iv) Expenses recognised during the year		
Current service cost	0.04	0.05
Net Interest cost	-	0.01
Past Service Cost	-	-
(Expected Contributions by the Employees)	-	-
Expenses recognised in statement of profit and loss	**0.04**	**0.06**

iv) Expense recognised in the other comprehensive income (OCI) during the year		
Actuarial (gains)/loss on obligation for the period	0.55	(0.10)
Return on plan assets, excluding interest income	-	-
Net (income)/expense for the period recognized in OCI	**0.55**	**(0.10)**

Out of the above (income) / expenses		
Recognised in profit and loss	0.04	0.06
Recognised in other comprehensive income	0.55	(0.10)

v) Balance sheet reconciliation		
Opening net liability	-	0.20
Expenses recognized in statement of profit or loss	0.04	0.06
Expenses recognized in OCI	0.55	(0.10)
Net liability/(asset) transfer in	-	-
Net (liability)/asset transfer out	-	(0.16)
(Employer's contribution)	(0.08)	-
Net liability/(asset) recognized in the balance sheet	**0.51**	**-**

vi) Classification of defined benefit obligations		
Current portion	0.13	-
Non-current portion	0.38	-

Actuarial assumptions		
Interest / discount rate	6.84%	7.62%
Annual expected increase in salary cost	9.00%	9.00%

C : General description of significant defined plans

Gratuity plan

Gratuity is payable to all eligible employees of the Company on death or on resignation, or on retirement after completion of five years of service. Durung the year, the company has changed the benefit scheme in line with Payment if Gratuity Act, 1972 by making monetary ceiling of 20 lakhs, earlier it was No Cap. Changin in liability (if any) due to this scheme change is reconised as past service cost / (income).

The Company has a defined benefit gratuity plan in India (funded). The company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

D : Investment Details **(₹ in million)**

Particulars	**March 31, 2020**	**March 31, 2019**
Insurance fund	0.25	0.16
Total	**0.25**	**0.16**

E : Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount trade ,expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period , while holding all other assumptions constant. The result of Sensitivity analysis is given below:

(₹ in million)

Particulars	**March 31, 2020**	**March 31, 2019**
Projected benefit obligation on current assumptions	**0.76**	**0.16**
Delta effect of +1% change in rate of discounting	(0.11)	(0.03)
Delta effect of -1% change in rate of discounting	0.13	0.03
Delta effect of +1% change in rate of salary increase	0.12	0.03
Delta effect of -1% change in rate of salary increase	(0.11)	(0.03)
Delta effect of +1% change in rate of employee turnover	(0.02)	(0.01)
Delta effect of -1% change in rate of employee turnover	0.02	0.01

As per Indian Accounting Standard 19 "Employee benefits", the disclosures as defined are given below:

F : Expected employer's contribution in future years **(₹ in million)**

Particulars	March 31, 2020	March 31, 2019
1 year	0.14	0.04

G : Maturity analysis of the benefit payments: from the fund **(₹ in million)**

Particulars	March 31, 2020	March 31, 2019
Projected benefits payable in future years from the date of reporting		
1st following year	0.01	-
2nd following year	0.01	-
3rd following year	0.01	-
4th following year	0.01	-
5th following year	0.01	-
Sum of years 6 to 10	0.07	0.01
Sum of years 11 and above	2.39	0.74

H : Risk exposure

Gratuity is a defined benefit plan and company is exposed to the following risks:

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

NOTE 27 : FINANCE COSTS **(₹ in million)**

Particulars	March 31, 2020	March 31, 2019
(a) Interest on borrowings	641.78	534.19
(b) Interest on debt securities	56.32	61.14
Total	**698.10**	**595.33**

NOTE 28 : DEPRECIATION AND AMORTIZATION EXPENSE **(₹ in million)**

Particulars	March 31, 2020	March 31, 2019
(a) Depreciation on property, plant and equipment	243.75	251.16
(b) Amortization of intangible asset	0.37	0.01
Total	**244.12**	**251.17**

NOTE 29 : OTHER EXPENSES **(₹ in million)**

Particulars	March 31, 2020	March 31, 2019
(a) Advertisement expense	0.04	0.05
(b) Brokerage and related expenses	6.18	1.18
(c) Communication expense	0.15	0.29
(d) Corporate social responsibility expense (refer note 39)	2.69	1.53
(e) Electricity	6.97	12.79
(f) Exchange and statutory charges	0.26	0.98
(g) Commission & sitting fees	0.86	0.66
(h) Legal and professional charges	4.70	4.16
(i) Office expenses	32.49	37.70
(j) Printing and stationery	0.01	0.01
(k) Expected credit loss (including provision for doubtful debts)	0.04	0.22
(l) Insurance charges	0.91	0.80
(m) Marketing and commission expenses	0.04	-
(n) Rates & taxes	17.62	40.43
(o) Infrastructure Support Charges	0.14	-

NOTE 29 : OTHER EXPENSES **(₹ in million)**

Particulars	March 31, 2020	March 31, 2019
(p) Repairs & maintenance		
- Computer	0.01	0.06
- Others	7.20	7.74
(q) Remuneration to auditors :		
- As auditors - statutory audit	0.20	0.08
- Certification work and other matters	0.04	-
- Out of pocket expenses	0.05	0.02
(r) Share of Loss in Partnership Firm	32.02	-
(s) Software charges	-	0.07
(t) Capital Loss on investments	31.23	-
(u) Net loss on derecognition of property, plant and equipment	-	1.28
(v) Travelling and conveyance	0.05	0.19
Total	**143.90**	**110.24**

NOTE 30 : EXCEPTIONAL ITEMS **(₹ in million)**

Particulars	March 31, 2020	March 31, 2019
Profit/(loss) on sale of assets	1,017.19	-
Total	**1,017.19**	-

NOTE 31 : INCOME TAX EXPENSE **(₹ in million)**

(a) Components of income tax expenses:	March 31, 2020	March 31, 2019
(i) Current tax		
Current Year	-	33.06
Changes in estimates related to prior years	2.22	2.73
(ii) Deferred tax		
Origination and reversal of temporary differences	(8.26)	0.53
Impact of Change in opening tax rate *	10.60	-
Total deferred tax expense/(benefit)	**2.34**	**0.53**
Income tax expenses	**4.56**	**36.32**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate: **(₹ in million)**

Particulars	March 31, 2020	March 31, 2019
Profit before tax	**937.08**	**159.09**
Tax using domestic tax rates	25.17%	29.12%
Tax amount	235.84	46.33
Tax effect of:		
Non-deductible expenses	8.74	0.46
Differential tax rate on income	(252.82)	(13.20)
Changes in estimates related to prior years	-	2.73
DTA created at different rate	-	0.15
Recognition of previously unrecognised deductible temporary differences	0.05	(0.15)
Adjustments for current tax for prior periods	12.75	-
Tax expense reported in the statement of profit and loss	**4.56**	**36.32**

* The recently promulgated Taxation Laws (Amendment) Ordinance 2019, has inserted section 115BAA in the Income Tax Act, 1961, providing existing domestic companies with an option to pay tax at a concessional rate of 22% plus applicable surcharge and cess. The reduced tax rates come with the consequential surrender of specified deductions/incentives. The option needs to be exercised within the prescribed time for filing the return of income under section 139(1) of the Income Tax Act, 1961, for assessment year (AV) 2020-21 or subsequent AYs. Once exercised, such an option cannot be withdrawn for the same or subsequent AYs.

These financial results are prepared on the basis that the Company would avail the option to pay income tax at the lower rate. Consequently, wherever applicable, the opening deferred tax asset (including MAT credit entitlement) has been measured at the lower rate, with a one-time corresponding charge of ₹ 10.60 million to the Statement of Profit and Loss.

NOTE 32 : EARNINGS PER EQUITY SHARE ATTRITUBALE TO OWNERS **(₹ in million)**

Particulars	March 31, 2020	March 31, 2019
Profit after tax as per Statement of Profit and Loss (₹)	932.52	122.77
Weighted average number of equity shares for basic EPS (in No.)	9.00	9.00
Face value of equity share (₹)	10.00	10.00
Basic earnings per share (₹)	103.61	13.64
Diluted earnings per share (₹)	103.61	13.64

NOTE 33 : INTEREST IN SUBSIDIARY

The Company is a partner in a Limited Liability Partnership Firm M/S. Shreyans Foundations LLP. The Partners of the said LLP are IIFL FACILITIES SERVICES LIMITED (formerly known as IIFL REAL ESTATE LIMITED) (The Company) and others. Parties have agreed for 99% share in Profit/(Loss) on the part of The Company. The Company has contributed ₹ 0.99 million and Other partners have contributed ₹ 0.01 million as capital contribution in April 2019 in Shreyans Foundations LLP.

NOTE 34 : SEGMENT REPORTING

The Company's primary business segments are reflected based on the principal business carried out, i.e. renting. All other activities of the company revolve around the main business. The risk and returns of the business of the company is not associated with geographical segmentation, hence there is no secondary segment reporting based on geographical segment. As such, there are no separate reportable segments as per the INDAS 108 on 'Operating Segment'.

NOTE 35 : LEASES

a) Assets given on finance lease: **(₹ in million)**

Particulars	March 31, 2020	March 31, 2019
Not later than one year	6.87	6.75
Later than one year and not later than five years	16.05	22.92
Later than five years	-	-
Total	**22.92**	**29.67**

b) Unearned finance income: **(₹ in million)**

Particulars	March 31, 2020	March 31, 2019
Unearned finance income:	0.65	1.10
Total	**0.65**	**1.10**

c) The company has given 30,000 sq ft of its commercial space on operating lease with a lock in period of 6 years along with FITOUT consist of furniture, fitting, electric work and other beautification work on finance lease and the same will be transferred to the leasee on completion of lock in period at the nominal amount of ₹ 1.

NOTE 36 : CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

A : Summary details of contingent liabilities (to the extent not provided for) **(₹ in million)**

Particulars	March 31, 2020	March 31, 2019
Bank guarantee	0.50	0.50

B : Capital Commitments **(₹ in million)**

Particulars	March 31, 2020	March 31, 2019
Capital contracts (net of advances)	6.23	20.39

C : Other Litigations

The company is subject to legal proceedings and claims which arises 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.

NOTE 37 : DISCLOSURE OF LOANS/ADVANCES TO SUBSIDIARIES AND ASSOCIATES ETC. AS REQUIRED UNDER SCHEDULE V READ WITH REGULATION 34(3) AND 53(F) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATION, 2015.

(₹ in million)

Particulars	March 31, 2020	March 31, 2019
IIFL Finance Limited (Formerly IIFL Holdings Limited)*		
- Outstanding during the year	-	-
- Maximum outstanding during the period	47,340.00	15,685.00
IIFL Securities Limited (Formerly India Infoline Limited)		
- Outstanding during the year	-	-
- Maximum outstanding during the period	-	5,000.00
IIFL Commodities Limited (Formerly Known India Infoline Commodities Limited)		
- Outstanding during the year	-	-
- Maximum outstanding during the period	-	5.50
IIIFL Management Services Limited (Formerly known as India Infoline Insurance Services Limited)		
- Outstanding during the year	305.00	-
- Maximum outstanding during the period	440.00	10,130.00
Meenakshi Towers LLP		
- Outstanding during the year	500.00	-
- Maximum outstanding during the period	500.00	-
Shreyans Foundations LLP		
- Outstanding during the year	-	-
- Maximum outstanding during the period	120.00	-
5paisa Capital Limited		
- Outstanding during the year	-	160.00
- Maximum outstanding during the period	600.00	450.00

* India Infoline Finance Limited has been merged with IIFL Finance Limited (formerly IIFL Holdings Limited) w.e.f. March 30, 2020.

NOTE 38 : FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

A. Accounting classification

The carrying value of financial instruments by categories is as follows: **(₹ in million)**

Particulars	CARRYING VALUE	
	As at March 31, 2020	As at March 31, 2019
	At amortised cost	
Financial assets		
Cash and cash equivalents	78.74	214.90
Other bank balances	51.10	51.13
Trade receivables	18.75	7.02
Loans and advances	819.23	3,406.55
Finance lease receivable	22.92	29.67
Investments:		
Investment in non convertible debentures	201.21	204.03
Investment in equity (partnership firm)	0.99	-
Other financial assets	27.24	13.55
Total	**1,220.18**	**3,926.85**
Financial liabilities		
Borrowings:		
Non convertible debentures	531.51	986.78
Commercial paper	-	4,717.35
Inter corporate deposits	2,769.50	527.50
Security deposits from tenants	320.25	286.49
Trade and other payables	9.34	24.78
Other financial liabilities	88.46	414.32
Total	**3,719.06**	**6,957.22**

B. Fair value hierarchy of financial instruments not measeured at fair value

The table which provides the fair value measurement hierarchy of the Company's assets and liabilities is as follows:

(₹ in million)

As at March 31, 2020	CARRYING VALUE	Fair Value		
		Level 1	Level 2	Level 3
Financial assets				
(a) Investment in non convertible debentures	201.21	-	198.15	-
Total	**201.21**	**-**	**198.15**	**-**
Financial liabilities				
(a) Non convertible debentures	531.51	-	530.16	-
(b) Security deposits from tenants	320.25	-	-	292.43
Total	**851.76**	**-**	**530.16**	**292.43**

As at March 31, 2019	CARRYING VALUE	Fair Value		
		Level 1	Level 2	Level 3
Financial assets				
(a) Investment in non convertible debentures	204.03	-	201.30	-
Total	**204.03**	**-**	**201.30**	**-**
Financial liabilities				
(a) Non convertible debentures	486.40		480.30	
(b) Security deposits from tenants	286.49		-	228.93
Total	**772.89**	**-**	**480.30**	**228.93**

The management assessed that carrying amount of cash and cash equivalents, other bank balances, trade receivables, loans, unsecured borrowings, trade payable and other financial liabilities approximate their fair values largely due to the short- term maturities of these instruments.

C. Measurement of fair values

The table which shows the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used is as follows:

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Range	Sensitivity of the input to fair Change in discount rate by 500 basis points would increase / (decrease) as below
Financial Assets:				
(a) Investment in non convertible debentures	These indicates thinly traded / non traded securities as defined in SEBI Regulations and Guidelines and the fair value is estimated considering the valuation declared by fund houses for respective instruments during every reporting date.	Not Applicable	Not Applicable	Not Applicable
Financial Liabilities:				
(a) Non convertible debentures	These indicates thinly traded / non traded securities as defined in SEBI Regulations and Guidelines and the fair value is estimated considering the valuation declared by fund houses for respective instruments during every reporting date.	Not Applicable	Not Applicable	Not Applicable
(b) Security deposits from tenants	Discounted cash flow technique- The fair value is estimated considering net present value calculated using discount rates derived from quoted prices of similar instruments with similar maturity and credit rating that are traded in active markets, adjusted by an illiquidity factor.	Discount Rate	3.70% - 5.70% (last year 6.25% - 6.85%) based in SBI FD rate for respective period of Deposit	Not Applicable

Transfers between Levels 1, 2 and 3

There have been no transfers between Level 1, Level 2 and Level 3 during the respective period presented above.

D. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk ; and
- Market risk

i. Credit risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, investments, derivative financial instruments, other balances with banks, loans and other receivables and other financial asset.

Credit quality analysis

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However credit risk with regards to trade receivable is provided in case of lease rental business when a debtor fails to make the contractual payments greater than 180 days. In case of lease rental business, the Company keep 3 to 6 months rental as deposit from the occupants.

The following tables sets out information about the credit quality of financial assets measured at amortised cost. Unless specifically indicated, for financial assets, the amounts in the table represent gross carrying amounts.

(₹ in million)

As at March 31, 2020	**Financial Assets where loss allowance measured at 12-month ECL**	**Financial assets for which credit risk has increased significantly and credit not impaired**	**Financial assets for which credit risk has increased significantly and credit impaired**	**Total**
Trade Receivables	18.75	-	0.77	19.52
Impairment loss allowance	-	-	(0.77)	(0.77)
Carrying amount	**18.75**	**-**	**-**	**18.75**

(₹ in million)

As at March 31, 2019	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Total
Trade Receivables	7.02	-	1.27	8.29
Impairment loss allowance	-	-	(1.27)	(1.27)
Carrying amount	**7.02**	**-**	**-**	**7.02**

The movement in the allowance for impairment in respect of trade receivables during the year was as follows: **(₹ in million)**

Particulars	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Total
As at March 31, 2018	**-**	**4.78**	**4.78**
Increase / (decrease) net	-	(3.51)	(3.51)
As at March 31, 2019	**-**	**1.27**	**1.27**
Increase / (decrease) net	-	(0.50)	(0.50)
As at March 31, 2020	**-**	**0.77**	**0.77**

Measurement of ECL

The Company has applied the simplified approch of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognized in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS whether there have been significant increase in credit risk since initial recognition, as permitted by Ind AS 101.

Investment in debt securities

The Company has investment only in non convertible debentures and the settlement of such instruments is based on expiry of terms. No impairment has been recognised on such investments till date.

Cash and cash equivalents / Deposits with Banks

Credit risk from cash and bank balances is managed by the Company's treasury department in accordance with the Company's policy.

ii. Liquidity risk

Liquidity risk arises from the Company’s inability to meet its cash flow commitments on time. Prudent liquidity risk management implies maintaining sufficient stock of cash and marketable securities and maintaining availability of standby funding through an adequate line up of committed credit facilities. It uses a range of products mix to ensure efficient funding from across well-diversified markets and investor pools. Treasury monitors rolling forecasts of the Company’s cash flow position and ensures that the Company is able to meet its financial obligation at all times including contingencies.

Exposure to liquidity risk

The table below analyse the Company financial liability into relevant maturity Companying based on their contractual maturity. The amount disclosed in the table are the contractual undiscounted cash flows.

(₹ in million)

As at March 31, 2020		CONTRACTUAL CASH FLOWS			
	Carrying amount	Upto 1 year	1-5 years	5-10 years	More than 10 years
(a) Non convertible debentures	531.51	531.51	-	-	-
(b) Inter corporate deposits	2,769.50	-	2,769.50	-	-
(c) Security deposits from tenants	320.25	61.15	228.23	30.87	-
(d) Trade and other payables	9.34	9.34	-	-	-
(e) Term loans from others	-	-	-	-	-
(f) Other financial liabilities	88.46	88.08	0.38	-	-
	3,719.06	**690.08**	**2,998.11**	**30.87**	**-**

(₹ in million)

As at March 31, 2019	CONTRACTUAL CASH FLOWS				
	Carrying amount	Upto 1 year	1-5 years	5-10 years	More than 10 years
(a) Non convertible debentures	986.78	500.38	486.40	-	-
(b) Commercial paper	4,717.35	4,717.35	-	-	-
(c) Inter corporate deposits	527.50	527.50	-	-	-
(d) Security deposits from tenants	286.49	-	249.02	37.47	-
(e) Trade and other payables	24.78	24.78	-	-	-
(f) Other financial liabilities	414.32	414.32	-	-	-
	6,957.22	**6,184.33**	**735.42**	**37.47**	**-**

iii. Market risk

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

Currency risk

Currency risk is not material, as the Company's primary business activities are within India and dose not have significant exposure in foreign currency.

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments/ borrowings will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The interest rate profile of the Company’s interest-bearing financial instruments as reported to the management of the Company is as follows.

(₹ in million)

Particulars	March 31, 2020	March 31, 2019
Financial assets		
Fixed-rate instruments measured at amortised cost		
Investment in non convertible debentures	201.21	204.03
Term loan	-	120.00
Short term loan and advances	-	3,272.15
Total	**201.21**	**3,596.18**
Financial liabilities		
Fixed-rate instruments measured at amortised cost		
Non convertible debentures	531.51	986.78
Commercial paper	-	4,717.35
Total	**531.51**	**5,704.13**

Fair value sensitivity analysis for fixed-rate instruments

The Company's fixed-rate financial assets or financial liabilities are carried at ammortised cost. Therefore, a change in interest rates at the reporting date would not affect profit or loss, since neither the carrying amount nor the future cash flows will fluctuate.

The following table shows sensitivity analysis for impact on interest income/cost on financial instruments at variable interest rate:

(₹ in million)

Particulars	March 31, 2020	March 31, 2019
ICD Given:		
Inter corporate deposits given (refer note 41)	805.00	-
Applicable closing rate	10.40%	-
Annualised interest cost	**83.72**	**-**
ICD Taken:		
Inter corporate deposits taken (refer note 41)	2,769.50	527.50
Applicable closing rate	10.40%	10.31%
Annualised interest cost	**288.03**	**54.39**

Sensitivity analysis for impact on variable interest cost

(₹ in million)

Particulars	March 31, 2020	March 31, 2019
Increase in 1% change in ROI	27.70	5.28
Decrease in 1% change in ROI	(27.70)	(5.28)

E. Capital management

The Company's objective when managing capital are to

- Safeguard their ability to continue as going concern, so that they can continue to provide returns for the share holders and benefits for other stake holders, and
- Maintain an optimal capital structure to reduce the cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using debt equity ratio.

The Company's adjusted net debt to equity ratio is as follows: **(₹ in million)**

Particulars	**March 31, 2020**	**March 31, 2019**
Total debt (A)	3,301.01	6,231.63
Less : Cash & cash equivalent (excluding client bank balance) (B)	78.74	214.90
Net debt (C=A-B)	**3,222.27**	**6,016.73**
Total equity (Including all reserves) (D)	1,605.66	673.55
Net debt to equity (C/D)	**2.01**	**8.93**

NOTE 39 : CORPORATE SOCIAL RESPONSIBILITY

During the financial year 2019-20, the Company spent ₹2.69 million (previous year ₹1.53 million) out of the total amount of ₹2.69 million (Previous Year ₹1.53 million) required to be spent as per section 135 of the Companies Act 2013 in respect of Corporate Social Responsibility (CSR). The aforementioned amount has been contributed to India Infoline Foundation.

NOTE 40 : ASSETS PLEDGED AS SECURITY

The carrying amounts of assets pledged as security for current and non-current borrowings are: **(₹ in million)**

Particulars	**Notes**	**March 31, 2020**	**March 31, 2019**
Current			
Financial assets			
First charge			
Trade Receivables	13	18.75	7.02
Non-financial assets			
Buildings		105.82	117.86
Total assets pledged as security		**124.57**	**124.88**

NOTE 41 : RELATED PARTY TRANSACTION

(A) As Per Ind As 24, the disclosures of transaction with the related parties are given below :

List of related parties where control exists and also related parties with whom transactions have taken place and relationships :

Name of the Company	**Holding /Subsidiary/Other related parties**
Holding Company	IIFL Securities Limited
Subsidiary	Shreyans Foundations LLP (w.e.f. April 2019)
Director or his Relatives	Mr. Kranti Sinha (upto 25th March 2020) Mr. VK Chopra Mr. Balaji Raghavan Ms. Rekha Warriar (w.e.f 7th February 2020) Mr. Ashok Mittal (w.e.f 7th February 2020) Ms. Mamta Singh (w.e.f 24th December 2019)
Firms in which Director/Manager or his relative is a partner	N.A.
Private company in which a director or his relative is a member or director	1. Pegasus Assets Reconstruction Private Limited 2. Milestone Capital Advisors Private Limited 3. Clara Developers Private Limited
Fellow Subsidiaries	1. IIFL Management Services Limited (Formerly Known as India Infoline Insurance Services Limited) 2. IIFL Securities Services IFSC Limited 3. IIFL Commodities Limited (Formerly India Infoline Commodities Limited) 4. IIFL Insurance Brokers Limited (Formerly India Infoline Insurance Brokers Limited) 5. IIFL Asset Reconstruction Limited 6. India Infoline Foundation 7. IIFL Wealth (UK) Limited 8. IIFL Capital Inc. 9. Geocentric Solutions Private Limited (w.e.f. December 20, 2019 to March 23, 2020)
Joint Venture and Associates	1. Meenakshi Tower LLP (Joint venture of Fellow subsidiary IIFL Management Services Limited)
Other Related parties (Holding Company upto April 1, 2018)	1. IIFL Finance Limited (Formerly IIFL Holdings Limited)*

Name of the Company	Holding /Subsidiary/Other related parties
Other Related Parties	1. IIFL Home Finance Limited (Formerly India Infoline Housing Finance Limited) 2. Samasta Microfinance Limited 3. Clara Developers Private Limited 4. IIFL Wealth Management Limited 5. IIFL Asset Management Limited 6. IIFL Trustee Limited (Formerly India Infoline Trustee Company Limited) 7. IIFL Alternate Asset Advisors Limited 8. IIFL Distribution Services Limited 9. IIFL Investment Adviser and Trustee Services Limited 10. IIFL Wealth Finance Limited 11 IIFLW CSR Foundation (Incorporated w.e.f. January 20, 2020) 12. IIFL Private Wealth Hong Kong Limited-Has ceased to carry its business operations and is in process of winding up 13. IIFL Private Wealth Management (Dubai) Limited 14. IIFL Inc 15. IFL Asset Management (Mauritius) Limited 16. IIFL (Asia) Pte. Limited 17. IIFL Capital Pte. Limited 18. IIFL Securities Pte. Limited 19. IIFL Capital (Canada) Limited 20. IIFL Wealth Securities IFSC Limited 21. IIFL Altiore Advisors Limited 22. IIFL Wealth Advisors (India) Limited- Amalgamated with IIFL Wealth Management Limited w.e.f. December 27, 2019. 23. FIH Maritius Investment Limited 24. 5paisa Capital Limited 25. 5paisa P2P Limited 26. 5paisa Insurance Brokers Limited 27. Mr. Nirmal Jain - Promoter 28. Mr. Venkataraman Rajamani - Promoter 29. 5paisa Trading Limited (Incorporated w.e.f. February 27, 2020) 30. Orpheus Trading Private Limited 31. India Infoline Employee Trust 32. Kalki Family Private Trust 33. Nirmal Madhu Family Private Trust 34. MNJ Consultants Private Limited 35. Sunder Bhawar Ventures Private Limited 36. IIFL Pvt Wealth (Suisse) SA# 37. Giskard Datatech Private Limited 38. Ardent Impex Private Limited

#IIFL Wealth Management Limited has dis-invested with effect from IIFL Private Wealth (Suisse) SA and accordingly does not hold any stake in IIFL Private Wealth (Suisse) SA. (Effective date of disinvestment: February 27, 2019).

(B) Significant Transactions with Related Parties

(₹ in million)

Nature of transaction	March 31, 2020	March 31, 2019
Advisory Fees /Arranger Fees /Customer Support/Infrastructure Support/ Marketing Support		
(i) Other related parties		
IIFL Finance Limited (Formerly IIFL Holdings Limited)*	-	25.00
Rent Income		
(i) Holding Company		
IIFL Securities Limited (Formerly India Infoline Limited)	267.06	225.29
(ii) Fellow Subsidiaries		
IIFL Commodities Limited (Formerly Known as India Infoline Commodities Limited)	-	0.81
IIFL Insurance Brokers Limited (Formerly Known as India Infoline Insurance Brokers Limited)	-	16.90
IIFL Management Services Limited (Formerly known as India Infoline Insurance Services Limited)	-	1.60
(iii) Other related parties		
IIFL Finance Limited (Formerly IIFL Holdings Limited)*	17.50	43.09
IIFL Home Finance Limited (Formerly Known as India Infoline Housing Finance Limited)	-	19.24
India Infoline Asset Management Limited	-	14.09
IIFL Wealth Management Limited	-	232.34
IIFL Distribution Services Limited	-	16.91
5paisa Capital Limited	15.63	20.00

(B) Significant Transactions with Related Parties

(₹ in million)

Nature of transaction	March 31, 2020	March 31, 2019
Interest Income		
(i) Holding Company		
IIFL Securities Limited (Formerly India Infoline Limited)	-	23.23
(ii) Subsidiary		
Shreyans Foundation LLP	7.87	-
(iii) Fellow Subsidiaries		
IIFL Management Services Limited (Formerly known as India Infoline Insurance Services Limited)	25.39	14.38
Meenakshi Tower LLP	13.55	-
(iii) Other related parties		
IIFL Finance Limited (Formerly IIFL Holdings Limited)*	223.97	114.41
5paisa Capital Limited	19.44	6.20
Interest Expense		
(i) Holding Company		
IIFL Securities Limited (Formerly India Infoline Limited)	28.65	-
(ii) Fellow Subsidiaries		
IIFL Asset Reconstruction Limited	0.12	-
(iii) Other related parties		
IIFL Finance Limited (Formerly IIFL Holdings Limited)*	172.80	3.12
IIFL Home Finance Limited (Formerly Known as India Infoline Housing Finance Limited)	38.96	1.41
Donation Paid		
(i) Fellow Subsidiaries		
India Infoline Foundation	2.69	1.53
Allocation/Reimbursement of expenses Received		
(i) Holding Company		
IIFL Securities Limited (Formerly India Infoline Limited)	38.73	44.57
(ii) Fellow Subsidiaries		
IIFL Management Services Limited (Formerly known as India Infoline Insurance Services Limited)	0.87	9.41
IIFL Commodities Limited (Formerly Known as India Infoline Commodities Limited)	-	0.21
IIFL Insurance Brokers Limited (Formerly Known as India Infoline Insurance Brokers Limited)	-	1.66
(iii) Other related parties		
IIFL Home Finance Limited (Formerly Known as India Infoline Housing Finance Limited)	9.97	12.03
IIFL Finance Limited (Formerly IIFL Holdings Limited)*	27.72	34.97
IIFL Asset Management Limited (Formerly India Infoline Asset Management Company Limited)	-	0.01
IIFL Wealth Management Limited	1.37	0.01
5paisa Capital Limited	13.56	15.13
Allocation/Reimbursement of expenses Paid		
(i) Holding Company		
IIFL Securities Limited (Formerly India Infoline Limited)	0.06	-
(ii) Fellow Subsidiaries		
IIFL Management Services Limited (Formerly known as India Infoline Insurance Services Limited)	0.40	2.66
(iii) Other related parties		
IIFL Finance Limited (Formerly IIFL Holdings Limited)*	0.62	0.01
Others Paid		
(i) Holding Company		
IIFL Securities Limited (Formerly India Infoline Limited)	0.47	0.47
(ii) Fellow Subsidiaries		
IIFL Commodities Limited (Formerly Known as India Infoline Commodities Limited)	-	0.01
IIFL Management Services Limited (Formerly known as India Infoline Insurance Services Limited)	0.62	0.11
(iii) Other related parties		
IIFL Finance Limited (Formerly IIFL Holdings Limited)*	0.22	0.51
IIFL Home Finance Limited (Formerly Known as India Infoline Housing Finance Limited)	-	0.03
IIFL Wealth Management Limited	-	17.01
Others Received		
(i) Holding Company		
IIFL Securities Limited (Formerly India Infoline Limited)	0.05	0.39
(ii) Fellow Subsidiaries		
IIFL Management Services Limited (Formerly known as India Infoline Insurance Services Limited)	1.50	0.16
(iii) Other related parties		
IIFL Finance Limited (Formerly IIFL Holdings Limited)*	0.62	0.52
IIFL Home Finance Limited (Formerly Known as India Infoline Housing Finance Limited)	0.17	0.03

(B) Significant Transactions with Related Parties **(₹ in million)**

Nature of transaction	March 31, 2020	March 31, 2019
ICD Taken		
(i) Holding Company		
IIFL Securities Limited (Formerly India Infoline Limited)	5,876.00	-
(ii) Fellow Subsidiaries		
IIFL Asset Reconstruction Limited	45.00	-
(iii) Other related parties		
IIFL Finance Limited (Formerly IIFL Holdings Limited)*	24,676.00	22,092.50
IIFL Home Finance Limited (Formerly Known as India Infoline Housing Finance Limited)	33,983.20	1,500.00
ICD Taken - Repaid		
(i) Holding Company		
IIFL Securities Limited (Formerly India Infoline Limited)	5,876.00	-
(ii) Other related parties		
IIFL Finance Limited (Formerly IIFL Holdings Limited)*	23,445.00	21,565.00
IIFL Home Finance Limited (Formerly Known as India Infoline Housing Finance Limited)	33,017.20	1,500.00
ICD Given		
(i) Holding Company		
IIFL Securities Limited (Formerly India Infoline Limited)	-	9,435.00
(ii) Fellow Subsidiaries		
IIFL Commodities Limited (Formerly Known as India Infoline Commodities Limited)	-	5.50
Meenakshi Tower LLP	1,000.00	-
IIFL Management Services Limited (Formerly known as India Infoline Insurance Services Limited)	1,270.00	10,720.00
(iii) Other related parties		
IIFL Finance Limited (Formerly IIFL Holdings Limited)*	83,080.00	21,270.00
5paisa Capital Limited	1,695.00	973.58
ICD Given Returned Back		
(i) Holding Company		
IIFL Securities Limited (Formerly India Infoline Limited)	-	9,435.00
(ii) Fellow Subsidiaries		
IIFL Management Services Limited (Formerly known as India Infoline Insurance Services Limited)	965.00	10,720.00
Meenakshi Tower LLP	500.00	-
IIFL Commodities Limited (Formerly Known as India Infoline Commodities Limited)	-	5.50
(iii) Other related parties		
IIFL Finance Limited (Formerly IIFL Holdings Limited)*	83,080.00	21,270.00
5paisa Capital Limited	1,855.00	813.58
Deposit Taken		
(i) Holding Company		
IIFL Securities Limited (Formerly India Infoline Limited)	-	132.97
(ii) Other related parties		
IIFL Finance Limited (Formerly IIFL Holdings Limited)*	-	11.70
5paisa Capital Limited	-	11.05
Deposit Taken - Returned back		
(i) Holding Company		
IIFL Securities Limited (Formerly India Infoline Limited)	-	500.00
(ii) Other related parties		
IIFL Finance Limited (Formerly IIFL Holdings Limited)*	2.95	-
5paisa Capital Limited	-	3.23
Advance Received		
(i) Other related parties		
IIFL Wealth Management Limited	550.00	1,700.00
Adjusted against Sale of Property		
(i) Other related parties		
IIFL Wealth Management Limited	2,250.00	-
Loan Given		
(i) Subsidiary		
Shreyans Foundation LLP	84.00	-
Loan Given Received Back		
(i) Subsidiary		
Shreyans Foundation LLP	120.00	-
Sale of Property		
(i) Other related parties		
IIFL Wealth Management Limited	2,250.00	-
Transactions post passing of demerger entry and due to de-merger		
(i) Fellow Subsidiaries		
IIFL Management Services Limited (Formerly known as India Infoline Insurance Services Limited)	-	8.48
Other Transaction - Sale of Investment in NCD		
(i) Other related parties		
IIFL Finance Limited (Formerly IIFL Holdings Limited)*	3,475.00	197.10

(B) Significant Transactions with Related Parties

(₹ in million)

Nature of transaction	March 31, 2020	March 31, 2019
Investment in Subsidiary		
Shreyans Foundation LLP	0.99	-
Share Of Profit/Loss From Partnership Firm		
Shreyans Foundation LLP	(32.02)	-
Director Sitting fee		
Mr. VK Chopra	3.60	-
Mr. Kranti Sinha	3.60	-
Ms. Rekha Warriar	0.60	-

(C) Closing Balance **(₹ in million)**

Nature of transaction	March 31, 2020	March 31, 2019
Deposit Taken		
(i) Holding Company		
IIFL Securities Limited (Formerly India Infoline Limited)	132.97	132.96
(ii) Other related parties		
IIFL Finance Limited (Formerly IIFL Holdings Limited)*	8.75	11.70
5paisa Capital Limited	7.81	7.81
Interest Accrued on Investment in NCD		
(i) Other related parties		
IIFL Finance Limited (Formerly IIFL Holdings Limited)*	12.88	12.82
Interst accrued and due		
(i) Subsidiary		
Shreyans Foundation LLP	0.06	-
(ii) Fellow Subsidiary		
Meenakshi Tower LLP	11.67	-
Outstanding Investments in NCD		
(i) Other related parties		
IIFL Finance Limited (Formerly IIFL Holdings Limited)*#	200.00	200.00
Outstanding Balance of ICD Given/ (Taken)		
(i) Fellow Subsidiaries		
IIFL Management Services Limited (Formerly known as India Infoline Insurance Services Limited)	305.00	-
Meenakshi Towers LLP	500.00	-
IIFL Asset Reconstruction Limited	(45.00)	-
(ii) Other related parties		
IIFL Finance Limited (Formerly IIFL Holdings Limited)*	(1,758.50)	(527.50)
IIFL Home Finance Limited (Formerly Known as India Infoline Housing Finance Limited)	(966.00)	-
5paisa Capital Limited	-	160.00
Outstanding Investments Joint Venture		
Shreyans Foundation LLP	0.99	-
Amount due to/from related parties (Receivable/(Payable) to related parties)		
(i) Holding Company		
IIFL Securities Limited (Formerly India Infoline Limited)	0.46	(0.11)
(ii) Subsidiary		
Shreyans Foundation LLP	(32.02)	-
(iii) Fellow Subsidiaries		
IIFL Management Services Limited (Formerly known as India Infoline Insurance Services Limited)	(3.14)	0.06
IIFL Asset Reconstruction Limited	(0.10)	-
(iv) Other Related Parties		
IIFL Wealth Management Limited	-	(17.00)
IIFL Home Finance Limited (Formerly Known as India Infoline Housing Finance Limited)	0.02	0.05
IIFL Finance Limited (Formerly IIFL Holdings Limited)*	1.22	0.07
5paisa Capital Limited	0.13	1.43

* India Infoline Finance Limited has been merged with IIFL Finance Limited (formerly IIFL Holdings Limited) w.e.f. March 30, 2020.
# Investment in NCD shown at Face Value.

NOTE 42 : OTHER NOTES

For the uses the premises, infrastructure and other facilities and services as provided by the Company to its holding Company / subsidiaries / group companies/ other related parties and vice-versa for business operation which are termed as 'Shared Services'. Hitherto, such shared services consisting of administrative and other revenue expenses paid for by the Company or vice versa were identified and recovered/paid based on reasonable management estimates, which are constantly refined in the light of additional knowledge gained relevant to such estimation. These expenses are recovered/paid on an actual basis and the estimates are used only where actual were difficult to determine.

NOTE 43 : Impact of COVID-19

Covid-19 had been declared as a global pandemic and the Indian government has followed an approach of complete lockdown since March 24, 2020 starting with 21 days and the same is continuing, except the essential services were allowed to operate with limited capacity. Keeping in view the nature of business and nature of operations of the Company, the lockdown has not significantly hampered the operations, while staff and support services were allowed to work from home. As on balance sheet date the Company has assessed that the liquidity, assets and business operations have not been significantly affected. However, the extent to which the COVID-19 pandemic will impact the Company's financial statements in future will depends on future development, which is uncertain and therefore the impact of pandemic may be different from what is estimated at the date of approval of these financial results and the Company will closely monitor any material changes to future economic conditions.

NOTE 44 : Figures for the previous year have been regrouped, re-arranged, reclassified wherever necessary.

As per our report of even date
For V. Sankar Aiyar & Co.
Chartered Accountants
Firm's Registration No. 109208W
By the hand of

G. Sankar
Partner
Membership No. : 046050

Place : Mumbai
Dated : May 15, 2020

For and on Behalf of Board of Directors

IIFL Facilities Services Limited

Balaji Raghavan
Whole Time Director
(DIN: 05326740)

Ashok Mittal
Director
(DIN: 08690899)

Jayesh Upadhyay
Company Secretary

Saurabh Jain
Chief Financial Officer