



IIFL Realty Limited

Standalone Financial Statements

as on 31st March, 2014



Directors' Report

Dear Members,

Your Directors hereby present the Seventh Annual Report on the business and operations of the Company together with the Audited annual accounts for the financial year ended March 31, 2014.

Financial Results:

The financial performance of the Company for the year ended 31st March, 2014 is summarized below:

(Amount in Rs.)

Particulars	2013-2014	2012-2013
Gross Total Income	1,21,47,93,965	91,89,91,013
Less: Expenditure	92,88,33,110	70,42,49,141
Profit Before Tax	28,59,60,855	21,47,41,872
Less: Taxation – Current	8,82,28,735	4,26,79,631
- (Less) MAT Credit	(1,39,91,372)	-
- Net Current Tax	7,42,37,363	4,26,79,631
- Deferred	2,28,37,970	(2,28,37,970)
- Short/Excess Provision of Income Tax	22,55,997	12,99,533
Net Profit After Tax	18,66,29,525	19,36,00,678

Review of Business

Your Directors hereby inform that during the financial year under review, your Company has earned a Net Profit after tax of Rs. 18,66,29,525 as compared to Net Profit after tax of Rs. 19,36,00,678 in the previous financial year.

Dividend

In order to conserve existing resources of the Company, your Directors do not recommend any dividend for the year.

Deposits

During the period under review, your Company has not accepted / renewed any deposits within the meaning of Section 73 of the Companies Act, 2013 and the rules made there under.



IIFL Realty Limited

Corporate Identity Number-U70102MH2007PLC176401

Corporate Office - IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 Tel: (91-22) 4249 9000/ 4060 9000 • Fax: (91-22) 4060 9049

Regd. Office - IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, MIDC, Thane Industrial Area, Wagle Estate, Thane - 400 604

Tel: (91-22) 3929 4000/ 4103 5000 • Fax: (91-22) 2580 6654 • E-mail: mail@indiainfoline.com • Website: www.indiainfoline.com

Auditors

M/s Sharp & Tannan Associates, Chartered Accountants, Statutory Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and being eligible offers themselves for re-appointment. M/s Sharp & Tannan Associates have sought re-appointment and confirmed that their re-appointment shall within the purview of Section 139 of the Companies Act, 2013. The necessary eligibility certificate under Section 141 of the Companies Act, 2013 has been received from them. Your Board recommends appointment of M/s Sharp & Tannan Associates, Chartered Accountants, as the Statutory Auditors of the Company to hold office from this Annual General Meeting to the conclusion of next Annual General Meeting.

Directors

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the rules made there under and in terms of applicable provisions of the Articles of Association of the Company, Mr. R. Venkataraman, Directors of the Company retire by rotation and being eligible, offer themselves for re-appointment.

During the financial year under review, Mr. Nirmal Jain, Non-Executive Director resigned from the Board of your Company. Your Directors place on record their appreciation for the valuable services rendered by Mr. Jain and the guidance received from him during his tenure as the Director.

Mr. Balaji Raghavan (holding DIN 05326470) have been appointed as an Additional Director of the Company designated as Non Executive Director of the Company as per the provisions of Section 161 of the Companies Act, 2013 and the rules made there under. Mr. Balaji holds the position till the date of ensuing Annual General Meeting of the Company. The Company has received notice in writing from a member under Section 160 of the Companies Act, 2013 and the rules made there under, proposing appointment of Mr. Balaji as Directors of the Company. The proposal to appoint Mr. Balaji as Directors of the Company is recommended for shareholders' approval.

Audit Committee Members

As per the requirements of section 177 of the Companies Act, 2013, and the Company has constituted an Audit Committee comprising of the following Directors:

- Mr. R. Mohan
- Mr. R. Venkataraman
- Mr. Mukesh Kumar Singh

Director's Responsibility Statement

As required by Section 217 (2AA) of the Companies Act, 1956, your Directors confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed;
- (b) Appropriate accounting policies have been selected and applied consistently and that judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at March 31, 2014, and of its profit for the year ended on that date;

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- (c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- (d) The annual accounts have been prepared on an ongoing concern basis.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Since the Company is engaged in the service industry, the Company does not consume substantial energy. It is the policy of the management to keep abreast of technological developments in the field in which the Company is operating and to ensure that the Company uses the most suitable technology.

The Company had no foreign exchange earnings and outgo during the year.

Particulars of Employees

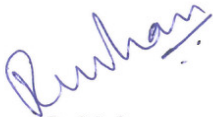
There are no employees who are in receipt of remuneration in excess of the rates or amounts as specified under Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975.

Acknowledgements

Your Directors take the opportunity to express their deep sense of gratitude to bankers, government authorities, employees, customers, vendors and suppliers.

Your Directors would also like to thank the Members for reposing their confidence and faith in the Company and its Management.

For and on behalf of the Board



R. Mohan
Director



Balaji Raghavan
Director

Place: Mumbai
Dated: May 10, 2014

Independent Auditor's Report

To the Members of IIFL Realty Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **IIFL Realty Limited** ("the Company"), which comprise the balance sheet as at 31 March 2014, and the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an



opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2014;
- (b) in the case of the statement of profit and loss, of the profit for the year ended on that date; and
- (c) in the case of the cash flow statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements


1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the central government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the balance sheet, statement of profit and loss and cash flow statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the balance sheet, statement of profit and loss, and cash flow statement comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13 September 2013, of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013; and



- e. on the basis of written representations received from the directors as on 31 March 2014, and taken on record by the board of directors, none of the directors is disqualified as on 31 March 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For Sharp & Tannan Associates
Chartered Accountants
Firm's registration no.109983W
By the hand of




Tirtharaj Khot
Partner
Membership No. (F) 037457

Place: Mumbai
Date : 10th May, 2014

Annexure to the Auditors' Report

The Annexure referred to in of our report dated, to the members of **IIFL Realty Limited** ("the Company") for the year ended 31 March 2014. We report that:

1. (a) The Company has maintained adequate records to show full particulars, including quantitative details and situation of the fixed assets. However up-dation for the current year transactions and reconciliation with individual location record has been in progress.

(b) The Company has formulated a programme of physical verification of its fixed assets in a phased manner. In accordance with this program, a physical verification of certain fixed assets has been carried out by management during the year. The assets physically verified and book balances were under reconciliation, which in view of the management is not expected to be material in nature. In our opinion, the periodicity of verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) The Company has not disposed of any substantial part of its fixed assets so as to affect its going concern status.
2. The Company is not carrying on any manufacturing or trading activity. Therefore, the provisions of sub-clause (a), (b) and (c) of clause (ii) of paragraph 4 of the Order are not applicable to the Company.
3. The Company has neither granted nor taken any loans from the companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. As the Company has not granted or taken any loans, the provisions of sub clause (a), (b), (c), (d), (e), (f) and (g) of clause (iii) of paragraph 4 of the Order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and nature of its business, for the purchase of fixed assets and sale of services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have we been informed of any continuing failure to correct of major weaknesses in the aforesaid internal control systems.



5. (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements that need to be entered in to a register in pursuance of section 301 of the companies act, 1956 and those brought to our notice, have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions in pursuance of such contracts or arrangements entered in the register maintained under section 301 of the companies act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year, have been made at prices which are not comparable since the prevailing market prices of such services in view of the management, are not readily available.
6. The Company has not accepted any deposits from the public of the nature which attracts the provisions of Section 58A, 58AA or any other relevant provisions of the Act and the rules made there under. Therefore, the provision of clause (vi) of paragraph 4 of the Order is not applicable to the Company.
7. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
8. As per the information and explanations given to us, in respect of the class of industry the Company falls under, the maintenance of cost records has not been prescribed by the Central Government under section 209 (1) (d) of the Companies act, 1956. Therefore, the provision of clause (viii) of paragraph 4 of the Order is not applicable to the Company.
9. (a) According to the information and explanations given to us, and as per the records of the Company, in our opinion the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty, Cess and other material statutory dues with the appropriate authorities, where applicable. Based on the information furnished to us, there are no undisputed statutory dues as on 31st March 2014, which are outstanding for a period exceeding six months from the date they became payable.
- (b) According to the information and explanations given to us and records of the Company examined by us, the particulars of sales tax/excise duty/service tax/income tax/custom duty/wealth tax/cess as at 31st March, 2014 which have not been deposited on account of a dispute pending, and amount involved and the forum where dispute is pending is as under:



Name of the Statute	Nature of the Disputed Dues	Amount (Rs.) of Tax	Period of which the amount relates	Forum where dispute is pending
Income Tax, 1961	Penalty u/s 271(1)(c) for claiming business expenses against income from house property	Rs.12,32,910/-	A.Y.2009-2010	Commissioner of Income tax appeal


10. At the end of the financial year, the Company has neither accumulated losses nor has incurred cash loss during the financial year covered by our audit, and in the immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of its dues to its financial institution, bank and debenture holders.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities, the Company, in our opinion, need not maintain relevant documents and record.
13. The Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of sub clause (a), (b), (c) and (d) of clause (xiii) of paragraph 4 of the Order are not applicable to the Company.
14. The Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provision of clause (xiv) of paragraph 4 of the Order is not applicable to the Company.
15. The Company has not granted any guarantee for loans taken by others from bank or financial institutions. Therefore, the provision of clause (xv) of paragraph 4 of the Order is not applicable to the Company.
16. The Company has not availed any term loan during the period. Therefore, the provision of clause (xvi) of paragraph 4 of the Order is not applicable to the Company.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investments.



18. The Company has not made preferential allotment of shares to parties covered in the Register maintained under Section 301 of the Companies Act, 1956. Therefore, the provision of clause (xviii) of paragraph 4 of the Order is not applicable to the Company.
19. During the period covered by our audit report, the Company has issued 2250 Nos. Secured Non Convertible Debentures ("NCDs") having face value of Rs.10,00,000/- each aggregating to Rs.225,00,00,000/-. The Company has created security in respect of NCDs.
20. The Company has not raised any money through a public issue during the period. Therefore, the provision of clause (xx) of paragraph 4 of the Order is not applicable to the Company.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instances of material fraud on or by the Company, noticed or reported during the year nor have we been informed of such case by management.

For Sharp & Tannan Associates
Chartered Accountants
Firm's registration no.109983W
By the hand of




Tirtharaj Khot
Partner
Membership No. (F) 037457

Place: Mumbai
Date : 10th May'2014

IIFL REALTY LIMITED
BALANCE SHEET AS AT March 31, 2014

(Amount in ₹)

Particulars	Note No.	As At Mar 31, 2014	As At March 31, 2013
Equity and Liabilities			
1. Shareholders' Fund			
(a) Share Capital	3	9,00,00,000	9,00,00,000
(b) Reserves and Surplus	4	65,25,02,307	46,58,72,782
Sub total		74,25,02,307	55,58,72,782
2. Non Current Liabilities			
(a) Long - term borrowings	5	2,13,00,00,000	-
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other long-term liabilities	6	53,73,16,781	53,86,17,998
(d) Long term provision	7	27,55,654	-
Sub total		2,67,00,72,435	53,86,17,998
3. Current Liabilities			
(a) Short-term Borrowings	8	76,37,93,916	2,85,00,00,000
(b) Trade Payables	9	4,64,71,664	29,96,632
(c) Other Current Liabilities	10	22,23,00,839	12,04,865
(d) Short Term Provisions	7	90,03,672	1,11,72,718
Sub total		1,04,15,70,091	2,86,53,74,215
TOTAL		4,45,41,44,833	3,95,98,64,995
ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	11	3,28,86,37,792	3,37,00,23,589
(ii) Intangible assets		-	-
(iii) Capital Work-In-Progress		25,09,55,912	12,96,24,761
Sub total		3,53,95,93,704	3,49,96,48,350
(b) Non-Current Investments			
(c) Deferred Tax Assets	12	-	2,28,37,970
(d) Long-term loans and advances	13	56,65,65,052	28,25,52,114
(e) Other non current assets		-	-
Sub total		56,65,65,052	30,53,90,084
(2) Current Assets			
(a) Current Investment	14	-	5,53,597
(b) Inventories		-	-
(c) Trade Receivables	15	12,02,76,243	4,21,14,462
(d) Cash and Bank Balance	16	18,96,94,161	3,47,25,542
(e) Short-term Loans and Advances	17	3,25,24,223	75,07,372
(f) Other current assets	18	54,91,450	6,99,25,588
Sub total		34,79,86,077	15,48,26,561
TOTAL		4,45,41,44,833	3,95,98,64,995
See accompanying notes forming part of the financial statements	1 to 30		

As per our attached report of even date

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



Tirtharaj Khot
Partner
Membership No. : (F) 037457



For and on behalf of Board of Directors


R. Mohan
Director


Balaji Raghavan
Director


Jayesh Upadhyay
Company Secretary

Place : Mumbai
Dated : 10 May 2014

IIFL REALTY LIMITED
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MAR 31, 2014

(Amount in ₹)

Particulars	Note No.	For the Year ended March 31, 2014	For the Year ended March 31, 2013
INCOME			
Revenue From operations	19	1,19,87,81,186	89,56,31,615
Other income	20	1,60,12,779	2,33,59,398
Total Revenue		1,21,47,93,965	91,89,91,013
EXPENSES			
Employee benefits expenses	21	10,06,21,833	7,01,86,743
Financial Charges	22	31,91,86,524	32,39,72,556
Depreciation & Amortisation expenses	11	22,40,73,893	22,71,27,671
Other Expenses	23	28,49,50,860	8,29,62,171
Total Expenses		92,88,33,110	70,42,49,141
Profit before tax		28,59,60,855	21,47,41,872
Tax Expense			
(a) Current tax		8,82,28,735	4,26,79,631
(b) (Less) MAT Credit		(1,39,91,372)	-
(c) Net Current tax Expense		7,42,37,363	4,26,79,631
(d) Short / (excess) provision for income tax		22,55,997	12,99,533
(e) Deferred tax Expenses		2,28,37,970	(2,28,37,970)
Subtotal		9,93,31,330	2,11,41,194
Net Profit after tax		18,66,29,525	19,36,00,678
Earning Per Share - Basic	24	20.74	21.51
Earning Per Share - Diluted	24	20.74	21.51
Face Value Per Share		10.00	10.00
See accompanying notes forming part of the financial statements	1 to 30		

As per our attached report of even date

For Sharp & Tannan Associates


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


Tirtharaj Khot
Partner
Membership No. : (F) 037457



For and on behalf of Board of Directors


R. Mohan
Director


Jayesh Upadhyay
Company Secretary


Balaji Raghavan
Director

Place : Mumbai
Dated : 10 May 2014

IIFL REALTY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED March 31, 2014

(Amount in ₹)

Particulars	For the Year ended March 31, 2014	For the Year ended March 31, 2013
A. Cash flow from operating activities		
Profit/(Loss) before Taxation, And Extraordinary Item	28,59,60,855	21,47,41,872
Adjustments For:		
Depreciation & Amortisation	22,40,73,893	22,71,27,671
Interest Expenses	31,91,86,524	32,39,72,556
Bad debts written off	50,38,006	-
Loss on sale of Fixed Assets	(15,544)	1,01,808
Sundry Balance Written off	-	10,35,641
Operating Profit Before Working Capital Changes	83,42,43,734	76,69,79,548
(Increase) / Decrease in Trade Receivables	(8,31,99,787)	(2,16,24,868)
(Increase) / Decrease in Short Term Loans & Advances	(2,50,16,851)	16,48,73,116
(Increase) / Decrease in Other Current Assets	6,44,34,138	(6,99,25,588)
(Increase) / Decrease in Long-term loans and advances	(25,89,98,951)	(18,20,06,044)
Increase / (Decrease) in Other long-term liabilities	(13,01,217)	1,31,55,903
Increase / (Decrease) in Long term provision	27,55,654	-
Increase / (Decrease) in Trade Payable	4,34,75,035	(15,11,898)
Increase / (Decrease) in Current Liabilities	22,10,95,974	(52,95,70,898)
Increase / (Decrease) in Short Term Provisions	(21,69,046)	1,11,72,718
Cash Generated From Operations	79,53,18,683	15,15,41,989
Tax (Paid) / Refund	(10,15,07,342)	(9,80,40,600)
Net cash flow from / (used in) operating activities (A)	69,38,11,341	5,35,01,389
B. Cash flow from investing activities		
Adjustment on account of merger	-	(17,76,10,016)
(Purchase)/Sale of Fixed Assets (net)	(26,40,03,711)	(21,65,71,541)
(Purchase)/Sale of Current Investments (net)	5,53,597	(5,53,597)
(Purchase)/Sale of Investments (net)	-	19,37,50,000
Bank balances not considered as Cash and cash equivalents-(Placed)/Matured	(4,46,54,098)	-
Net cash flow from / (used in) investing activities (B)	(30,81,04,212)	(20,09,85,154)
C. Cash flow from financing activities		
Proceeds / (Repayment) of Long Term borrowings (Net)	2,13,00,00,000	-
Proceeds / (Repayment) of Short Term borrowings (Net)	(2,08,62,06,084)	50,53,00,000
Interest Expenses	(31,91,86,524)	(32,39,72,556)
Net cash flow from / (used in) financing activities (C)	(27,53,92,608)	18,13,27,444
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	11,03,14,521	3,38,43,679
Cash and cash equivalents at the beginning of the year	3,47,25,542	8,81,863
Cash and Cash Equivalents at End of the year (Refer Note 16)	14,50,40,063	3,47,25,542
Net Increase/(Decrease) in Cash and Cash Equivalents	11,03,14,521	3,38,43,679

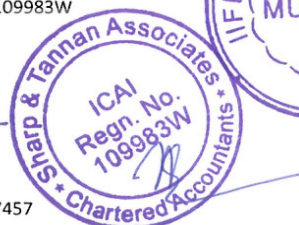
1. Cash flow statement has been prepared under the indirect method as set out in the accounting standard (AS-3) "cash flow statement".

2. Previous years' figures have been re-grouped / re-arranged wherever considered necessary.

As per our attached report of even date

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



Virtharaj Khot
Partner
Membership No. : (F) 037457



For and on behalf of Board of Directors


R. Mohan
Director


Balaji Raghavan
Director


Jayesh Upadhyay
Company Secretary

Place : Mumbai
Dated : 10 May 2014

IIFL REALTY LIMITED

Notes forming part of the Financial Statements for the Year ended March 31, 2014.

1. Corporate Information:

IIFL Realty Ltd. (The company) is subsidiary of IIFL Holdings Limited (Formerly known as India Infoline Limited) The Company is in to purchase, construct, erect, build, buy, manage, set up hold/sale, maintain, develop, improve, take in exchange, lease, hire or otherwise acquire and deal in land, building, factories, offices, flats, apartments, all kind of residential and commercial properties, townships, commercial premises, industrial parks, business parks, immovable properties of all kind, structures of any description to deal and/or to act as agent/broker/Advisor/Consultation in relation to real estate market.

2. Significant Accounting Policies:

2.1 Basis of preparation of financial statements:

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with all material aspects of the applicable Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. Except otherwise mentioned, the accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year by the Company.

2.2 Use of Estimates:

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

2.3 Fixed Assets Depreciation and Amortisation:

Fixed assets are stated at cost of acquisition less accumulated depreciation and impairment loss, if any thereon. Depreciation is charged using the straight line method based on the useful life of fixed assets as estimated by the management as specified below, or the rates specified in accordance with the provisions of schedule XIV of the Companies Act, 1956, which-ever is higher.

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

Individual assets / group of similar assets costing up to `5,000 has been depreciated in full in the year of purchase.

Estimated useful life of the assets is as under:

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



IIFL REALTY LIMITED

Notes forming part of the Financial Statements for the Year ended March 31, 2014.

2.4 Revenue Recognition:

Income is recognised on accrual basis. Dividend income is recognized when the right to receive payment is established.

2.5 Employee Benefits:

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

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

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

2.6 Provisions, Contingent Liabilities and Contingent Assets:

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

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

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

2.7 Taxes on Income:

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

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

2.8 Operating Leases:

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



IIFL REALTY LIMITED

Notes forming part of the Financial Statements for the Year ended March 31, 2014.

2.9 Investments:

Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other Investments are classified as non – current investments. Current investments are stated at lower of cost or market / fair value. Non – current investments are carried at cost. Provision for diminution in value of non – current investments is made, if in the opinion of the management such diminution is other than temporary For investment in Mutual funds, the net Assets value (NAV) declare by the Mutual Funds at the balance sheet date is considered as the fair value.

Current investments have been valued at the lower of cost and fair value. Long-term investments have been valued at cost, except that any permanent diminution in their value has been provided for in ascertaining their carrying amount.

2.10 Inventories:

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

2.11 Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

3. Share Capital:

(Amount in ₹)

Particulars	As At March 31,2014	As At March 31,2013
Authorized :		
1,10,00,000(P.Y.1,10,00,000) Equity Shares of ₹ 10/- each with voting rights *	11,00,00,000	11,00,00,000
Issued, Subscribed and Paid Up:		
90,00,000 (P.Y. 90,00,000) Equity Shares of ₹10/- each fully paid-up with voting rights	9,00,00,000	9,00,00,000

* Increase in the Authorised share Capital is pursuant to merger of IIFL (Thane) Private Ltd., a wholly owned subsidiary, with the Company with effect from April 1, 2012. The merger was sanctioned by the Hon'ble High Court of judicature at Bombay vide its order dated April 5,2013. The appointed date for the merger was April 1, 2012.

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.

IIFL Holdings Ltd. (Formerly known as India Infoline Limited), the holding company holds 100% (Previous Year 100%) of paid up share capital.



IIFL REALTY LIMITED

Notes forming part of the Financial Statements for the Year ended March 31, 2014.

(a) Reconciliation of the shares outstanding:

(Amount in ₹)

Particulars	As At March 31,2014		As At March 31,2013	
	Numbers	Amount	Numbers	Amount
Issued subscribed and Paid up at the beginning of the year	90,00,000	9,00,00,000	90,00,000	9,00,00,000
Add: Issued during the Year	-	-	-	-
Less: Equity Shares bought back	-	-	-	-
Issued subscribed and Paid up at the End of the year	90,00,000	9,00,00,000	90,00,000	9,00,00,000

(b) Terms/rights attached to equity shares:

The company has only one class of shares referred to as equity shares having a par value of ₹ 10/-each. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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) Details of shareholders holding more than 5% shares in the company:

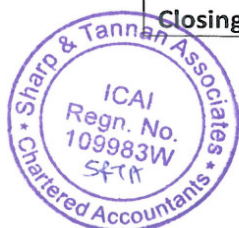
(Amount in ₹)

Particulars	As At March 31,2014		As At March 31,2013	
	Numbers	% Holding	Numbers	% Holding
IIFL Holdings Limited (Formerly Known as India Infoline Limited)	90,00,000	100%	90,00,000	100%

4. Reserve and Surplus:

(Amount in ₹)

Particulars	As At March 31,2014	As At March 31,2013
Securities Premium Account		
Opening Balance	34,43,00,000	51,51,75,000
Less : Adjusted against Goodwill on account of Merger	-	17,08,75,000
Closing Balance	34,43,00,000	34,43,00,000
Surplus / (Deficit) in Statement of Profit and Loss		
Opening Balance	12,15,72,782	(5,74,47,798)
Add : Reserves of IIFL Thane Ltd. on account of Merger	-	(1,45,80,098)
Add : Profit/(Loss) during the Year	18,66,29,525	19,36,00,678
Less : Debenture Redemption Reserve	(3,99,60,055)	-
Closing Balance	26,82,42,252	12,15,72,782



IIFL REALTY LIMITED

Notes forming part of the Financial Statements for the Year ended March 31, 2014.

Debenture Redemption Reserve		
Opening balance	-	-
Addition during the year	3,99,60,055	-
Deduction during the year	-	-
Closing Balance	3,99,60,055	-
Total	65,25,02,307	46,58,72,782

5. Long- term Borrowings:

(Amount in ₹)

Particulars	As At March 31,2014	As At March 31,2013
Secured Loans	-	-
11.80% Secured Rated Non Convertible Debenture of Face Value Rs. 10,00,000 Each Redeemable on 05-Dec-2018 at Par	1,62,00,00,000	-
11.80% Secured Rated Non Convertible Debenture of Face Value Rs. 10,00,000 Each Redeemable on 05-Dec-2017 at Par	22,00,00,000	-
11.80% Secured Rated Non Convertible Debenture of Face Value Rs. 10,00,000 Each Redeemable on 05-Dec-2016 at Par	16,00,00,000	-
11.80% Secured Rated Non Convertible Debenture of Face Value Rs. 10,00,000 Each Redeemable on 05-Dec-2015 at Par	13,00,00,000	-
11.80% Secured Rated Non Convertible Debenture of Face Value Rs. 10,00,000 Each Redeemable on 05-Dec-2014 at Par	12,00,00,000	-
Sub Total	2,25,00,00,000	-
Less : Amount Disclosed under the head "Other Current Liabilities "	12,00,00,000	-
Total	2,13,00,00,000	-

The above debentures are secured by way of exclusive charge in favour of Debenture Trustee on Identified Fixed Assets. Unconditional, irrevocable Corporate Guarantee from IIFL Holdings Limited (Formerly known as India Infoline Limited) covering the entire amount of Outstanding and Interest. Lien on overall surplus Cash Flow of IIFL Realty Limited

During the year, the Company successfully completed the private placement of Secured Rated Non Convertible Debentures ("NCDs") aggregating to Rs. 2,25,00,00,000 /- (the "Issue") The Company has utilized the entire proceeds of NCD public issue for the stated purposes mentioned in the final prospectus dated December 23, 2013

Pursuant to Section 117C of the Companies Act, 1956 read with circular issued by the Ministry of Corporate Affairs ("MCA") the Company was required to create debenture redemption reserve of a value equivalent to 25% of the debentures offered through a private placement. Accordingly, ₹3,99,60,055 (Previous year ₹ Nil) has been transferred to Debenture Redemption Reserve account for the financial year ended March 31, 2014.



IIFL REALTY LIMITED

Notes forming part of the Financial Statements for the Year ended March 31, 2014.

6. Other Long- term Liabilities:

(Amount in ₹)

Particulars	As At March 31,2014	As At March 31,2013
Security deposits received	53,73,16,781	53,86,17,998
Total	53,73,16,781	53,86,17,998

7.Provisions:

(Amount in ₹)

Particulars	As At March 31,2014		As At March 31,2013	
	Current	Non Current	Current	Non Current
Provision for Gratuity	35,327	18,24,809	-	-
Provision for Leave Encashment	2,81,050	9,30,845	-	-
Provision for expenses	59,82,631	-	11,72,718	-
Bonus Payable	27,04,664	-	1,00,00,000	-
Total	90,03,672	27,55,654	1,11,72,718	-

8. Short Term Borrowings:

(Amount in ₹)

Particulars	As At March 31,2014	As At March 31,2013
Unsecured Loans		
Bank overdrafts (Secured against Bank FD of India Infoline Finance Limited of ₹ 15,00,00,000)	13,80,00,000	-
Bank overdrafts Secured against Deutche Mutual Fund units Pledged by India Infoline Finance Limited of ₹ 70,00,00,000)	62,57,93,916	-
Commercial Paper	-	2,85,00,00,000
Total	76,37,93,916	2,85,00,00,000

9. Trade Payable:

(Amount in ₹)

Particulars	As At March 31,2014	As At March 31,2013
Trade Payable	-	-
- Trade Payable*	4,64,71,664	29,96,632
Total	4,64,71,664	29,96,632

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



IIFL REALTY LIMITED

Notes forming part of the Financial Statements for the Year ended March 31, 2014.

10. Other Current Liabilities:

(Amount in ₹)

Particulars	As At March 31,2014	As At March 31,2013
Current maturities of long term borrowings	12,00,00,000	-
Book Overdraft	3,76,50,268	-
Advances from customers	63,731	2,09,795
Accrued Salaries & Benefits	1,28,34,987	-
Contractually reimbursable expenses	8,20,920	2,41,218
Statutory Liabilities Payable	2,37,69,406	5,50,896
Interest Accrued but not due	1,89,12,329	-
Other payables	82,49,198	2,02,956
Total	22,23,00,839	12,04,865

11. Fixed Assets

(Amount in ₹)

ASSETS	GROSS BLOCK			
	As on 01.04.2013	Additions	Deductions / Adjustments during the year	As on 31.03.2014
Tangible Assets (Owned)				
Computers	68,35,679	-	30,402	68,05,277
Electrical Equipment	15,57,50,939	3,60,656	-	15,61,11,595
Furniture & Fixture	49,21,71,775	1,71,79,300	7,57,138	50,85,93,937
Office Equipment	8,11,68,415	4,82,314	-	8,16,50,729
Buildings	1,41,64,51,365	12,34,53,000	-	1,53,99,04,365
Land	1,82,87,73,493	12,44,300	-	1,83,00,17,793
Total	3,98,11,51,666	14,27,19,570	7,87,540	4,12,30,83,696
Previous Year	3,76,95,32,328	26,14,10,088	4,97,90,750	3,98,11,51,666

(Amount in ₹)

ASSETS	ACCUMULATED DEPRECIATION			
	As At March 31,2013	For the year	Deductions/ Adjustments during the year	As At March 31,2014
Tangible Assets (Owned)				
Computers	68,09,785	25,897	30,404	68,05,277
Electrical Equipment	8,46,05,667	3,10,01,698	-	11,56,07,365
Furniture & Fixture	26,49,06,277	10,14,18,154	7,25,661	36,55,98,770
Office Equipment	4,66,63,763	1,60,58,151	-	6,27,21,914
Buildings	20,42,58,004	7,44,85,924	-	27,87,43,928
Land	38,84,581	10,84,069	-	49,68,650
Total	61,11,28,077	22,40,73,893	7,56,065	83,44,45,904
Prevoius Year	37,63,29,078	23,49,72,753	1,73,754	61,11,28,077

Note: Addition for the previous year in Gross Block includes ₹18,61,74,626 & in Accumulated Depreciation includes ₹78,45,082 on account of merger.



IIFL REALTY LIMITED

Notes forming part of the Financial Statements for the Year ended March 31, 2014.

(Amount in ₹)

ASSETS	NET BLOCK	
	As At March 31,2014	As At March 31,2013
Tangible Assets (Owned)		
Computers	-	25,894
Electrical Equipment	4,05,04,230	7,11,45,272
Furniture & Fixture	14,29,95,167	22,72,65,498
Office Equipment	1,89,28,815	3,45,04,652
Buildings	1,26,11,60,437	1,21,21,93,361
Land	182,50,49,143	1,82,48,88,912
Total	3,28,86,37,792	3,37,00,23,589
Prevoius Year	3,37,00,23,589	3,39,32,03,250

Note: Capital Work in Progress ₹ 25,09,55,912 (P.Y. ₹ 12,96,24,761) pertains to assets not yet capitalized.

12. Deferred Tax Assets (Net) :

(Amount in ₹)

Particulars	As At March 31,2014	As At March 31,2013
Deferred Tax Assets		
On Business Loss	-	2,28,37,970
Total	-	2,28,37,970

13. Long-term Loans & Advances:

(Amount in ₹)

Particulars	As At March 31,2014	As At March 31,2013
Unsecured Considered Good		
Capital Advances	44,10,04,995	18,19,55,966
Other long term loans and advances	-	50,078
Advance Income Tax & Tax Deducted at Source (Net of provisions of Tax of Income tax of ₹11,69,19,790 (Previous Year ₹4,26,82,427)	12,55,60,057	10,05,46,070
Total	56,65,65,052	28,25,52,114

14. Current Investments:

(Amount in ₹)

Particulars	As At March 31,2014	As At March 31,2013
Short Term Investments	-	-
Unquoted , Non - Trade , Current (valued at cost or market whichever is less)	-	-
NCD –KD Lite Developers Private Limited	-	5,53,597
Total	-	5,53,597



IIFL REALTY LIMITED

Notes forming part of the Financial Statements for the Year ended March 31, 2014.

15. Trade Receivables:

(Amount in ₹)

Particulars	As At March 31,2014	As At March 31,2013
Unsecured, considered good, unless otherwise stated		
- Outstanding for a period exceeding six months	1,51,76,652	51,68,141
- Outstanding for a period Less than six months		
- Receivable from Group Company	4,13,23,759	-
- Others	6,37,75,832	3,69,46,321
Total	12,02,76,243	4,21,14,462

16. Cash and Bank Balance:

(Amount in ₹)

Particulars	As At March 31,2014	As At March 31,2013
Cash & Cash Equivalent :		
Cash In Hand	-	-
Balances with banks:		
In Current Accounts	14,50,40,063	3,47,25,542
Total Cash & Cash Equivalent (a)	14,50,40,063	3,47,25,542
Balances with Banks :		
In Deposit account (maturity for 3 months to 12 months)	4,46,54,098	-
Total (b)	4,46,54,098	-
Grand Total (a+b)	18,96,94,161	3,47,25,542

17. Short-term Loans and Advances:

(Amount in ₹)

Particulars	As At March 31,2014	As At March 31,2013
Unsecured Considered Good		
Advances recoverable in cash or in kind or for value to be received.	-	56,630
Other Loans & Advances	17,10,897	12,13,246
Service Tax Input Credit Receivable	66,10,043	11,96,529
Value Added Tax(VAT)	16,43,116	-
Deposit with others	2,25,60,167	50,40,967
Total	3,25,24,223	75,07,372

18. Other Current Assets:

(Amount in ₹)

Particulars	As At March 31,2014	As At March 31,2013
Prepaid expenses	48,71,445	6,99,25,588
Interest on Fixed Deposit	6,20,005	-
Total	54,91,450	6,99,25,588



IIFL REALTY LIMITED

Notes forming part of the Financial Statements for the Year ended March 31, 2014.

19. Revenue From operations:

(Amount in ₹)

Particulars	2013-2014	2012-2013
Rent Income	63,79,88,109	65,04,66,475
Brokerage Income	13,85,57,064	7,47,99,592
Advisory Fees	42,22,36,013	15,81,65,548
Processing Fee	-	1,22,00,000
Total	1,19,87,81,186	89,56,31,615

20. Other Income:

(Amount in ₹)

Particulars	2013-2014	2012-2013
Interest Income on Others	27,80,710	1,92,65,098
Interest Income on Fixed Deposit	8,61,649	-
Interest on Income Tax Refund	30,73,838	-
Dividend Income on Current Investment	29,04,848	14,26,377
Capital Gains on Current Investment	44,20,587	26,67,922
Other Miscellaneous Income	19,71,147	-
Total	1,60,12,779	2,33,59,397

21. Employee Benefit Expenses:

(Amount in ₹)

Particulars	2013-2014	2012-2013
Salaries and Wages	9,53,01,115	6,89,22,525
Contribution to Provident Fund	7,88,132	6,50,424
Staff Welfare Expenses	14,35,140	6,13,793
Gratuity	18,60,136	-
Leave Encashment	12,37,310	-
Total	10,06,21,833	7,01,86,743

The Company is recognising and accruing the employee benefit as per accounting standard (AS) – 15 on "Employee Benefits". Details are given below

(Amount in ₹)

Assumptions	2013-2014	2012-2013
Discount rate previous year	8.00%	-
Salary Escalation previous year	5.00%	-
Discount rate current year	9.14%	-
Salary Escalation Current year	5.00%	-
Change in Benefit Obligation	2013-2014	2012-2013
Liability at the beginning of the year		
Interest Cost		
Current Service Cost	49,665	-
Liability transferred in	18,10,471	-
Liability transferred Out		



IIFL REALTY LIMITED

Notes forming part of the Financial Statements for the Year ended March 31, 2014.

Benefit paid		
Actuarial (gain)/ Loss on obligations		
Liability at the end of the year	18,60,136	-
Amount Recognised in the Balance Sheet	2013-2014	2012-2013
Liability at the end of the year	18,60,136	-
Fair value of plan Assets at the end of the year	-	-
Differences	-	-
Amount of liability Recognised in the balance sheet	18,60,136	-
Expenses Recognised in the Income statement	2013-2014	2012-2013
Current Service cost	49,665	-
Interest Cost	-	-
Expected return on plan assets	-	-
Actuarial Gain or Loss	-	-
Expense Recognised in P&L	49,665	-
Balance Sheet reconciliation	2013-2014	2012-2013
Net liability		
Expense as above	49,665	-
Net Transfer In	18,10,471	-
(Net Transfer Out)	-	-
Employers contribution	-	-
Recognised in Balance sheet	18,60,136	-

Defined Contribution Plans:

The Company has recognised the following amounts as an expense and included in Note No. 21.

Particulars	(Amount in ₹)	
	2013-2014	2012-2013
Contribution to provident & Other funds	7,58,588	7,99,463
Total	7,58,588	7,99,463

22. Finance Cost:

(Amount in ₹)

Particulars	2013-2014	2012-2013
Interest Expenses on borrowing	31,81,04,741	32,39,72,556
Other borrowing cost	10,81,783	-
Total	31,91,86,524	32,39,72,556



IIFL REALTY LIMITED

Notes forming part of the Financial Statements for the Year ended March 31, 2014.

23. Other Expenses

(Amount in ₹)

Particulars	2013-2014	2012-2013
Advertisement	27,51,045	90,668
Books & Periodicals	3,079	1,200
Brokerage and Related Expenses	8,50,32,661	2,36,78,617
Bank Charges	1,42,846	1,629
Communication	11,50,508	10,54,555
Electricity	20,13,672	14,83,481
Legal and professional charges	83,33,228	77,04,273
Filing Fees	82,316	34
Office expenses	1,37,97,451	92,48,004
Subscription	13,63,981	54,19,292
Postage and courier	3,45,554	1,11,946
Printing and stationery	5,21,056	3,24,827
Bad Debts/Old Balances Written off/Back(Net)	71,73,367	10,35,641
Rent	6,86,45,931	1,00,66,833
Service Tax	2,37,45,980	
Insurance	41,569	1,58,298
Rates & taxes	4,29,82,085	72,49,881
Repairs & Maintenance		
- Computer	42,541	9,999
- Others	62,40,848	49,61,739
Remuneration to Auditors :		
As auditors - statutory audit	50,000	75,000
Certification work and other matters	-	-
Out of pocket expenses	4,215	4,033
Reimbursement of expenses	-	-
Software Charges	6,39,625	2,78,564
(Profit)/Loss on sale of assets	(15,544)	1,01,808
Travelling and conveyance	1,92,71,452	97,09,429
Miscellaneous expenses	5,91,394	1,92,420
Total	28,49,50,860	8,29,62,171



IIFL REALTY LIMITED

Notes forming part of the Financial Statements for the Year ended March 31, 2014.

24. Basic and Diluted Earnings Per Share ["EPS"] computed in accordance with Accounting Standard (AS) 20 'Earnings per share' as prescribed by Companies (Accounting Standard) Rules, 2006

(Amount in ₹)

PARTICULARS		2013-2014	2012-2013
BASIC & DILUTED			
Profit/(Loss) after tax as per Statement of Profit and Loss	A	18,66,29,525	19,36,00,678
Weighted Number of Shares Subscribed (no of shares)	B	90,00,000	90,00,000
Face Value per share		10	10
Basic & Diluted EPS (Rupees)	A/B	20.74	21.51

25. Contingent liability on account of Income tax matter amounts to ₹7,560 (Previous Year ₹ 12,32,910/-) The company has filed appeals with the tax authorities against the said demand.

26. Segment Reporting:

In the opinion of the management, there is only one reportable business segment as envisaged by AS 17 'Segment Reporting', as prescribed by Companies (Accounting Standard) Rules, 2006. Accordingly, no separate disclosure for segment reporting is required to be made in the financial statements of the Company.

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

27. The Company Operates from and uses the premises, infrastructure and other facilities and services as provided to it by its holding company / subsidiaries / group companies which are termed as 'Shared Services'. Hitherto, such shared services consisting of administrative and other revenue expenses paid for by the company were identified and recovered from them based on reasonable management estimates, which are constantly refined in the light of additional knowledge gained relevant to such estimation. These expenses are recovered on an actual basis and the estimates are used only where actual were difficult to determine.
28. At the balance sheet date, there were outstanding commitments of capital expenditure of ₹12,97,88,284 (Previous year ₹6,82,57,078) out of the total contractual obligation entered during the year.

29. Related Party Disclosures

Related parties and their relationship:

Nature of relationship	Name of party
(a) Holding Company	IIFL Holdings Limited (Formerly known as India Infoline Limited)
(b) Fellow Subsidiaries	India Infoline Commodities Ltd. India Infoline Finance Ltd. India Infoline Media & Research Services Ltd. India Infoline Commodities DMCC IIFL Wealth Management Ltd. India Infoline Insurance Brokers Ltd.



IIFL REALTY LIMITED

Notes forming part of the Financial Statements for the Year ended March 31, 2014.

Nature of relationship	Name of party
	India Infoline Insurance Services Ltd. IIFL Capital Ltd. IIFL (Asia) Pte Ltd. IIFL Inc. IIFL Wealth UK Ltd. IIFL Private Wealth Management Dubai Ltd. IIFL Securities Ceylon (Pvt) Ltd.* IIFL Private Wealth Hong Kong Ltd. IIFL Capital Ceylon Ltd.** IIFL Private Wealth Mauritius Ltd. India Infoline Limited (Formerly known as India Infoline Distribution Company Ltd.). IIFL Private Wealth (Suisse) SA. IIFL Capital Inc.
(c) Group Companies	India Infoline Housing Finance Ltd. IIFL Securities Pte Ltd. IIFL Capital Pte Ltd. IIFL Investment Advisors And Trustee Services Limited(Formerly known as IIFL Trustee Services Limited) IIFL Distribution Services Private Ltd. (Formely Finest Wealth Managers Private Ltd.) India Infoline Asset Management Company Ltd. India Infoline Alternate Assets Advisors Ltd. India Infoline Trustee Company Ltd.
(d) Key Management Personnel	Nirmal Jain R Venkataraman
(e) Other related parties	Madhu Jain(wife of Mr. Nirmal Jain) Aditi Venkataraman(wife of Mr. R. Venkatraman) India Infoline Foundation

(*) IIFL Securities Ceylon (Pvt) Limited was related party up to 30th December 2013.

(**) IIFL Capital Ceylon Limited was related party up to 20th March 2014.

(f) Significant Transaction with Related Parties.

(Amount in ₹)

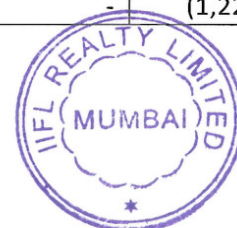
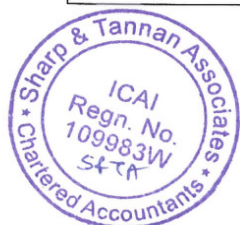
Nature of Transaction	Holding Company	Fellow Subsidiaries	Group Companies	Total
Commission Income				
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	12,500	-	12,500
	-	-	-	-
Advisory Fees Income				
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	13,89,600	-	13,89,600
	-	-	-	-
IIFL Holdings Limited(Formerly known as India Infoline Limited)	-	-	-	-
	(6,77,021)	-	-	(6,77,021)



IIFL REALTY LIMITED

Notes forming part of the Financial Statements for the Year ended March 31, 2014.

Nature of Transaction	Holding Company	Fellow Subsidiaries	Group Companies	Total
IIFL Alternate Asset Advisors Limited	-	-	1,33,19,540	1,33,19,540
	-	-	-	-
India Infoline Finance Limited	-	-	-	-
	-	(50,00,000)	-	(50,00,000)
Arranger Fees Income				
IIFL Alternate Asset Advisors Limited	-	-	3,42,01,150	3,42,01,150
	-	-	-	-
India Infoline Finance Limited	-	1,18,50,000	-	1,18,50,000
	-	(67,00,000)	-	(67,00,000)
India Infoline Asset Management Limited	-	-	42,71,043	42,71,043
	-	-	-	-
Arranger Fees Expense				
IIFL Wealth Management Limited	-	36,40,100	-	36,40,100
	-	(1,03,941)	-	(1,03,941)
IIFL Distribution Services Limited	-	-	-	-
	-	-	(13,70,060)	(13,70,060)
Rent Income				
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	45,62,88,912	-	45,62,88,912
	-	-	-	-
IIFL Holdings Limited(Formerly known as India Infoline Limited)	(60,00,00,000)	-	-	(60,00,00,000)
India Infoline Finance Limited	-	81,89,509	-	81,89,509
	-	-	-	-
India Infoline Media & Research Services Ltd.	-	43,50,300	-	43,50,300
	-	-	-	-
India Infoline Asset Management Limited	-	9,00,000	-	9,00,000
	-	(12,00,000)	-	(12,00,000)
IIFL Wealth Management Limited	-	1,45,96,114	-	1,45,96,114
	-	-	-	-
India Infoline Commodities Limited	-	20,99,544	-	20,99,544
	-	-	-	-
India Infoline Insurance Brokers Limited	-	1,29,59,098	-	1,29,59,098
	-	-	-	-
Interest Income				
India Infoline Media & Research Services Ltd.	-	25,41,640	-	36,40,100
	-	-	-	-
IIFL Holdings Limited(Formerly known as India Infoline Limited)	(54,94,208)	-	-	(54,94,208)
Processing Fee Income				
India Infoline Finance Limited	-	-	-	-
	-	(1,22,00,000)	-	(1,22,00,000)



IIFL REALTY LIMITED

Notes forming part of the Financial Statements for the Year ended March 31, 2014.

Nature of Transaction	Holding Company	Fellow Subsidiaries	Group Companies	Total
Interest Expense				
IIFL Holdings Limited(Formerly known as India Infoline Limited)	-	-	-	-
	(64,67,187)	-	-	(64,67,187)
India Infoline Finance Limited	-	-	-	-
	-	(17,92,24,944)	-	(17,92,24,944)
IIFL Wealth Management Limited	-	-	-	-
	-	(82,19,175)	-	(82,19,175)
IIFL Capital Limited	-	-	-	-
	-	(87,50,021)	-	(87,50,021)
Re Brokerage Expense				
IIFL Wealth Management Limited	-	-	-	-
	-	(3,18,112)	-	(3,18,112)
Advance Given (Max)				
India Infoline Media & Research Services Ltd.	-	8,90,00,000	-	8,90,00,000
	-	-	-	-
IIFL Holdings Limited(Formerly known as India Infoline Limited)	-	-	-	-
	(32,19,84,500)	-	-	(32,19,84,500)
Advance Taken (Max)				
IIFL Capital Limited	-	-	-	-
	-	(13,10,00,000)	-	(13,10,00,000)
India Infoline Finance Limited	-	-	-	-
	-	(15,00,00,000)	-	(15,00,00,000)
IIFL Holdings Limited(Formerly known as India Infoline Limited)	-	-	-	-
	(26,82,09,032)	-	-	(26,82,09,032)
Advance Returned				
IIFL Capital Limited	-	-	-	-
	-	(13,10,00,000)	-	(13,10,00,000)
India Infoline Finance Limited	-	-	-	-
	-	(15,00,00,000)	-	(15,00,00,000)
IIFL Holdings Limited(Formerly known as India Infoline Limited)	-	-	-	-
	(26,82,09,032)	-	-	(26,82,09,032)
Advance Given Received Back (Max)				
India Infoline Media & Research Services Ltd.	-	8,90,00,000	-	8,90,00,000
	-	-	-	-
IIFL Holdings Limited(Formerly known as India Infoline Limited)	-	-	-	-
	(32,19,84,500)	-	-	(32,19,84,500)
ICD Repaid/Given				
India Infoline Finance Limited	-	-	-	-
	-	(2,47,49,00,000)	-	(2,47,49,00,000)



IIFL REALTY LIMITED

Notes forming part of the Financial Statements for the Year ended March 31, 2014.

Nature of Transaction	Holding Company	Fellow Subsidiaries	Group Companies	Total
IIFL Realty Limited (Merger Effect)	-	-	-	-
	-	(17,02,50,000)	-	(17,02,50,000)
IILF Wealth Management	-	-	-	-
	-	(40,00,00,000)	-	(40,00,00,000)
ICD Taken/Received				
India Infoline Finance Limited	-	-	-	-
	-	(53,02,00,000)	-	(53,02,00,000)
Allocation/Reimbursement of expenses Paid				
IIFL Holdings Limited(Formerly known as India Infoline Limited)	-	-	-	-
	(13,18,49,776)	-	-	(13,18,49,776)
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	14,79,41,272	-	14,79,41,272
	-	-	-	-
Others Paid				
India Infoline Finance Limited	-	1,025	-	1,025
	-	-	-	-
IIFL Wealth Management Limited	-	64,887	-	64,887
	-	-	-	-
IIFL Holdings Limited(Formerly known as India Infoline Limited)	-	-	-	-
	(35,55,311)	-	-	(35,55,311)
Others Received				
IIFL Alternate Asset Advisors Limited	-	-	-	-
	-	-	(58,29,117)	(58,29,117)
India Infoline Media & Research Services Ltd.	-	7,000	-	7,000
	-	(11,000)	-	(11,000)
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	40,030	-	40,030
	-	-	-	-
IIFL Holdings Limited(Formerly known as India Infoline Limited)	-	-	-	-
	(4,188)	-	-	(4,188)
India Infoline Insurance Brokers Limited	-	28,942	-	28,942
	-	-	-	-
India Infoline Asset Management Limited	-	-	7,955	7,955
	-	-	-	-



IIFL REALTY LIMITED

Notes forming part of the Financial Statements for the Year ended March 31, 2014.

(h) Amount Due to / from related parties

(Amount in ₹)

Nature of Transaction	Holding Company	Fellow Subsidiaries	Group Companies	Total
Sundry payables				
Deposit Rent				
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	50,00,00,000	-	50,00,00,000
	-	-	-	-
IIFL Holdings Limited (Formerly known as India Infoline Limited)	-	-	-	-
	(50,00,00,000)	-	-	(50,00,00,000)
Sundry receivables				
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	2,57,34,430	-	2,57,34,430
	-	-	-	-
IIFL Wealth Management Limited	-	56,82,910	-	56,82,910
	-	-	-	-
India Infoline Commodities Ltd.	-	7,97,963	-	7,97,963
India Infoline Finance Limited	-	28,82,568	-	28,82,568
India Infoline Insurance Brokers Limited	-	45,21,966	-	45,21,966
India Infoline Media and Research Services Ltd	-	17,03,921	-	17,03,921

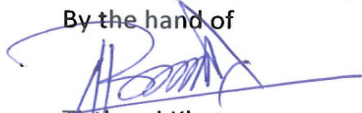
Note :

- I Figures in bracket represents previous year figures.
- II Related parties are identified and certified by the management.

30. Previous year figures have been re-grouped, re-classified & rearranged, wherever considered necessary to confirm to current year's presentation.

As per our attached report of even date

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



Vitharaj Khot
Partner
Membership No. : (F) 037457



For and on behalf of Board of Directors



R Mohan
Director



Balaji Raghwan
Director



Jayesh Upadhyay
Company Secretary

Date : May 10, 2014
Place : Mumbai