



**India Infoline  
Insurance Services  
Limited**

**Standalone Financial Statements  
as on 31<sup>st</sup> March, 2015**

### **Independent Auditor's Report**

#### **To the Members of India Infoline Insurance Services Limited**

#### **Report on the Standalone Financial Statements**

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

#### **Management's Responsibility for the Standalone Financial Statements**

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

#### **Auditor's Responsibility**

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

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

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



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

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

#### **Opinion**

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

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;



- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- 1) The Company does not have any pending litigations which would impact its financial position in its financial statements, refer note no. 19 to the financial statements;
  - 2) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - 3) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Mumbai  
Date: 6<sup>th</sup> May, 2015



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

A handwritten signature in black ink, appearing to read 'Tirtharaj Khot'.

Tirtharaj Khot  
Partner  
Membership No.: (F) 037457

## Annexure to the Auditors' Report

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

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

(b) As explained to us, these fixed assets have been physically verified by the management in accordance with a phased programme of verification which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. The frequency of physical verification is reasonable and no material discrepancies were noticed on such verification.

2. The Company is not carrying on any manufacturing or trading activity. Therefore, the provisions of paragraph 3 (ii) (a), (b), & (c) of the Order are not applicable to the Company.

3. The Company has granted loan to two companies covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').

(a) In the case of loan granted to the companies listed in the register maintained under section 189 of the Act, the borrower has been regular in the payment of the interest as stipulated. The terms of arrangement do not stipulate any repayment schedule and the loan are repayable on demand. Accordingly, Paragraph 3 (iii) (a) of the Order is not applicable in respect of repayment of the principal amount.

(b) There is no overdue amount in excess of Rs.1 lakh in respect of loan granted to Company listed in the register maintained under Section 189 of the Companies Act, 2013.

4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and nature of its business for purchase of fixed assets and sale of services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have we been informed of any continuing failure to correct major weaknesses in the aforesaid internal control systems.



5. The Company has not accepted any deposits during the year from the public to which the directives issued by Reserve Bank of India and the provisions of Section 73 to 76 and any other relevant provisions of the Act and the rules framed thereunder apply.
6. As per the information and explanations given to us, in respect of the class of industry the Company falls under, the maintenance of cost records has not been prescribed by the Central Government under section 148(1) of the Companies Act, 2013. Therefore, Paragraph 3 (vi) of the Order is not applicable to the Company.
7. (a) According to the information and explanations given to us and the records of the Company examined by us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues as applicable to the Company, with the appropriate authorities. There were no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues as applicable to the Company outstanding as at 31<sup>st</sup> March 2015 for a period of more than six months from the date they became payable.  
  
(b) According to the information and explanations given to us and records of the Company examined by us, there are no cases of non-deposit with the appropriate authorities of disputed dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess.  
  
(c) According to the information and explanations given to us, there is no amount required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and the rules made thereunder.
8. At the end of the financial year, the Company has no accumulated losses. It has incurred cash loss during the financial year covered by our audit, and it has not incurred cash loss in the the immediately preceding financial year.
9. As the Company has not borrowed from financial institution or bank or debenture holders during the year, Paragraph 3 (ix) of the Order is not applicable to the Company.
10. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institution.
11. The Company has not availed any term loan during the period. Therefore paragraph 3 (xi) of the Order is not applicable to the Company.



12. During the course of our examination of the books and records of the Company, carried out in accordance with 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 and Tannan Associates  
Chartered Accountants  
Firm's Registration No.: 109983W  
By the hand of

A handwritten signature in black ink, appearing to read "Tirtharaj Khot".

Tirtharaj Khot  
Partner

Membership No.: (F) 037457

Place: Mumbai  
Date: 6<sup>th</sup> May, 2015

**INDIA INFOLINE INSURANCE SERVICES LIMITED**  
**Standalone Balance Sheet As At March 31, 2015**

(Amount in ₹)

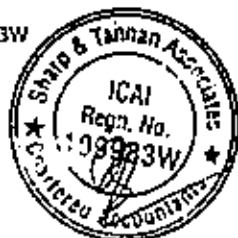
Particulars	Note No.	As At March 31, 2015	As At March 31, 2014
<b>EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Fund</b>			
(a) Share Capital	3	2,806,300	2,806,300
(b) Reserves and Surplus	4	207,183,906	214,546,520
Sub total		209,990,206	217,352,820
<b>(2) Non Current Liabilities</b>			
(a) Long - term borrowings		-	-
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long term liabilities		-	-
(d) Long term provision	5	314,192	-
Sub total		314,192	-
<b>(3) Current Liabilities</b>			
(a) Short-term borrowings		-	-
(b) Trade Payables		-	-
(c) Other Current Liabilities	6	2,616,128	25,000
(d) Short Term Provision	5	1,180,658	212,518
Sub total		3,796,786	237,518
<b>TOTAL</b>		<b>214,101,184</b>	<b>217,590,338</b>
<b>ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets			
(i) Tangible assets	7	-	21,738
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
Sub total		-	21,738
(b) Non - Current Investment		-	-
(c) Deferred Tax Assets (Net)	8	22,371,406	23,027,620
(d) Long-term loans and advances	9	28,149,931	122,728,191
(e) Other non current assets		-	-
Sub total		50,521,337	145,755,811
<b>(2) Current Assets</b>			
(a) Current Investments		-	-
(b) Inventories		-	-
(c) Trade Receivable	10	362,569	280,628
(d) Cash and Bank Balance	11	95,710,570	71,532,025
(e) Short term Loans and advances	12	67,506,708	136
(f) Other current assets		-	-
Sub total		163,579,847	71,812,789
<b>TOTAL</b>		<b>214,101,184</b>	<b>217,590,338</b>
See accompanying notes forming part of the standalone financial statements	1 to 23		

As per our attached report of even date

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

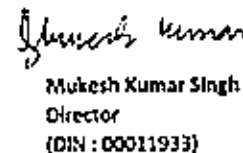
  
 Ansharaj Khot  
 Partner

Membership No. : (F) 037457



For and on behalf of Board of Directors

  
 Pallab Mukherji  
 Director  
 (DIN : 053338789)

  
 Mukesh Kumar Singh  
 Director  
 (DIN : 00011933)



Place : Mumbai  
 Dated : May 06, 2015



**INDIA INFOLINE INSURANCE SERVICES LIMITED**  
**Standalone Statement of Profit & Loss For the Year Ended March 31, 2015**

(Amount in ₹)

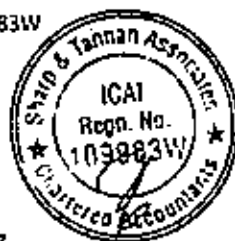
Particulars	Note No.	2014-2015	2013-2014
<b>INCOME</b>			
Revenue from Operations	13	18,711,956	25,833,265
Other Income	14	8,144,789	5,667,479
<b>Total Revenue</b>		<b>26,856,745</b>	<b>31,500,744</b>
<b>EXPENSES</b>			
Employee benefit expenses	15	10,681,491	-
Financial Charges	16	5,304	-
Depreciation & amortisation expenses	7	21,732	6,349,949
Other Expenses	17	20,149,159	6,662,931
<b>Total Expenses</b>		<b>30,857,686</b>	<b>13,012,880</b>
<b>Profit before tax</b>		<b>[4,000,941]</b>	<b>18,487,864</b>
<b>Tax Expense</b>			
(a) Current tax expense for current year		-	4,580,406
(b) (Less) MAT Credit (where applicable)		-	-
(c) Net Current tax Expense		-	4,580,406
(d) Short / (excess) provision for Income tax		2,705,459	(2,565,727)
(e) Deferred tax		656,214	122,640
<b>Total Tax expenses</b>		<b>3,361,673</b>	<b>2,137,319</b>
<b>Net profit after tax</b>		<b>(7,362,614)</b>	<b>16,350,545</b>
<b>Earning Per Share</b>			
Earning Per Share - Basic	18	(26.24)	58.26
Earning Per Share - Diluted	18	(26.24)	58.26
Face Value of Share		10.00	10.00
See accompanying notes forming part of the standalone financial statements	1 to 23		

As per our attached report of even date

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



Anilharaj Khot  
Partner  
Membership No. : (F) 037457



For and on behalf of Board of Directors



Pallab Mukherji  
Director  
(DIN : 053338789)




Mukesh Kumar Singh  
Director  
(DIN : 00011933)

Place : Mumbai  
Dated : May 06, 2015

**INDIA INFOLINE INSURANCE SERVICES LIMITED**  
**Standalone Cash Flow Statement For The Year Ended March 31, 2015**

(Amount in ₹)

Particulars	2014-2015	2013-2014
<b>Cash Flows From Operating Activities</b>		
Profit/(Loss) before Taxation, And Extraordinary Item	(4,000,941)	18,487,864
Adjustments For:		
Depreciation & Amortisation	21,732	6,349,949
Provisions for Gratuity	13,764	-
Provisions for Leave Encashment	111,274	-
Interest Expenses	5,304	-
Profit /Loss on sale of Fixed Assets	(73,577)	328,982
Dividend Income	(769,261)	(316,154)
<b>Operating Profit/(Loss) Before Working Capital Changes</b>	<b>(4,691,705)</b>	<b>24,850,641</b>
(Increase) / Decrease in Trade Receivable	(81,941)	(280,628)
(Increase) / Decrease in Short Term Loans & Advances	(67,506,572)	67,492
(Increase) / Decrease in Long Term Loans & Advance	185,907	10,867,067
Increase / (Decrease) in Trade Payables	-	(55,320)
Increase / (Decrease) in Current Liabilities	2,591,128	(386,812)
Increase / (Decrease) in Short Term Provision	843,102	(6,600,973)
Increase / (Decrease) in Long Term Provision	314,192	-
<b>Cash Generated From Operations</b>	<b>(68,345,894)</b>	<b>28,460,457</b>
Tax (Paid) / Refund	(91,686,905)	15,426,398
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>23,341,011</b>	<b>43,886,855</b>
<b>Cash Flows From Investing Activities</b>		
Purchase/Sale of Fixed Assets (net)	73,577	(320,251)
Purchase/Sale of Investments (net)	-	26,454,111
Dividend Income	769,261	316,154
<b>Net cash flow from / (used in) Investing activities (B)</b>	<b>842,838</b>	<b>26,450,014</b>
<b>Cash Flows From Financing Activities</b>		
Interest Expenses	(5,304)	-
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>(5,304)</b>	<b>-</b>
<b>Net Increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>24,178,545</b>	<b>70,336,879</b>
Cash and cash equivalents at beginning of Year	71,532,025	1,195,146
Cash and cash equivalents at end of Year (Refer Note 11)	95,710,570	71,532,025
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>24,178,545</b>	<b>70,336,879</b>
See accompanying notes forming part of the standalone financial statements Note 1 to 23		

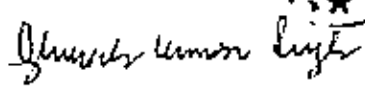
As per our attached report of even date

For Sharp & Tannan Associates  
Chartered Accountants  
Firm's Registration No. 109983W  
By the hand of  
  
Pithara Jhot  
Partner  
Membership No. : (F) 037457



For and on behalf of Board of Directors

  
Pallab Mukherji  
Director  
(DIN : 053338769)

  
Mukesh Kumar Singh  
Director  
(DIN : 00011933)



Place : Mumbai  
Dated : May 06, 2015

**1. Corporate information:**

India Infoline Insurance Services Limited (The Company) is a subsidiary of IIFL Holdings Limited (Formerly known as India Infoline Limited). The Company is a Corporate Insurance Agent and undertake business activities related to the same and earns commission income and related income.

**2. Significant Accounting Policies:**

**2.1 Basis of accounting and preparation of financial statements:**

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

**2.2 Use of Estimates:**

The preparation of financial statements in conformity with the generally accepted accounting principles which requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. 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. Depreciation is charged from the month in which new assets are put to use. No depreciation is charges 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. Lease hold land is depreciated on a straight line basis over the lease hold period.

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

Estimated useful life of the assets is as under:

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

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



**2.4 Translation of foreign currency items:**

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

**2.5 Revenue Recognition:**

Commission income on first year premium on insurance policies is recognized, when an insurance policy sold by the Company is accepted by the principal insurance company. Renewal commission on policies is accounted for on receipt basis.

**2.6 Other Income Recognition:**

- (a) Interest Income is recognized on accrual basis
- (b) Dividend Income is recognized when the right to receive payment is established.
- (c) Capital Gain/ Loss is recognized on the date of trade.

**2.7 Employee Benefits:**

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

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

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

**2.8 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.

**2.9 Taxes on Income:**

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Provision for current tax is computed based on estimated tax liability computed after adjusting for allowance, disallowance and exemptions in accordance with the applicable tax laws. Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for 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.



**2.10 Operating Leases :**

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

**2.11 Investments:**

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

**2.12 Earnings Per Share:**

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

**2.13 Preliminary Expenses :**

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

**3. Share Capital:**

a) The Authorized, Issued, Subscribed and fully paid up share capital comprises of equity shares having a par value of ₹10 as follows.

Particulars	(Amount in ₹)	
	As At March 31, 2015	As At March 31, 2014
<b>Authorized Shares:</b>		
5,00,000 (P.Y. 5,00,000) Equity Shares of ₹10/- each with Voting rights	5,000,000	5,000,000
<b>Issued, Subscribed and Paid Up:</b>		
2,80,630 (P.Y. 2,80,630) Equity Shares of ₹10/- each fully paid-up each	2,806,300	2,806,300
<b>Total</b>	<b>2,806,300</b>	<b>2,806,300</b>

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

**b) Reconciliation of the shares outstanding:**

Particulars	As At March 31, 2015		As At March 31, 2014	
	Numbers	Amount	Numbers	Amount
Issued subscribed and Paid up at the beginning of the year	280,630	2,806,300	280,630	2,806,300
Add: Issued during the Year	-	-	-	-
Less: Equity Shares bought back	-	-	-	-
Issued subscribed and Paid up at the End of the year	280,630	2,806,300	280,630	2,806,300



c) Terms/rights attached to equity shares:

The company has only one class of shares referred to as equity shares having a par value of ₹10/- each. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees.

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

d) Equity shares held by holding company / ultimate holding and their subsidiaries :

Particulars	As At March 31, 2015		As At March 31, 2014	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Equity shares of ₹ 10 each fully paid				
IIFL Holdings Limited (Formerly known as India Infoline Limited) – The Holding Company	280,630	100%	280,630	100%

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

Particulars	As At March 31, 2015		As At March 31, 2014	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Equity shares of ₹ 10 each fully paid				
IIFL Holdings Limited (Formerly known as India Infoline Limited)	280,630	100%	280,630	100%

4. Reserve and Surplus:

(Amount in ₹)

Particulars	As At March 31, 2015	As At March 31, 2014
<b>Security Premium Account</b>		
Opening Balance	7,193,700	7,193,700
Addition during the Year	-	-
Closing Balance	7,193,700	7,193,700
<b>Surplus / (Deficit) In Statement of Profit and Loss</b>		
Opening Balance	207,352,820	191,002,275
Addition Profit/(Loss) during the Year	(7,362,614)	16,350,545
Closing Balance	199,990,206	207,352,820
<b>Total</b>	<b>207,183,906</b>	<b>214,546,520</b>

5. Provisions:

(Amount in ₹)

Particulars	As At March 31, 2015		As At March 31, 2014	
	Current	Non Current	Current	Non Current
Provision for expenses	635,734	-	212,518	-
Bonus Payable	485,169	-	-	-
Provision for Leave encashment	50,428	110,289	-	-
Provision for Gratuity	9,327	203,903	-	-
<b>Total</b>	<b>1,180,658</b>	<b>314,192</b>	<b>212,518</b>	<b>-</b>



**NDIA INFOLINE INSURANCE SERVICES LIMITED**

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

**6. Other Current Liabilities:**

(Amount in ₹)

Particulars	As At March 31, 2015	As At March 31, 2014
Accrued Salaries and benefits	1,721,472	-
Contractually reimbursable expenses	118,897	22,500
Statutory Liabilities Payable	263,959	2,500
Payable to fellow subsidiaries	511,800	-
<b>Total</b>	<b>2,616,128</b>	<b>25,000</b>

**7. Fixed Asset**

(Amount in ₹)

ASSETS	GROSS BLOCK (AT COST)			
	As At March 31, 2014	Additions	Deductions /Adjustments	As At March 31, 2015
<b>Tangible Assets (Owned)</b>				
Air Conditioner	17,424,458	-	341,510	17,082,948
Computer	27,957,935	-	120,790	27,837,145
Electrical Equipment	23,542,580	-	19,218	23,523,362
Furniture & Fixture	62,387,739	-	805,366	61,582,373
Office Equipment	53,819,338	-	57,832	53,761,506
<b>Total</b>	<b>185,132,050</b>	<b>-</b>	<b>1,344,716</b>	<b>183,787,334</b>
Previous Year	191,578,879	-	6,446,829	185,132,050

(Amount in ₹)

ASSETS	ACCUMULATED DEPRECIATION			
	As At March 31, 2014	For the year	Deductions /Adjustments	As At March 31, 2015
<b>Tangible Assets (Owned)</b>				
Air Conditioner	17,424,386	-	341,438	17,082,948
Computer	27,957,935	-	120,790	27,837,145
Electrical Equipment	23,542,508	-	19,146	23,523,362
Furniture & Fixture	62,378,525	9,352	805,504	61,582,373
Office Equipment	53,806,958	12,380	57,832	53,761,506
<b>Total</b>	<b>185,110,312</b>	<b>21,732</b>	<b>1,344,710</b>	<b>183,787,334</b>
Previous Year	185,198,461	6,349,949	6,438,098	185,110,312

(Amount in ₹)

ASSETS	NET BLOCK	
	As At March 31, 2015	As At March 31, 2014
<b>Tangible Assets (Owned)</b>		
Air Conditioner	-	72
Computer	-	-
Electrical Equipment	-	72
Furniture & Fixture	-	9,214
Office Equipment	-	12,380
<b>Total</b>	<b>-</b>	<b>21,738</b>
Previous Year	-	6,380,411



**NDIA INFOLINE INSURANCE SERVICES LIMITED**

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

**8. Deferred Tax Assets (Net):**

(Amount in ₹)

Particulars	As At March 31, 2015	As At March 31, 2014
Depreciation	18,182,742	23,027,620
Business Loss	4,122,776	-
Provision for Gratuity	65,888	-
<b>Total</b>	<b>22,371,406</b>	<b>23,027,620</b>

**9. Long-term loans and advances:**

(Amount in ₹)

Particulars	As At March 31, 2015	As At March 31, 2014
<b>Unsecured Considered Good</b>		
Advance Income Tax (Net of Provision of Tax of ₹ 66,97,972 (Previous Year ₹1,29,60,857))	17,136,119	111,528,478
Deposit with others	11,013,812	11,199,713
<b>Total</b>	<b>28,149,931</b>	<b>122,728,191</b>

**10. Trade Receivable:**

(Amount in ₹)

Particulars	As At March 31, 2015	As At March 31, 2014
<b>Trade Receivable (Unsecured, considered good, unless otherwise stated)</b>		
- Outstanding for a period exceeding six months	-	-
- Outstanding for a period Less than six months	362,569	280,628
<b>Total</b>	<b>362,569</b>	<b>280,628</b>

**11. Cash and Bank Balance:**

(Amount in ₹)

Particulars	As At March 31, 2015	As At March 31, 2014
<b>Cash and Cash Equivalents</b>		
Balances with banks :		
In Current Accounts	95,710,570	71,532,025
<b>Total</b>	<b>95,710,570</b>	<b>71,532,025</b>

**12. Short-term Loans and Advances:**

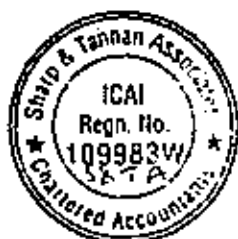
(Amount in ₹)

Particulars	As At March 31, 2015	As At March 31, 2014
<b>Unsecured Considered Good</b>		
Loan to fellow subsidiaries	67,500,000	-
Other Loans & Advances	6,708	136
<b>Total</b>	<b>67,506,708</b>	<b>136</b>

**13. Revenue from Operations:**

(Amount in ₹)

Particulars	2014 - 2015	2013-2014
Commission Income	18,711,956	25,833,265
<b>Total</b>	<b>18,711,956</b>	<b>25,833,265</b>





**NDIA INFOLINE INSURANCE SERVICES LIMITED**

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

**14. Other Income:**

(Amount in ₹)

Particulars	2014 - 2015	2013-2014
Interest Income	7,242,108	3,264,173
Dividend Income – from Current Investment	769,261	316,154
Capital Gains – on Current Investment	-	1,671,820
Miscellaneous income	133,420	86,351
Profit/(Loss) on Sale of Fixed Assets (Net)	-	328,981
<b>Total</b>	<b>8,144,789</b>	<b>5,667,479</b>

**15. Employee Benefit Expenses :**

(Amount in ₹)

Particulars	2014 - 2015	2013-2014
Salaries & Wages	10,117,280	-
Contribution to provident and other funds	205,449	-
Gratuity	13,764	-
Staff Welfare Expenses	233,724	-
Leave Encashment	111,274	-
Deferred employee compensation expenses	-	-
<b>Total</b>	<b>10,681,491</b>	<b>-</b>

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

Assumptions	2014-2015	2013-2014
Discount rate previous year	-	-
Salary Escalation previous year	-	-
Discount rate current year	7.89%	-
Salary Escalation Current year	5.00%	-
<b>Change in Benefit Obligation</b>	<b>2014-2015</b>	<b>2013-2014</b>
Liability at the beginning of the year	-	-
Interest Cost	-	-
Current Service Cost	-	-
Benefit paid	-	-
Actuarial (gain)/ Loss on obligations	-	-
Liability Transferred in/(out)	199,466	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	(75,981)	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	19,512	-
Actuarial (Gains)/Losses on Obligations - Due to Experience	70,233	-
Liability at the end of the year	213,230	-
<b>Amount Recognised in the Balance Sheet</b>	<b>2014-2015</b>	<b>2013-2014</b>
Liability at the end of the year	(213,230)	-
Fair value of plan Assets at the end of the year	-	-
Differences	(213,230)	-



**NDIA INFOLINE INSURANCE SERVICES LIMITED**

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

Assumptions	2014-2015	2013-2014
Amount of liability Recognised in the Balance Sheet	(213,230)	-
Expenses Recognised in the Income statement	2014-2015	2013-2014
Current Service cost		
Interest Cost	-	-
Expected return on plan assets	-	-
Actuarial Gain or Loss	13,764	-
Expense Recognised in P&L	13,764	-
Balance Sheet reconciliation	2014-2015	2013-2014
Opening Net liability	-	-
Expense as above	13,764	-
Net Transfer in	199,466	-
Employers contribution	-	-
Amount Recognised in Balance Sheet	213,230	-

**\*Defined Contribution Plans:**

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

(Amount in ₹)

Particulars	2014 - 2015	2013-2014
Contribution to provident & other fund	145,291	-

**16. Finance Cost**

(Amount in ₹)

Particulars	2014-2015	2013-2014
Interest Expenses on Borrowings	5,304	-
Total	5,304	-

**17. Other Expenses**

(Amount in ₹)

Particulars	2014 - 2015	2013-2014
Advertisement	35,360	-
Books & Periodicals	501	-
Brokerage related Expenses	5,375,339	76,263
Bank Charges	-	3,247
Communication	2,174,444	379,840
Electricity	1,297,258	54,921
Exchange and Statutory dues	100	-
Legal and professional charges	95,298	(7,998)
Office expenses	1,259,831	-
Subscription	24,071	-
Postage and courier	20,156	-
Printing and stationery	53,618	-
Old Balances Write off/(write back) (Net)	(854,469)	2,434,179
Rent	5,614,529	430,051



**NDIA INFOLINE INSURANCE SERVICES LIMITED**

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

Particulars	2014 - 2015	2013-2014
Insurance	16,756	-
Rates & taxes	2,913,935	3,202,062
Repairs & Maintenance		
- Computer	-	-
- Others	75,231	56,959
Remuneration to Auditors :		
As auditors - statutory audit	30,000	25,000
Certification work and other matters	-	-
Out of pocket expenses	2,005	8,393
Software Charges	794,511	-
Travelling and conveyance	1,260,828	-
Miscellaneous expenses	33,434	14
(Profit)/Loss on sale of assets	(73,577)	-
<b>Total</b>	<b>20,149,159</b>	<b>6,662,931</b>

18. 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		2014 - 2015	2013-2014
<b>BASIC &amp; DILUTED</b>			
Profit/(Loss) after tax as per Statement of Profit and loss	A	(7,362,614)	16,350,545
Weighted Number of Shares Subscribed	B	280,630	280,630
Face Value per share		10	10
Basic & Diluted EPS (Rupees)	A/B	(26.24)	58.26

19. (i) The Company does not have any contingent liability not provided for, as on the balance sheet date of preparing financial statement.

(ii) The Company is subject to legal proceedings and claims which have arisen in the ordinary course of the business. The Company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have material and adverse effect on the Company's financial position.

20. 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.



**21. Segment Reporting:**

In the opinion of the management, there is only one reportable business segment as envisaged by AS-17 'Segment Reporting', issued by the Institute of Chartered Accountants of India. Accordingly, no separate disclosure for segment reporting is required to be made in the financial statements of the Company. Secondary segmentation based on geography has not been presented as the Company operates primarily in India and the Company perceives that there is no significant difference in its risk and returns in operating from different geographic areas within India.

**22. Related Party Disclosures:**

**A) 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 Limited (Formerly known as India Infoline Distribution Company Limited.) India Infoline Finance Limited India Infoline Insurance Brokers Limited India Infoline Media & Research Services Limited IIFL Realty Limited India Infoline Commodities Limited IIFL Capital Limited IIFL Wealth Management Limited India Infoline Commodities DMCC IIFL Wealth UK Limited IIFL Capital Inc. IIFL Assets Reconstruction Limited India Infoline Foundation
c) Group Companies	India Infoline Housing Finance Limited IIFL Investment Advisors And Trustee Services Limited (Formerly known as IIFL Trustee Services Limited) India Infoline Asset Management Company Limited India Infoline Alternate Asset Advisors Limited India Infoline Trustee Company Limited IIFL Properties Private Limited (Formerly known as Ultra Sign & Display Private Limited) India Alternatives Investment Advisors Private Limited IIFL Distribution Services Limited (Formerly IIFL Distribution Services Private Limited) IIFL Private Wealth Management Dubai Limited IIFL (Asia) Pte. Limited IIFL Private Wealth (Mauritius) Limited IIFL Private Wealth (Suisse) SA. IIFL Securities Pte. Limited) IIFL Capital Pte. Limited IIFL Inc. IIFL Private Wealth Hong Kong Limited
d) Key Management Personnel	Mukesh Kumar Singh
e) Other related parties	Nirmal Jain R Venkataraman Orpheus Trading Pvt. Limited Ardent Impex Pvt. Limited



NDIA INFOLINE INSURANCE SERVICES LIMITED

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

B) Transactions with Related Parties:

(Amount in ₹)

Nature of Transaction	Holding Company	Fellow Subsidiaries	Group Companies	Total
<b>Interest Income</b>				
India Infoline Insurance Brokers Limited	-	3,297,231	-	3,297,231
	-	(180,840)	-	(180,840)
India Infoline Media & Research Services Limited	-	3,944,877	-	3,944,877
	-	-	-	-
<b>Interest Expense</b>				
India Infoline Commodities Limited	-	5,310	-	5,310
	-	-	-	-
<b>Rent Expense</b>				
IIFL Realty Limited	-	4,500,000	-	4,500,000
	-	-	-	-
<b>Advance Given (Max)</b>				
India Infoline Insurance Brokers Limited	-	118,000,000	-	118,000,000
	-	(10,000,000)	-	(10,000,000)
<b>Advance Given Received back (Max)</b>				
India Infoline Insurance Brokers Limited	-	118,000,000	-	118,000,000
	-	(10,000,000)	-	(10,000,000)
<b>ICD Given (Max)</b>				
India Infoline Media & Research Services Limited	-	75,000,000	-	75,000,000
	-	-	-	-
<b>ICD Received back (Max)</b>				
India Infoline Media & Research Services Limited	-	7,500,000	-	7,500,000
	-	-	-	-
<b>ICD Taken (Max)</b>				
India Infoline Commodities Limited	-	500,000	-	500,000
	-	-	-	-
<b>ICD Taken Returned (Max)</b>				
India Infoline Commodities Limited	-	500,000	-	500,000
	-	-	-	-
<b>Allocation / Reimbursement of Expense Paid</b>				
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	6,099,535	-	6,099,535
	-	-	-	-
India Infoline Insurance Brokers Limited	-	2,350,890	-	2,350,890
	-	-	-	-
India Infoline Media & Research Services Limited	-	4,510,834	-	4,510,834
	-	-	-	-
<b>Allocation / Reimbursement of Expenses Received</b>				
India Infoline Media & Research Services Limited	-	248,909	-	248,909
	-	-	-	-
<b>Other Received</b>				
India Infoline Finance Limited	-	1,186,601	-	1,186,601
	-	(45,500)	-	(45,500)



**NDIA INFOLINE INSURANCE SERVICES LIMITED**

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

Nature of Transaction	Holding Company	Fellow Subsidiaries	Group Companies	Total
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	37,026	-	37,026
	-	(415,556)	-	(415,556)
India Infoline Media & Research Services Limited	-	211,515	-	211,515
	-	(939,800)	-	(939,800)
IIFL Holdings Limited	96,247,620	-	-	96,247,620
	-	-	-	-
India Infoline Insurance Brokers Limited	-	126,000	-	126,000
	-	-	-	-
<b>Others Paid</b>				
India Infoline Insurance Brokers Limited	-	844,037	-	844,037
	-	-	-	-
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	238,125	-	238,125
	-	-	-	-
India Infoline Media & Research Services Limited	-	340,940	-	340,940
	-	-	-	-

**C) Outstanding as on March 31, 2015**

(Amount in ₹)

Nature of Transaction	Holding Company	Fellow Subsidiaries	Group Companies	Total
Other current liabilities	-	511,800	-	511,800
IIFL Realty Limited	-	511,800	-	511,800
Short term Loans and advances	-	67,500,000	-	67,500,000
India Infoline Media & Research Services Limited	-	67,500,000	-	67,500,000
	-	-	-	-

i) Figures in bracket represent previous year figures

ii) Related parties are identified and certified by the management.

23. Previous figures are regrouped, reclassified and rearranged wherever considered necessary to Confirm to current year's presentation.

As per our attached report of the even date.

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



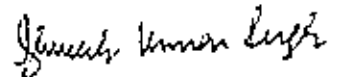
Tirtharaj Khot  
Partner  
Membership No. : (F) 037457



For and on behalf of Board of Directors



Pallab Mukherji  
Director  
(DIN : 053338789)



Mukesh Kumar Singh  
Director  
(DIN : 00011933)

Place : Mumbai  
Date : May 06, 2015

