Deloitte
Haskins & Sells LLP

Chartered Accountants
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INDEPENDENT AUDITOR'S REPORT

To The Members of India Infoline Finance Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of India Infoline Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention Note No. 44 to the Financial Statements which describes the reasons for implementation of the Composite Scheme of Arrangement amongst the IIFL Holdings Limited, India Infoline Media and Research Services Limited, IIFL Securities Limited, IIFL Wealth Management Limited, India Infoline Finance Limited, IIFL Distribution Services Limited, and their respective shareholders, under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 (the "Scheme"),in Parts, based on the legal opinion obtained by the Company. The Scheme has been approved by the National Company Law Tribunal vide its order dated March 07, 2019 and filed with the Registrar of Companies on April 11, 2019.

Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Sr. No.	Key Audit Matter	Auditor's Response
1	**Impairment of Financial Assets held at amortised cost:** The Company exercises significant judgement using subjective assumptions over both when and how much to record as impairment for loans and advances and estimation of the amount of the impairment provision for loans and advances. The most significant areas are: • Impairment models - Judgement is required to determine the inputs, methodologies, staging/restaging in case of Significantly Increased in Credit Risk ("SICR") cases and assumptions and these can significantly impact the provisions held. The most significant judgements include the segmentation level at which historical loss rates are calculated, the length of the recovery period and the loss emergence period applied to historical loss provisions. • Identification of impairment- • Corporate exposures are individually assessed for impairment (including identification of cases with SICR) based on a borrower's financial performance, solvency, liquidity etc. • For Retail exposures, collective impairment allowances are	**Principal audit procedure performed** ▪ We read the Company's Ind-AS 109 based impairment provisioning policy and compared it with the requirements of Ind-AS 109; ▪ We gained an understanding of the Company's key credit processes comprising granting, booking, monitoring, staging and provisioning and tested the operating effectiveness of key controls over these processes. ▪ We tested the completeness of loans and advances, off balance sheet items and other financial assets included in the Expected Credit Loss (ECL) calculations as of March 31, 2019; ▪ For data from external sources, we understood the process of choosing such data, its relevance for the Company, and the controls and governance over such data; ▪ Where relevant, we used Information System specialists to gain comfort on data integrity; ▪ We tested the data integrity and completeness of the Staging Report ▪ For a sample of exposures, we tested the appropriateness of staging into Stage 1, Stage 2 and Stage 3; ▪ For provision against exposures classified as Stage 1, Stage 2 and Stage 3, we obtained an understanding of the Company's provisioning methodology, consistency of various inputs and assumptions used, the reasonableness of the underlying assumptions and the

	calculated using models which approximate credit conditions on homogenous portfolios of loans. • Since the loans and advances form a major portion of the Company's assets, and due to the significance of the judgments used in classifying loans and advances into various stages as stipulated in Indian Accounting Standard (IND AS) 109 and determining related impairment provision requirements, this is considered to be the area that had a greater focus of our overall Company audit and a key audit matter. As at March 31, 2019, the Company's gross loans and advances amounted to Rs. 134,608.06 million and the related impairment provisions amounted to Rs. 7,977.56 million, comprising Rs. 3,839.55 million of provision against Stage 1 and 2 exposures and Rs. 4,138.01 million against exposures classified under Stage 3. Refer Note 35A.3 to the Financial Statements.	sufficiency of the data used by the Management. ▪ For a sample of exposures, we tested the appropriateness of determination of significant increase in credit risk and the resultant basis for classification of exposures into various stages; ▪ For a sample of exposures, we tested the appropriateness of determining Exposure at Default (EAD); ▪ For Probability of Default (PD) used in the ECL calculations we checked the Through the Cycle (TTC) PDs calculation and tested the appropriateness of conversion of the TTC PDs to point in time (PIT) PDs for a sample of exposures; ▪ For a sample of exposures, we tested the calculation of the Loss Given Default (LGD) used in the ECL calculations, including the appropriateness of the use of collateral and the resultant arithmetical calculations; ▪ We involved our risk advisory specialists to assist in us in validating the models used by the Management to compute ECL; ▪ We tested the appropriateness of the opening balance adjustments to verify the bifurcation of impairment loss into transition adjustment and charge for the period.
2	**<u>Information Technology and General Controls</u>** The Company is highly dependent on technology due to significant number of transactions that are processed electronically daily. Accordingly, our audit procedures had a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed daily and the reliance on automated and IT dependent manual controls. Our areas of audit focus included Access Security (including controls over	**<u>Principal audit procedure performed</u>** For the key IT systems used to prepare accounting and financial information: ▪ We obtained an understanding of the Company's business IT environment and key changes if any during the audit period that may be relevant to the audit. Furthermore, we conducted a risk assessment and identified IT applications, databases and operating systems that are relevant to our audit; ▪ We tested the design, implementation and operating

	privileged access), Program Change controls and Network Operations. Absence of segregation of duties may result in a risk of intended or unintended manipulation of data that could have a material effect on the completeness and accuracy of the financial statements. Due to the pervasive nature and use of IT systems, we continued to assess the risk of a material misstatement arising from access to technology as a significant matter for the audit.	effectiveness of the Company's General IT controls over the information systems that are critical to financial reporting. This included evaluation of Company's controls to ensure that access was provisioned / modified based on duly approved requests, access for exit cases was revoked in a timely manner and access of all users was re-certified during the period of audit. Further, controls related to program change were evaluated to verify whether the changes were approved, tested in an environment that was segregated from production and moved to production by appropriate users. ▪ We tested the controls to ensure that segregation of duties was monitored and conflicting access was either removed or mapped to mitigating controls, which were documented and tested. ▪ We tested the controls over network segmentation, restriction of remote access to the Company's network, controls over firewall configurations and mechanisms implemented by the Company to prevent, detect and respond to network security incidents. ▪ We also tested automated business cycle controls and report logic for system generated reports relevant to the audit, for completeness and accuracy. ▪ Where deficiencies were identified, we tested compensating controls or performed alternate procedures to assess whether there were any unaddressed IT risks that would impact the completeness and accuracy of data.

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

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

Directors report is expected to be made available to us after the date of this auditor's report.

- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read the Directors report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other 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 Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the standalone financial statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;
      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Pallavi A. Gorakshakar
(Partner)
(Membership No.105035)

Mumbai, May 14, 2019

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ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **India Infoline Finance Limited** ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

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

Deloitte
Haskins & Sells LLP

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Pallavi A. Gorakshakar
(Partner)
(Membership No.105035)

Mumbai, May 14, 2019

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program no physical verification has been conducted by the management during the year.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the Balance Sheet date.

(ii) The Company does not have any inventory and hence reporting under clause (ii) of the CARO 2016 is not applicable.

(iii) According to the information and explanations given to us, the Company has granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:

(a) The terms and conditions of the grant of such loans are, in our opinion, *prima facie,* not prejudicial to the Company's interest.

(b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.

(c) There is no overdue amount remaining outstanding as at the year end.

(iv) The Company is a registered non-banking finance company to which the provisions of Sections 185 and 186 of the Companies Act, 2013, are not applicable and hence reporting under clause (iv) of CARO 2016 is not applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, cess and other material statutory dues applicable to it to the appropriate authorities. We are informed that the provisions of Sales Tax, Customs Duty and Excise Duty are not applicable to the Company.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Service Tax, cess and other material statutory dues in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax which have not been deposited as on 31 March 2019 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Unpaid (Rs. In Millions)	Amount Deposited under protest (Rs. In Millions)
Income Tax Act, 1961	Income tax	ITAT	2012-13	-	6.46
Income Tax Act, 1961	Income tax	ITAT	2013-14	-	8.41
Income Tax Act, 1961	Income tax	ITAT	2014-15	-	4.97
Income Tax Act, 1961	Income tax	CIT(A)	2016-17	-	13.95

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government and dues to debenture holders.

(ix) In our opinion and according to the information and explanations given to us, money raised by way of initial public offer (including debt instruments) and the term loans have been applied by the Company during the year for the purposes for which they were raised other than temporary deployment pending application of proceeds.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding or subsidiary companies or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained the registration.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Pallavi A. Gorakshakar
(Partner)
(Membership No. 105035)

Mumbai, May 14, 2019

STANDALONE FINANCIAL STATEMENTS OF INDIA INFOLINE FINANCE LIMITED
BALANCE SHEET AS AT MARCH 31, 2019

(₹ in millions)

Sr. No	Particulars	Notes	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
	Assets				
[1]	**Financial assets**				
(a)	Cash and cash equivalents	4	4,148.37	1,535.36	9,409.93
(b)	Bank balance other than (a) above	5	10,035.02	8,946.97	8,482.61
(c)	Derivative financial instruments	6	-	-	-
(d)	Receivables				
	(i) Trade receivables	7	76.73	207.19	1,692.55
	(ii) Other receivables	7	20,177.78	-	-
(e)	Loans	8	120,886.37	155,971.83	114,294.40
(f)	Investments	9	13,121.54	17,395.35	22,898.16
(g)	Other financial assets	10	1,358.04	825.65	433.13
			169,803.85	**184,882.35**	**157,210.78**
[2]	**Non-financial assets**				
(a)	Current tax assets (net)		725.15	1,186.53	1,216.52
(b)	Deferred tax assets (net)	11	2,928.25	2,967.34	2,052.70
(c)	Investment property	12	2,634.27	2,451.15	504.06
(d)	Property, plant and equipment	13	879.95	626.96	521.08
(e)	Capital work-in-progress		60.21	41.93	12.90
(f)	Other intangible assets	14	14.65	13.07	2.20
(g)	Other non-financial assets	15	139.54	122.76	78.45
			7,382.02	**7,409.74**	**4,387.91**
	Total assets		**177,185.87**	**192,292.09**	**161,598.69**
	Liabilities And Equity				
	Liabilities				
[1]	**Financial liabilities**				
(a)	Derivative financial instruments	6	6.59	-	-
(b)	Payables				
	(I)Trade payables				
	(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	16	533.67	412.66	298.83
	(II) Other payables				
	(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-	-
(c)	Debt securities	17	72,116.68	92,958.27	61,313.39
(d)	Borrowings (other than debt securities)	18	49,594.14	50,535.75	53,224.43
(e)	Subordinated liabilities	19	8,600.32	9,413.66	9,171.74
(f)	Other financial liabilities	20	10,387.32	5,424.09	4,418.85
			141,238.72	**158,744.43**	**128,427.24**
[2]	**Non-financial liabilities**				
(a)	Current tax liabilities (net)		303.55	459.49	673.46
(b)	Provisions	21	194.45	132.43	147.74
(c)	Other non-financial liabilities	22	437.95	864.94	1,626.94
			935.95	**1,456.86**	**2,448.14**
	Total Liabilities		**142,174.67**	**160,201.29**	**130,875.38**
[3]	**Equity**				
(a)	Equity share capital	23	2,809.20	2,807.42	2,371.65
(b)	Other equity	23.1	32,202.00	29,283.38	28,351.66
			35,011.20	**32,090.80**	**30,723.31**
	Total Liabilities and Equity		**177,185.87**	**192,292.09**	**161,598.69**
	See accompanying notes forming part of the financial statements	1 - 51			

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

PALLAVI A. GORAKSHAKAR
Partner

Place : Mumbai
Dated: May 14, 2019

For and on behalf of the Board of Directors
of INDIA INFOLINE FINANCE LIMITED

R. VENKATARAMAN
Director
DIN : 00011919

SUMIT BALI
CEO & Executive Director
DIN : 02896088

PRABODH AGRAWAL
Chief Financial Officer

GAJENDRA THAKUR
Company Secretary

STANDALONE FINANCIAL STATEMENTS OF INDIA INFOLINE FINANCE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2019

(₹ in millions)

Sr. No	Particulars	Notes	Year ended March 31, 2019	Year ended March 31, 2018
	Revenue from operations			
(i)	Interest income	24.1	28,123.64	23,665.00
(ii)	Dividend income	24.2	47.94	4.91
(iii)	Fees and commission income		568.46	789.61
(iv)	Net gain on fair value changes	25	-	635.82
(v)	Net gain on derecognition of financial instruments under amortised cost category		-	-
(I)	**Total revenue from operations**		28,740.04	25,095.34
(II)	Other income	26	92.57	60.93
(III)	**Total Income (I+II)**		28,832.61	25,156.27
	Expenses			
(i)	Finance costs	27	13,651.81	12,775.83
(ii)	Net loss on fair value changes	25	166.00	-
(iii)	Net loss on derecognition of financial instruments under amortised cost category	28	2,950.56	2,185.48
(iv)	Impairment on financial instruments	29	10.15	1,737.94
(v)	Employee benefits expenses	30	4,081.06	2,827.26
(vi)	Depreciation, amortisation and impairment	13 & 14	236.62	144.28
(vii)	Other expenses	31	3,418.35	2,076.29
(IV)	**Total Expenses (IV)**		24,514.55	21,747.08
(V)	**Profit before exceptional items and tax (III-IV)**		4,318.06	3,409.19
(VI)	Exceptional items	32	1,153.30	-
(VII)	**Profit before tax (V +VI)**		5,471.36	3,409.19
(VIII)	**Tax expense:**			
	(1) Current tax	33	1,586.50	2,047.21
	(2) Deferred tax	11 & 33	34.04	(908.81)
	(3) Current tax expenses relating to previous years	33	10.71	-
	Total tax expense		1,631.25	1,138.40
(IX)	**Profit for the year from continuing operations (VII-VIII)**		3,840.11	2,270.79
(X)	**Profit for the year**		3,840.11	2,270.79
(XI)	**Other Comprehensive Income**			
	(A)			
	(i) Items that will not be reclassified to profit or loss	33	14.47	(16.69)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	11 & 33	(5.06)	5.83
	Subtotal (A)		9.41	(10.86)
	(B)			
	(i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Subtotal (B)			
	Other Comprehensive Income (A+B)		9.41	(10.86)
(XII)	**Total Comprehensive Income for the year**		3,849.52	2,259.93
(XIII)	**Earnings per equity share of face value ₹ 10 each**	34		
	Basic (₹)		16.18	8.90
	Diluted (₹)		16.12	7.53
	See accompanying notes forming part of the financial statements	1 - 51		

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

PALLAVI A. GORAKSHAKAR
Partner

Place : Mumbai
Dated: May 14, 2019

For and on behalf of the Board of Directors of INDIA INFOLINE FINANCE LIMITED

R. VENKATARAMAN
Director
DIN : 00011919

SUMIT BALI
CEO & Executive Director
DIN : 02896088

PRABODH AGRAWAL
Chief Financial Officer

GAJENDRA THAKUR
Company Secretary

STANDALONE FINANCIAL STATEMENTS OF INDIA INFOLINE FINANCE LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2019

(₹ in millions)

Particulars	Notes	Year ended March 31, 2019		Year ended March 31, 2018	
A. CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before tax			5,471.36		3,409.19
Adjustments for:					
Depreciation, amortisation and impairment	13 & 14	236.62		144.28	
Impairment on financial instruments	29	10.15		1,737.94	
(Profit)/ loss on sale of assets		0.41		(0.75)	
Net (gain)/ loss on fair value changes - realised		168.65		(1,009.49)	
Net (gain)/ loss on fair value changes - unrealised	25	(3.02)		369.43	
Net gain/ (loss) on derecognition of financial instruments under amortised cost	28	(296.10)		18.04	
Employee benefit expenses - share based		56.13		15.21	
Employee benefit expenses - others		67.94		42.22	
Interest on loans		(26,973.31)		(22,370.13)	
Interest on deposits with banks	24.1	(645.30)		(575.93)	
Interest on investments	24.1	(505.03)		(718.95)	
Finance cost		13,557.51		12,543.10	
Loss on buy back of commercial paper (net)		39.00		4.31	
Loss on buy back of debentures (net)		0.37		4.22	
Premium paid on early redemption of debentures		-		101.84	
Income received on loans		25,995.58		21,267.73	
Interest received on deposits with banks		627.41		568.27	
Income received on investments		595.86		800.15	
Finance cost paid		(13,005.49)	(72.62)	(13,690.97)	(749.48)
Operating profit before working capital changes			5,398.74		2,659.71
Decrease/ (increase) in financial and non financial assets		(20,362.51)		213.07	
Increase in financial and non financial liabilities		4,497.37	(15,865.14)	857.77	1,070.84
Cash generated from operations			**(10,466.40)**		**3,730.55**
Taxes paid			(1,291.77)		(2,231.19)
Net cash from operating activities			**(11,758.17)**		**1,499.36**
Loans (disbursed)/ repaid (net)			36,281.03		(41,490.43)
Net cash (used in)/ generated from operating activities (A)			**24,522.86**		**(39,991.07)**
B. CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment and other intangible assets			(522.08)		(299.56)
Sale of property, plant and equipment and other intangible assets			12.20		10.24
Investments in subsidiaries			(2,000.00)		(500.15)
Purchase of investment property			(183.12)		(1,947.08)
Purchase of investments			(769,622.13)		(2,214,929.18)
Proceeds from sale/ maturity of investments			775,639.48		2,221,490.99
Deposits placed with banks			(8,841.78)		(8,181.81)
Proceeds from maturity of deposits placed with banks			7,604.33		7,930.27
Net cash generated from investing activities (B)			**2,086.90**		**3,573.72**
C. CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from issue of equity share capital			21.77		21.50
Dividend paid (including dividend distribution tax)			(1,007.01)		(1,001.41)
Proceeds from debt securities			386,630.30		888,100.00
Repayment of debt securities			(407,968.91)		(855,889.58)
Proceeds from borrowings (other than debt securities)			804,825.85		2,054,826.42
Repayment of borrowings (other than debt securities)			(805,710.61)		(2,057,541.96)
Proceeds from subordinated liabilities			4,214.63		1,000.00
Repayment of subordinated liabilities			(5,004.17)		(761.93)
Net cash (used in)/ generated from financing activities (C)			**(23,998.15)**		**28,753.04**
Net (decrease)/ increase in cash and cash equivalents (A + B + C)			**2,611.61**		**(7,664.31)**
Add : Opening cash and cash equivalents as at the beginning of the year			**1,535.36**		9,199.67
Cash and cash equivalents as at the end of the year	4		**4,146.97**		**1,535.36**
See accompanying notes forming part of the financial statements	1 - 51				

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

PALLAVI A. GORAKSHAKAR
Partner

Place : Mumbai
Dated: May 14, 2019

For and on behalf of the Board of Directors
of INDIA INFOLINE FINANCE LIMITED

R. Venkataraman

R. VENKATARAMAN
Director
DIN : 00011919

SUMIT BALI
CEO & Executive Direct
DIN : 02896088

PRABODH AGRAWAL
Chief Financial Officer

GAJENDRA THAKUR
Company Secretary

STANDALONE FINANCIAL STATEMENTS OF INDIA INFOLINE FINANCE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

A. Equity Share Capital

(₹ in millions)

Particulars	Balance at the beginning of the reporting year	Changes in equity share capital during the year	Balance at the end of the reporting year
As at March 31, 2019 (Refer Note 23)	2,807.42	1.78	2,809.20
As at March 31, 2018 (Refer Note 23)	2,371.65	435.77	2,807.42

B. Other Equity

(₹ in millions)

Particulars	Compulsory convertible preference shares Note 1	Reserves & Surplus							Total
		Securities Premium Reserve Note 2	General Reserve Note 3	Special Reserve pursuant to Section 45 IC of Reserve Bank of India Act, 1934 Note 4	Capital Redemption Reserve Note 5	Debenture Redemption Reserve Note 6	Retained Earnings Note 7	Stock Compensation Reserve Note 8	
Balance as at April 01, 2017	433.34	18,265.21	463.00	3,158.50	1,500.00	3,507.40	1,016.42	7.79	28,351.66
Profit for the year	-	-	-	-	-	-	2,259.93	-	2,259.93
Interim dividend	-	-	-	-	-	-	(652.79)	-	(652.79)
Dividend distribution tax on interim dividend	-	-	-	-	-	-	(132.89)	-	(132.89)
Preference dividend	-	-	-	-	-	-	(119.21)	-	(119.21)
Dividend distribution tax on preference dividend	-	-	-	-	-	-	(24.27)	-	(24.27)
Transfer to/ from other reserves	-	3.65	-	710.00	750.00	-	(1,460.00)	(3.65)	-
Compulsorily convertible preference shares converted during the year	(433.34)	-	-	-	-	-	-	-	(433.34)
Addition during the year	-	19.07	-	-	-	338.30	(338.30)	15.22	34.29
Balance as at March 31, 2018	-	18,287.93	463.00	3,868.50	2,250.00	3,845.70	548.89	19.36	29,283.38
Profit for the year	-	-	-	-	-	-	3,849.52	-	3,849.52
Interim dividend	-	-	-	-	-	-	(842.46)	-	(842.46)
Dividend distribution tax on interim dividend	-	-	-	-	-	-	(164.55)	-	(164.55)
Transfer to/ from other reserves	-	3.92	4,007.65	769.00	-	(4,007.65)	(769.00)	(3.92)	-
Addition during the year	-	19.99		-	-	258.95	(258.95)	56.12	76.11
Balance as at March 31, 2019	-	18,311.84	4,470.65	4,637.50	2,250.00	97.00	2,363.45	71.56	32,202.00

STANDALONE FINANCIAL STATEMENTS OF INDIA INFOLINE FINANCE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

Notes:

1. **Compulsory convertible preference shares:** The rights of the holders of these preference shares were governed by the provisions of The Companies Act 2013, read with applicable rules and any amendment / modification in law from time to time and such other applicable regulations, the Articles of Association of the Company and by the Investment agreement dated July 20, 2016 entered amongst the Company, IIFL Holdings Limited and CDC Group PLC. During the previous year ended March 31, 2018, interim dividend of ₹ 2.75/- per share and 0.01% per annum was paid, on proportionate basis, on the aforesaid preference shares as per the terms of agreement. These were converted into fully paid equity shares during the previous year.

2. **Securities Premium Reserve:** The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve.

3. **General Reserve:** The reserve can be distributed/ utilised by the Company, in accordance with The Companies Act, 2013.

4. **Special Reserve:** Pursuant to section 45-IC of the Reserve Bank of India Act, 1934, 20% of the profit after tax for the year has been transferred from Retained Earnings to Special Reserve.

5. **Capital Redemption Reserve:** This reserve has been created on redemption of preference shares capital as per section 55 of The Companies Act, 2013.

6. **Debenture Redemption Reserve:** Pursuant to Section 71 of The Companies Act, 2013 read with Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014 the Company being an NBFC is required to create Debenture Redemption Reserve of a value equivalent to 25% of the debentures offered through public issue.

7. **Retained Earnings:** These are the profits that the Company has earned till date, less any transfers to Statutory Reserve, Debenture Redemption Reserve, General Reserve, Dividend distribution and Capital Redemption Reserve.

8. **Stock Compensation Reserve:** The employee stock options reserve represents reserve in respect of equity settled share options granted to the employees of the Company and its Group in pursuance of employee stock options plan.

See accompanying notes forming part of the financial statements (1 - 51)

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

PALLAVI A. GORAKSHAKAR
Partner

Place : Mumbai
Dated: May 14, 2019

For and on behalf of the Board of Directors
of INDIA INFOLINE FINANCE LIMITED

R. Venkataraman

R. VENKATARAMAN
Director
DIN : 00011919

SUMIT BALI
CEO & Executive Director
DIN : 02896088

PRABODH AGRAWAL
Chief Financial Officer

GAJENDRA THAKUR
Company Secretary

Note 1. CORPORATE INFORMATION

(a) Company overview

India Infoline Finance Limited (the "Company") is a Systemically Important Non-Banking Financial Company not accepting public deposits ("NBFC-ND-SI") registered with the Reserve Bank of India ("the RBI") under section 45-IA of the Reserve Bank of India Act, 1934 and primarily engaged in financing and related activities. The Company had received the certificate of registration from RBI on May 12, 2005, enabling the Company to carry on business as a Non-Banking Financial Company. The Company offers a broad suite of financial products such as mortgage loan, gold loan, loan against securities and loans to small & medium enterprise ("SME") to retail and corporate clients.

(b) Basis of preparation and presentation of financial statements

The financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period as explained in the accounting policies below and the relevant provisions of The Companies Act, 2013 ("Act").

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as value in use in Ind AS 36.

Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the valuation of assets or liabilities.

(c) Use of estimates and judgments

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

(d) Statement of compliance

The standalone financial statements of the Company have been prepared in accordance with the provisions of the Act and the Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 issued by Ministry of Corporate Affairs in exercise of the powers conferred by section 133 read with sub-section (1) of section 210A of the Companies Act, 2013 along with the applicable guidelines issued by Reserve Bank of India ("RBI"). In addition, the guidance notes/ announcements issued by the Institute of Chartered Accountants of India ("ICAI") are also applied except where compliance with other statutory promulgations require a different treatment.

The financials for the year ended March 31, 2019 of the Company are the first financial statements prepared in compliance with Ind AS. The date of transition to Ind AS is April 1, 2017. The financial statements upto the year ended March 31, 2018, were prepared in accordance with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") and other relevant provisions of the Act. The figures for the year ended March 31, 2018 have now been restated under Ind AS to provide comparability. Refer Note 3 for the details of first-time adoption exemptions availed by the Company.

(e) Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division III to Schedule III to Act applicable for Non-Banking Finance Companies ("NBFC"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the Financial Statements along with the other notes required to be disclosed under the notified Accounting Standards and regulations issued by the RBI.

Note 2. SIGNIFICANT ACCOUNTING POLICIES

(a) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery.

i. Interest income and dividend income

Interest income on financial instruments at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate ("EIR") applicable.

Interest on financial instruments measured at fair value is included within the fair value movement during the period.

The EIR is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets at fair value through profit and loss ("FVTPL"), transaction costs are recognised in the Statement of Profit and Loss at initial recognition.

Dividend on equity shares, preference shares and on mutual fund units is recognised as income when the right to receive the dividend is established.

ii. Fees and charges

Fees and charges include fees other than those that are an integral part of EIR. The fees included in this part of the Company's Statement of Profit and Loss include, among other things, fees charged for servicing a loan.

Fee and commission expenses with regards to services are accounted for as and when the services are received.

iii. Income from financial instruments at FVTPL

Income from financial instruments at FVTPL includes all gains and losses from changes in the fair value of financial assets and financial liabilities at FVTPL.

iv. Assignment transactions

In accordance with Ind AS 109, in case of assignment transactions with complete transfer of risks and rewards without any retention of residual interest, gain arising on such assignment transactions is recorded upfront in the Statement of Profit and Loss and the corresponding asset is derecognised from the Balance Sheet immediately upon execution of such transaction. Further, the transfer of financial assets qualifies for derecognition in its entirety, the whole of the interest spread at its present value (discounted over the life of the asset) is recognised on the date of derecognition itself as interest only strip receivable (interest strip on assignment) and correspondingly recognised as profit on derecognition of financial asset.

v. Securitisation transactions

In accordance with Ind AS 109, in case of securitisation transactions, the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

vi. Other operational revenue

Other operational revenue represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

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(b) Property, plant and equipment ("PPE")

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax, if any, less accumulated depreciation. Cost includes professional fees related to the acquisition of PPE and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy.

For transition to Ind AS, the Company has elected to adopt as deemed cost, the opening written down value as per Previous GAAP on the transition date of April 1, 2017.

Depreciation is charged using the straight-line method, based on the useful life of fixed assets as estimated by the Management, as specified below. Depreciation is charged from the month in which new assets are put to use. No depreciation is charged from the month in which assets are sold. In case of transfer of used fixed assets from group companies, depreciation is charged over the remaining useful life of the asset. Individual assets / group of similar assets costing up to ₹ 5,000 have been depreciated in full in the year of purchase. Leasehold land is depreciated on a straight line basis over the leasehold period.

The estimated useful life of assets is as under:

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

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

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Capital work in progress

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest and are disclosed as "capital work-in-progress".

(c) Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax, less accumulated amortisation and cumulative impairment.

Intangible assets i.e. Software are amortised on straight-line basis over the estimated useful life of 3 years.

Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the assets revised carrying amount over its remaining useful life.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

(d) Investment property

Investment properties are properties held to earn rentals and/ or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost, net of accumulated depreciation and accumulated impairment loss, if any.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Statement of Profit and Loss in the period in which the Investment property is derecognised. Freehold land and properties under construction are not depreciated.

(e) Impairment of tangible and intangible assets

As at the end of each accounting year, the Company reviews the carrying amounts of its PPE, intangible assets and investment property assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the PPE, intangible assets and investment property are tested for impairment so as to determine the impairment loss, if any.

Recoverable amount is the higher of fair value less costs of disposal and value in use. If recoverable amount of an asset is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

(f) Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

Securities premium includes:

- The difference between the face value of the equity shares and the consideration received in respect of shares issued pursuant to Stock Option Scheme.
- The fair value of the stock options which are treated as expense, if any, in respect of shares allotted pursuant to Stock Options Scheme

(g) Employee benefits

Defined contribution plans

The Company's contribution towards Provident Fund and Family Pension Fund are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees and are accounted for on an accrual basis and recognised in the Statement of Profit and loss.

Defined benefit plans

Short term employee benefits: Employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. These benefits include performance incentive and compensated absences

Post employment benefits: The employees' gratuity fund scheme represents defined benefit plan. The present value of the obligation under defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at the Balance Sheet date.

Re-measurement, comprising actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of asset ceiling (if applicable) is recognised in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to the Statement of Profit and Loss.

Defined benefit costs comprising current service cost, past service cost and gains or losses on settlements are recognised in the Statement of Profit and Loss as employee benefit expenses. Gains or losses on settlement of any defined benefit plan are recognised when the settlement occurs. Past service cost is recognised as expense at the earlier of the plan amendment or curtailment and when the Company recognises related restructuring costs or termination benefits.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

Long term employee benefits: The obligation recognised in respect of long term benefits such as long term compensated absences, is measured at present value of estimated future cash flows expected to be made by the Company and is recognised in a similar manner as in the case of defined benefit plan above.

(h) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Operating leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases.

Lease rentals on assets under operating lease are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Assets leased out under operating leases are continued to be shown under the respective class of assets. Rental income is recognised on a straight-line basis over the term of the relevant lease unless the payments are structured to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases.

(i) Earnings per share

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

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

(j) Taxes on income

Current tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are generally recognised for all taxable temporary differences to the extent that is probable that taxable profit will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets relating to unabsorbed depreciation/ business losses/ losses under the head "capital gains" are recognised and carried forward to the extent of available taxable temporary differences or where there is convincing other evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets in respect of unutilised tax credits which mainly relate to minimum alternate tax are recognised to the extent it is probable of such unutilised tax credits will get realised. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities.

Transaction or event which is recognised outside profit or loss, either in other comprehensive income or in equity, is recorded along with the tax as applicable.

Current and deferred tax for the year

Current and deferred tax are recognised in the Statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

(k) Financial instruments

Financial assets and financial liabilities are recognised in the Company's Balance Sheet when the Company becomes a party to the contractual provisions of the instrument.

Recognised financial assets and financial liabilities are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in the Statement of Profit and Loss.

Financial assets

Classification and measurement

The Company classifies its financial assets into the following measurement categories: amortised cost;

fair value through other comprehensive income; and fair value through profit or loss.

All recognised financial assets that are within the scope of Ind AS 109 are required to be subsequently measured at amortised cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Financial instruments measured at amortised cost

Debt instruments that meet the following criteria are measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

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

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form.

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

Debt instruments that are subsequently measured at amortised cost are subject to impairment.

Financial instruments measured at fair value through other comprehensive income ("FVTOCI")

Debt instruments that meet the following criteria are measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely

payments of principal and interest on the principal amount outstanding.

Interest income is recognised in Statement of profit and loss for FVTOCI debt instruments. Other changes in fair value of FVTOCI financial assets are recognised in other comprehensive income. When the asset is disposed of, the cumulative gain or loss previously accumulated in reserve is transferred to Statement of Profit and Loss.

Financial instruments measured at fair value through Profit and Loss ("FVTPL")

Instruments that do not meet the amortised cost or FVTOCI criteria are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the Statement of Profit and Loss. The gain or loss on disposal is recognised in the Statement of Profit and Loss.

Interest income is recognised in the Statement of Profit and Loss for FVTPL debt instruments. Dividend on financial assets at FVTPL is recognised when the Company's right to receive dividend is established.

Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of the investments. Dividends from these investments are recognised in the Statement of Profit and Loss when the Company's right to receive dividends is established.

Reclassifications

If the business model under which the Company holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Company's financial assets. Changes in contractual cash flows are considered under the accounting policy on modification and derecognition of financial assets described below.

Impairment of financial assets

Company recognizes loss allowances using the Expected Credit Loss ("ECL") model for the financial assets which are not fair valued through profit and loss. ECL is calculated using a model which captures portfolio performance over a period of time. ECL is a probability-weighted estimate of credit losses. A credit loss is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive discounted at the original EIR. Vintage loss curve model is used for ECL computation of retail portfolio which involves assessment of performance of segmented portfolio over a time period. The model tracks month-wise losses during the loan tenor. Vintage loss rate models provide a simple, reasonable model for both one-year and lifetime expected credit loss forecasts.

For wholesale portfolio, ECL computation is done for each loan account based on CRISIL default study and International Review Board ("IRB") guidelines.

ECL is required to be measured through a loss allowance at an amount equal to:
- 12-month ECL, i.e. ECL that result from those default events on the financial instrument that are possible within 12 months after the reporting date (referred to as Stage 1); or
- full lifetime ECL, i.e. lifetime ECL that result from all possible default events over the life of the financial instrument (referred to as Stage 2 and Stage 3).

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

The Company measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics. The measurement of the loss allowance is based on the present value of the asset's expected cash flows using the asset's original EIR, regardless of whether it is measured on an individual basis or a collective basis.

Key elements of ECL computation are outlined below:
- Probability of default ("PD") is an estimate of the likelihood that customer will default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously de-recognised and is still in the portfolio.
- Loss given default ("LGD") estimates the normalised loss which Company incurs post customer default. It is usually expressed as a percentage of the Exposure at default ("EAD").
- Effective interest rate ("EIR") is the rate that discounts estimated future cash flows through the expected life of financial instrument. For calculating EIR any upfront fees needs to be excluded from the loans and advance amount.

Credit impaired financial assets

A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:
- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower's financial condition, unless there is evidence that as a result of granting the concession the risk of not receiving the contractual cash flows has reduced significantly and there are no other indicators of impairment.

Definition of default

Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default ("PD") which affects both the measurement of ECLs and the identification of a significant increase in credit risk.

Default considered for computation of ECL computation is as per the applicable prudential regulatory norms.

Significant increase in credit risk

The Company monitors all financial assets, issued loan commitments and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. The Company's accounting policy is not to use the practical expedient that financial assets with 'low' credit risk at the reporting date are deemed not to have had a significant increase in credit risk.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Company's expert credit assessment.

Modification and derecognition of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/ or timing of the contractual cash flows either immediately or at a future date. In addition, the introduction or adjustment of existing covenants of an existing loan would constitute a modification even if these new or adjusted covenants do not yet affect the cash flows immediately but may affect the cash flows depending on whether the covenant is or is not met (e.g. a change to the increase in the interest rate that arises when covenants are breached).

The Company renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. Loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness) and amendments to covenants.

When a financial asset is modified, the Company assesses whether this modification results in derecognition. In accordance with the Company's policy, a modification results in derecognition when it gives rise to substantially different terms. To determine if the modified terms are substantially different from the original contractual terms the Company considers the following:

Qualitative factors, such as contractual cash flows after modification are no longer SPPI, change in currency or change of counterparty, the extent of change in interest rates, maturity, covenants. If these do not clearly indicate a substantial modification, then a quantitative assessment is performed to compare the present value of the remaining contractual cash flows under the original terms with the contractual cash flows under the revised terms, both amounts discounted at the original effective interest.

In the case where the financial asset is derecognised, the loss allowance for ECL is remeasured at the date of derecognition to determine the net carrying amount of the asset at that date. The difference between this revised carrying amount and the fair value of the new financial asset with the new terms will lead to a gain or loss on derecognition. The new financial asset will have a loss allowance measured based on 12-month ECL except in the rare occasions where the new loan is considered to be originated-credit impaired. This applies only in the case where the fair value of the new loan is recognised at a significant discount to its revised par amount because there remains a high risk of default which has not been reduced by the modification. The Company monitors credit risk of modified financial assets by evaluating qualitative and quantitative information, such as if the borrower is in past due status under the new terms.

When the contractual terms of a financial asset are modified and the modification does not result in derecognition, the Company determines if the financial asset's credit risk has increased significantly since initial recognition.

For financial assets modified, where modification did not result in derecognition, the estimate of PD reflects the Company's ability to collect the modified cash flows taking into account the Company's previous experience of similar forbearance action, as well as various behavioural indicators, including the borrower's payment performance against the modified contractual terms. If the credit risk remains significantly higher than what was expected at initial recognition the loss allowance will continue to be measured at an amount equal to lifetime ECL. The loss allowance on forborne loans will generally only be measured based on 12-month ECL when there is evidence of the borrower's improved repayment behaviour following modification leading to a reversal of the previous significant increase in credit risk.

Where a modification does not lead to derecognition the Company calculates the modification gain/ loss comparing the gross carrying amount before and after the modification (excluding the ECL allowance). Then the Company measures ECL for the modified asset, where the expected cash flows arising from the modified financial asset are included in calculating the expected cash shortfalls from the original asset.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the asset's cash flows expire (including expiry arising from a modification with substantially different terms), or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/loss that had been recognised in OCI and accumulated in equity is recognised in the Statement of Profit and Loss, with the exception of equity investment designated as measured at FVTOCI, where the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to the Statement of Profit and Loss.

Write-off

Loans and debt securities are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Company may apply enforcement activities to financial assets written off. Recoveries resulting from the Company's enforcement activities will result in impairment gains.

Financial liabilities and equity Instruments

Debt and equity instruments that are issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments

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

Compound instruments

The component parts of compound instruments (e.g. convertible notes) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments.

A conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently re-measured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. Where the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained earnings. No gain/ loss is recognised in Statement of Profit and Loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the life of the convertible notes using the effective interest rate method.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method.

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

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

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

(l) Cash and bank balances

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

(m) Goods and service tax input credit

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

(n) Borrowing costs

Borrowing costs include interest expense calculated using the EIR method.

(o) Foreign currencies

In preparing the financial statements of, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of Profit and Loss.

Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise.

(p) Segment reporting

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

(q) Provisions, contingent liabilities and contingent assets

Provisions are recognised only when:

- an entity has a present obligation (legal or constructive) as a result of a past event; and
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent liability is disclosed in case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
- a present obligation arising from past events, when no reliable estimate is possible.

Contingent liabilities are disclosed in the Notes. Contingent assets are neither recognised nor disclosed in the financial statements.

(r) Statement of Cash Flows

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

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

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of balance sheet.

(s) Derivative financial instruments

The Company enters into derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit and Loss depends on the nature of the hedging relationship and the nature of the hedged item.

2.1 Recent pronouncements

Ind AS 116 Leases

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing Leases Standard, Ind AS 17 Leases, and related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e. the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of profit and loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019.

The Company is in the process of evaluating the option to be exercised for implementation of IND AS 116 and assessing the impact of this standard.

Ind AS 12 Appendix C, uncertainty over income tax treatments

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, uncertainty over income tax treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or Company of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

Amendment to Ind AS 12–Income taxes: On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April1, 2019.

The Company is currently assessing the impact of this amendment on the financial statements.

Amendment to Ind AS 19 –Plan amendment, curtailment or settlement (Employee Benefits)

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

- To use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- To recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019.

The Company is currently assessing the impact of this amendment on the financial statements.

Note 3. First time adoption of Ind AS

The financial statements, for the year ended March 31, 2019 are the first financial statements the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2018 the Company prepared its financial statements in accordance with Accounting Standards notified under section 133 of The Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2019 together with the comparative period data as at and for the year ended March 31, 2018 as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening Balance Sheet was prepared as at April 01, 2017 the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Previous GAAP financial statements, including the Balance Sheet as at April 01, 2017 and the financial statements as at and for the year ended March 31, 2018. INDAS 101 allows first time adopters certain exemptions from the retrospective application of certain requirements under INDAS. The exemptions availed by the Company are as follows:

(i) The Company has adopted the carrying value determined in accordance with Previous GAAP for all of its property, plant and equipment and investment property as deemed cost of such assets at the transition date.

(ii) The Company has applied the derecognition requirements of financial assets and financial liabilities retrospectively.

(iii) The Company has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or Fair value through other comprehensive income (FVTOCI) criteria based on the facts and circumstances that existed as of the transition date.

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

(v) The estimates as at April 1, 2017 and at March 31, 2018 are consistent with those made for the same dates in accordance with the Previous GAAP.

3.1 Reconciliation of Total Comprehensive income for the year ended March 31, 2018 is summarised as follows:

(₹ in millions)

Particulars	FY 2017-2018	Notes under 3.7
Net Profit after tax as per Previous GAAP	**3,544.97**	
Add/ (less): Adjustments as per Ind AS		
Provision for expected credit Loss	(1,702.45)	a
Effective interest rate for financial assets	(156.57)	b
Effective interest rate for financial liabilities recognised at amortised cost	3.95	c
Fair valuation of investments	(3.13)	d
Net gain on derecognition of loans sold under assignment transaction	(18.04)	e
Actuarial loss on employee defined benefit plan recognised in 'Other comprehensive income' as per Ind AS 19	16.69	f
Others	(55.33)	g, h
Tax impact on above adjustments	640.70	i
Profit after tax as per Ind AS	**2,270.79**	
Other Comprehensive Income (net of tax)	(10.86)	f, i
Profit after tax as per Ind AS	**2,259.93**	

3.2 Reconciliation of equity as reported under previous GAAP is summarised as follows:

(₹ in millions)

Particulars	As at March 31, 2018	As at April 1, 2017	Notes under 3.7
Networth as per Previous GAAP	**34,954.34**	**33,115.11**	
Add/ (less):			
Fair valuation of investments	330.09	333.23	d
Effective interest rate for financial assets	(360.12)	(203.56)	b
Effective interest rate for financial liabilities recognised at amortised cost	(1.90)	(5.85)	c
Provision for expected credit loss	(4,462.64)	(2,760.20)	a
Net gain on derecognition of loans sold under assignment transaction	24.02	42.06	e
Reclassification of preference shares to financial liability	-	(750.00)	h
Others	6.84	(1.12)	g
Tax impact on above adjustments	1,600.17	953.64	i
Networth as per Ind AS	**32,090.80**	**30,723.31**	

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3.3 Equity reconciliation as on April 01, 2017

(₹ in millions)

Sr No.	Particulars	Previous GAAP*	Adjustments	IND AS	Notes under 3.7
	Assets				
(1)	Financial Assets				
(a)	Cash and cash equivalents	9,409.93	-	9,409.93	
(b)	Bank Balance other than (a) above	8,482.61	-	8,482.61	
(c)	Derivative financial instruments	-	-	-	
(d)	Receivables				
	(i) Trade receivables	1,692.55	-	1,692.55	
	(ii) Other receivables	-	-	-	
(e)	Loans	109,030.63	5,263.77	114,294.40	a, b, j, k
(f)	Investments	22,564.93	333.23	22,898.16	d
(g)	Other financial assets	424.77	8.36	433.13	a, e
(2)	Non-financial assets				
(a)	Current tax assets (net)	1,216.52	-	1,216.52	
(b)	Deferred tax assets (net)	1,099.06	953.64	2,052.70	i
(c)	Investment property	504.06	-	504.06	
(d)	Property, plant and equipment	521.08	-	521.08	
(e)	Capital work-in-progress	12.90	-	12.90	
(f)	Other intangible assets	2.20	-	2.20	
(g)	Other non-financial assets	78.45	-	78.45	
	Total Assets	155,039.69	6,559.00	161,598.69	
	Liabilities And Equity				
(1)	Financial liabilities				
(a)	Derivative financial instruments	-	-	-	
(b)	Payables				
	(I)Trade payables				
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	298.83	-	298.83	
	(II) Other payables				
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	
(c)	Debt securities	61,313.67	(0.28)	61,313.39	c
(d)	Borrowings (other than debt securities)	45,024.46	8,199.97	53,224.43	c, j
(e)	Subordinated liabilities	8,421.75	749.99	9,171.74	c, h
(f)	Other financial liabilities	4,417.73	1.12	4,418.85	g
(2)	Non-financial liabilities				
(a)	Current tax liabilities (net)	673.46	-	673.46	
(b)	Provisions	147.74	-	147.74	
(c)	Other non-financial liabilities	1,626.94	-	1,626.94	
(3)	Equity				
(a)	Equity share capital	3,121.65	(750.00)	2,371.65	h
(b)	Other equity	29,993.46	(1,641.80)	28,351.66	
	Total Liabilities and Equity	155,039.69	6,559.00	161,598.69	

* Previous GAAP figures have been reclassified to confirm to IND AS presentation requirements for the purpose of this note.

3.4 Equity reconciliation as on March 31, 2018

(₹ in millions)

Sr No.	Particulars	Previous GAAP*	Adjustments	IND AS	Notes under 3.7
	Assets				
(1)	**Financial assets**				
(a)	Cash and cash equivalents	1,535.36	-	1,535.36	
(b)	Bank Balance other than (a) above	8,946.97	-	8,946.97	
(c)	Derivative financial instruments	-	-	-	
(d)	Receivables	-	-		
	(i) Trade receivables	207.19	-	207.19	
	(ii) Other receivables	-	-	-	
(e)	Loans	152,808.18	3,163.65	155,971.83	a, b, j, k
(f)	Investments	17,065.26	330.09	17,395.35	d
(g)	Other financial assets	893.68	(68.03)	825.65	a, e
		-	-		
(2)	**Non-financial assets**	-	-		
(a)	Current tax assets (net)	1,186.53	-	1,186.53	
(b)	Deferred tax assets (net)	1,367.17	1,600.17	2,967.34	i
(c)	Investment property	2,451.15	-	2,451.15	
(d)	Property, plant and equipment	626.96	-	626.96	
(e)	Capital work-in-progress	41.93	-	41.93	
(f)	Other intangible assets	13.07	-	13.07	
(g)	Other non-financial assets	122.76	-	122.76	
	Total Assets	**187,266.21**	**5,025.88**	**192,292.09**	
	Liabilities And Equity				
(1)	**Financial liabilities**				
(a)	Derivative financial instruments	-	-	-	
(b)	Payables				
	(I)Trade payables				
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	412.66	-	412.66	
	(II) Other Payables				
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	
(c)	Debt securities	92,958.54	(0.27)	92,958.27	c
(d)	Borrowings (other than debt securities)	42,646.05	7,889.70	50,535.75	c, j
(e)	Subordinated liabilities	9,413.67	(0.01)	9,413.66	c
(f)	Other financial liabilities	5,424.09	-	5,424.09	
(2)	**Non-financial liabilities**				
(a)	Current tax liabilities (net)	459.49	-	459.49	
(b)	Provisions	132.43	-	132.43	
(c)	Other non-financial liabilities	864.94	-	864.94	
(3)	**Equity**				
(a)	Equity share capital	2,807.42	-	2,807.42	
(b)	Other equity	32,146.92	(2,863.54)	29,283.38	
	Total Liabilities and Equity	**187,266.21**	**5,025.88**	**192,292.09**	

* Previous GAAP figures have been reclassified to confirm to IND AS presentation requirements for the purpose of this note.

3.5 Profit reconciliation for the year ended March 31, 2018

(₹ in millions)

Sr No.	Particulars	Previous GAAP*	Adjustments	IND AS	Notes under 3.7
	Revenue from operations				
(i)	Interest income	23,191.23	473.77	23,665.00	a, b, j
(ii)	Dividend income	4.91	-	4.91	
(iii)	Fees and commission income	789.61	-	789.61	
(iv)	Net gain on fair value changes	638.95	(3.13)	635.82	d
(v)	Net gain on derecognition of financial instruments under amortised cost category	-	-	-	
(I)	Total revenue from operations	24,624.70	470.64	25,095.34	
(II)	Other income	60.93	-	60.93	
(III)	Total Income (I+II)	24,685.63	470.64	25,156.27	
	Expenses				
(i)	Finance costs	12,119.04	656.79	12,775.83	c, h, j
(ii)	Net loss on fair value changes	-		-	
(iii)	Net loss on derecognition of financial instruments under amortised cost category	2,167.44	18.04	2,185.48	e
(iv)	Impairment on financial instruments	17.80	1,720.14	1,737.94	a
(v)	Employee benefits expenses	2,836.71	(9.45)	2,827.26	f, g
(vi)	Depreciation, amortisation and impairment	144.28	-	144.28	
(vii)	Other expenses	2,076.29	-	2,076.29	
(IV)	Total expenses	19,361.56	2,385.52	21,747.08	
(V)	Profit before exceptional items and tax (III-IV)	5,324.07	(1,914.88)	3,409.19	
(VI)	Exceptional items	-	-	-	
(VII)	Profit before tax (V+VI)	5,324.07	(1,914.88)	3,409.19	
(VIII)	Tax Expense:				
	(1) Current Tax	2,047.21	-	2,047.21	
	(2) Deferred Tax	(268.11)	(640.70)	(908.81)	i
	(3) Current tax expense relating to prior years	-	-	-	
	Total Tax Expense	1,779.10	(640.70)	1,138.40	
(IX)	Profit for the year from continuing operations (VII-VIII)	3,544.97	(1,274.18)	2,270.79	
(X)	Profit for the year	3,544.97	(1,274.18)	2,270.79	
(XI)	Other Comprehensive Income				
	A				
	(i) Items that will not be reclassified to profit or loss	-	(16.69)	(16.69)	f
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	5.83	5.83	i
	Subtotal (A)	-	(10.86)	(10.86)	
	B				
	(i) Items that will be reclassified to profit or loss	-	-	-	
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	
	Subtotal (B)				
	Other Comprehensive Income (A+B)	-	(10.86)	(10.86)	
(XII)	Total Comprehensive Income for the year (X+XI)	3,544.97	(1,285.04)	2,259.93	

* Previous GAAP figures have been reclassified to confirm to IND AS presentation requirements for the purpose of this note.

3.6 Effect of Ind AS adoption on the statement of cash flows for the year ended March 31, 2018

(₹ in millions)

Particulars	Previous GAAP*	Adjustments	Ind AS	Notes under 3.7
Net cash from/ (used in) operating activities	(34,729.61)	(5,261.46)	(39,991.07)	e, k
Net cash from/ (used in) investing activities	(1,945.95)	5,519.67	3,573.72	k
Net cash from/ (used in) financing activities	29,011.26	(258.22)	28,753.04	e, h
Net increase/ (decrease) in cash and cash equivalents	(7,664.31)	-	(7,664.31)	
Cash and cash equivalents at the beginning of the year	9,199.67	-	9,199.67	
Cash and cash equivalents at the end of the year	1,535.36	-	1,535.36	

* Previous GAAP figures have been reclassified to confirm to IND AS presentation requirements for the purpose of this note.

3.7 Ind AS adjustment notes:

a) Impairment as per Expected Credit Loss ("ECL")

Under Previous GAAP, non performing assets ("NPA") provisioning was computed based on the prudential norms issued by Reserve Bank of India. Under Ind AS, the impairment is computed based on ECL model. The differential impact upon adoption of ECL model has been adjusted in Retained Earnings.

Under Previous GAAP, Loans and Advances were presented net of provision for NPA and provision against standard assets were presented under provisions. However, under Ind AS, Loans and Advances measured at amortised cost and FVTOCI are presented net of provisions for expected credit losses.

b) Effective interest rate for financial assets

Under Previous GAAP, loan processing fees (net of direct sourcing cost) received in connection with loan portfolios was recognised upfront and credited to the Statement of Profit and Loss for the year. Under Ind AS, loan processing fees is credited to Statement of Profit and Loss using the effective interest rate method. The unamortised portion of loan processing fees is adjusted from the loan portfolio.

c) Effective interest rate for financial liabilities

Under Previous GAAP, transaction costs incurred in connection with borrowings were amortised over the period and charged to the Statement Profit and Loss for the period. Under Ind AS, transaction costs are included in the initial recognition amount of financial liability and charged to the Statement Profit and Loss using the effective interest method. The unamortised portion of transaction costs is adjusted from respective borrowings.

d) Fair valuation of investments

Investments that do not meet the amortised cost or FVTOCI criteria are measured at FVTPL. Investments at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the Statement of Profit and Loss.

Under Previous GAAP, current investments were stated at lower of cost and market/ fair value. Long-term investments (excluding investment properties) were carried at cost. However, provision for diminution, other than temporary, was made to recognise a decline in the value of the investments. Investments intended to be held for not more than a year were classified as current investments. All other investments were classified as long-term investments.

e) Net Gain on derecognition of loans sold under assignment transaction

In accordance with Ind AS 109, in case of assignment transactions with complete transfer of risks and rewards without any retention of residual interest, gain arising on such assignment transactions is recorded upfront in the Statement of Profit and Loss and the corresponding asset is derecognised from the Balance Sheet immediately upon execution of such transaction. Further, the transfer of financial assets qualifies for derecognition in its entirety, the whole of the interest spread at its present value (discounted over the life of the asset) is recognised on the date of derecognition itself as interest only strip receivable (interest strip on assignment) and correspondingly recognised as profit on derecognition of financial asset.

Under Previous GAAP, interest spread was recognized over the period of the deal.

f) Defined benefit obligations

Actuarial gains and losses pertaining to defined benefit obligations and re-measurement pertaining to return on plan assets are recognised in Other Comprehensive Income in accordance with Ind AS 19 and are not reclassified to the Statement of Profit and Loss.

g) ESOP compensation cost

ESOP charge is accounted using fair value method. The ESOP charge payable to Holding Company is accordingly measured and recognised at fair value. Under Previous GAAP, ESOP charge was calculated based on intrinsic value method.

h) Redeemable preference shares

Under Ind AS, redeemable preference shares are classified under financial liability and dividend paid on it is reflected under finance cost.

i) Deferred tax

Deferred tax is the tax impact of all adjustments between Previous GAAP and Ind AS.

j) Derecognition of financial assets

Under Previous GAAP, assets were de-recognised, if and only if, the Company had lost the control of the Contractual rights that comprised of the corresponding pools transferred. Future interest spread receivable in case of par structure deals were recognised over the tenure of the agreements as per applicable guidelines / directions. Under Ind AS, the Company derecognises a financial asset only when the contractual rights to the asset's cash flows expire (including expiry arising from a modification with substantially different terms), or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. Under Ind AS, since the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

k) Credit substitute

Under Ind AS, investment in non convertible debentures is classified as loans. Under Previous GAAP, it was classified as Investments.

Note 4. Cash and Cash Equivalents

(₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Cash and cash equivalents			
Cash on hand	429.71	228.65	139.05
Cheques on hand	12.30	-	-
Balance with Banks - In current accounts	3,704.96	1,306.71	9,060.62
Total Cash and cash equivalents (as per Ind AS 7 Statement of Cash flows)	**4,146.97**	**1,535.36**	**9,199.67**
Balance with Banks - In Deposit accounts (original maturity less than or equal to three months) (refer note 4.1 below)	1.40	-	210.01
- Interest accrued on fixed deposits	-	-	0.25
Total	**4,148.37**	**1,535.36**	**9,409.93**

Note 4.1 Out of the Fixed Deposits shown above

(₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Margin for credit enhancement	1.40	-	210.01
Total	**1.40**	-	**210.01**

Note 5. Bank Balance (other than Cash and cash equivalents)

(₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Balance with Banks in earmarked accounts towards unclaimed amount on NCD	47.64	213.52	218.63
In Deposit accounts (original maturity more than three months) (refer note 5.1 below)	9,891.95	8,655.90	8,194.35
Interest accrued on fixed deposits	95.43	77.55	69.63
Total	**10,035.02**	**8,946.97**	**8,482.61**

Note 5.1 Out of the Fixed Deposits shown above

(₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Lien marked	7,219.62	6,813.77	5,995.95
Margin for credit enhancement	2,671.33	1,837.13	1,672.58
Other deposits	1.00	5.00	525.82
Total	**9,891.95**	**8,655.90**	**8,194.35**

Note 6: Derivative Financial Instruments

(₹ in millions)

Part I	As at March 31, 2019			As at March 31, 2018			As at April 01, 2017		
	Notional amounts	Fair Value - Assets	Fair Value - Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
(i) Currency derivatives	-	-	-	-	-	-	-	-	-
(ii) Interest rate derivatives	-	-	-	-	-	-	-	-	-
(iii) Credit derivatives	-	-	-	-	-	-	-	-	-
(iv) Equity linked derivatives	-	-	-	-	-	-	-	-	-
(v) Other derivatives									
Forward exchange contract	280.00	-	6.59	-	-	-	-	-	-
Total Derivative Financial Instruments	**280.00**	-	**6.59**	-	-	-	-	-	-

(₹ in millions)

Part II	As at March 31, 2019			As at March 31, 2018			As at April 01, 2017		
	Notional amounts	Fair Value - Assets	Fair Value - Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:									
(i) Fair value hedging	-	-	-	-	-	-	-	-	-
(ii) Cash flow hedging	-	-	-	-	-	-	-	-	-
(iii) Net investment hedging	-	-	-	-	-	-	-	-	-
(iv) Undesignated derivatives	280.00	-	6.59	-	-	-	-	-	-
Forward exchange contract	280.00	-	6.59	-	-	-	-	-	-
Total Derivative Financial Instruments	**280.00**	-	**6.59**	-	-	-	-	-	-

Credit Risk and Currency Risk

(₹ in millions)

	Total		Exchange Traded		Over the Counter	
	Notional	Fair value	Notional	Fair value	Notional	Fair value
Year ended March 31, 2019						
Derivative Asset	-	-	-	-	-	-
Derivative Liabilities	280.00	6.59	-	-	280.00	6.59
Year ended March 31, 2018						
Derivative Asset	-	-	-	-	-	-
Derivative Liabilities	-	-	-	-	-	-
Year ended March 31, 2017						
Derivative Asset	-	-	-	-	-	-
Derivative Liabilities	-	-	-	-	-	-

Note 7. Receivables

(₹ in millions)

Receivables	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
(i) Trade Receivables			
Receivables considered good - Secured	61.34	38.09	3.46
Receivables considered good - Unsecured	15.39	169.10	1,689.09
Receivables which have significant increase in credit risk	-	-	-
Receivables - credit impaired	-	-	-
Total (i) - Gross	**76.73**	**207.19**	**1,692.55**
Less: Impairment loss allowance	-	-	-
Total (i) - Net	**76.73**	**207.19**	**1,692.55**
(ii) Other Receivables			
Receivables considered good - Secured (refer note 4 below and note 32 on Exceptional items)	20,177.78	-	-

Notes:

1. No trade or other receivables are due from directors or other officer of the company either severally or jointly, with any other person. No trade or other receivables are due from firms including limited liability partnerships, private companies in which any director is a partner or a director or a member.

2. The Company has adopted simplified approach for impairment allowance on trade receivables. The Management expects no default in receipt of trade receivables. Hence, no Expected credit loss ("ECL") has been recognised on trade receivables.

3. Trade receivables are non-interest bearing.

4. During the year ended March 2019, the Company executed definitive agreement for divestment of its "Vehicle Financing Business" as a going concern on a slump sale basis to IndoStar Capital Finance Limited ("Indostar"). In terms of the Business Transfer Agreement, the Company will be receiving the outstanding purchase consideration of ₹ 20,177.78 million from Indostar in 12 (twelve) equal monthly instalments from the closing date March 31, 2019, with interest. The outstanding amount for this transaction is reflected under 'Other Receivables'.

Note 8. Loans

(₹ in millions)

Particulars	As at March 31, 2019		
	Amortised cost	At Fair Value Through Other Comprehensive Income *	Total
(A)			
(i) Term Loans	80,997.47	25,000.00	105,997.47
(ii) Non Convertible Debentures - for financing real estate projects	22,629.31	-	22,629.31
Total (A) - Gross	**103,626.78**	**25,000.00**	**128,626.78**
Less: Impairment loss allowance	(7,612.84)	(127.57)	(7,740.41)
Total (A) - Net	**96,013.94**	**24,872.43**	**120,886.37**
(B)			-
(i) Secured by tangible assets (refer note 8.2)	82,098.47	22,001.49	104,099.96
(ii) Secured by intangible assets	-	-	-
(iii) Covered by Bank/ Government guarantees	-	-	-
(iv) Unsecured	21,528.31	2,998.51	24,526.82
Total (B) - Gross	**103,626.78**	**25,000.00**	**128,626.78**
Less: Impairment loss allowance	(7,612.84)	(127.57)	(7,740.41)
Total (B) - Net	**96,013.94**	**24,872.43**	**120,886.37**
(C)			-
(I) Loans in India	**103,626.78**	**25,000.00**	**128,626.78**
(i) Public Sector	-	-	-
(ii) Others	103,626.78	25,000.00	128,626.78
Less: Impairment loss allowance	(7,612.84)	(127.57)	(7,740.41)
Total (C) (I) - Net	**96,013.94**	**24,872.43**	**120,886.37**
(II) Loans outside India	-	-	-
Less: Impairment loss allowance	-	-	-
Total (C) (II) - Net	-	-	-
Total C (I) and C (II)	**96,013.94**	**24,872.43**	**120,886.37**

* Loans classified under Fair Value Through Other Comprehensive Income relate to those available for sale in their present condition.

(₹ in millions)

Particulars	As at March 31, 2018		
	Amortised cost	At Fair Value Through Other Comprehensive Income *	Total
(A)			
(i) Term Loans (refer note 8.1)	131,909.90	19,433.13	151,343.03
(ii) Non Convertible Debentures - for financing real estate projects	12,256.97	-	12,256.97
Total (A) - Gross	**144,166.87**	**19,433.13**	**163,600.00**
Less: Impairment loss allowance	(7,446.42)	(181.75)	(7,628.17)
Total (A) - Net	**136,720.45**	**19,251.38**	**155,971.83**
(B)			-
(i) Secured by tangible assets (refer note 8.2)	125,941.47	17,438.46	143,379.93
(ii) Secured by intangible assets	-	-	-
(iii) Covered by Bank/ Government guarantees	-	-	-
(iv) Unsecured	18,225.40	1,994.67	20,220.07
Total (B) - Gross	**144,166.87**	**19,433.13**	**163,600.00**
Less: Impairment loss allowance	(7,446.42)	(181.75)	(7,628.17)
Total (B) - Net	**136,720.45**	**19,251.38**	**155,971.83**
(C)			-
(I) Loans in India	**144,166.87**	**19,433.13**	**163,600.00**
(i) Public Sector	-	-	-
(ii) Others	144,166.87	19,433.13	163,600.00
Less: Impairment loss allowance	(7,446.42)	(181.75)	(7,628.17)
Total (C) (I)-Net	**136,720.45**	**19,251.38**	**155,971.83**
(II) Loans outside India	-	-	-
Less: Impairment loss allowance	-	-	-
Total (C) (II)- Net	-	-	-
Total C (I) and C (II)	**136,720.45**	**19,251.38**	**155,971.83**

* Loans classified under Fair Value Through Other Comprehensive Income relate to those available for sale in their present condition.

(₹ in millions)

Particulars	As at April 01, 2017		
	Amortised cost	At Fair Value Through Other Comprehensive Income *	Total
(A)			
(i) Term Loans	110,375.98	3,783.77	114,159.75
(ii) Non Convertible Debentures - for financing real estate projects	6,368.97	-	6,368.97
Total (A) - Gross	**116,744.95**	**3,783.77**	**120,528.72**
Less: Impairment loss allowance	(6,216.01)	(18.31)	(6,234.32)
Total (A) - Net	**110,528.94**	**3,765.46**	**114,294.40**
(B)			-
(i) Secured by tangible assets (refer note 8.2)	113,391.33	3,783.77	117,175.10
(ii) Secured by intangible assets	-	-	-
(iii) Covered by Bank/ Government guarantees	-	-	-
(iv) Unsecured	3,353.62	-	3,353.62
Total (B) - Gross	**116,744.95**	**3,783.77**	**120,528.72**
Less: Impairment loss allowance	(6,216.01)	(18.31)	(6,234.32)
Total (B) - Net	**110,528.94**	**3,765.46**	**114,294.40**
(C)			-
(I) Loans in India	**116,744.95**	**3,783.77**	**120,528.72**
(i) Public Sector	-	-	-
(ii) Others	116,744.95	3,783.77	120,528.72
Less: Impairment loss allowance	(6,216.01)	(18.31)	(6,234.32)
Total (C) (I) - Net	**110,528.94**	**3,765.46**	**114,294.40**
(II) Loans outside India	-	-	-
Less: Impairment loss allowance	-	-	-
Total (C) (II)- Net	-	-	-
Total C (I) and C(II)	**110,528.94**	**3,765.46**	**114,294.40**

* Loans classified under Fair Value Through Other Comprehensive Income relate to those available for sale in their present condition.

Notes:

8.1 Includes loan given to subsidiary Nil (March 31, 2018: ₹ 944.74 million and April 01, 2017: Nil).

8.2 Secured loans are secured by way of equitable mortgage of property, pledge of shares, hypothecation of assets, company personal guarantees, physical gold, undertaking to create security.

8.3 Secured loans include loans aggregating to ₹5,388.13 million (March 31, 2018: ₹5,294.01 million and April 01, 2017: ₹3929.93 million) in respect of which the creation of security is under process.

Note 9. Investments

(₹ in millions)

Particulars	As at March 31, 2019 At Fair Value through profit and loss	At Cost	Total
(A)			
Mutual funds	76.10	-	76.10
Alternate investment funds	63.19	-	63.19
Government securities	-	-	-
Debt securities:			
in subsidiaries	501.12	-	501.12
in others	649.15	-	649.15
Equity instruments:			
in subsidiaries	-	10,469.21	10,469.21
in others	591.50	-	591.50
Others	771.27	-	771.27
Total – Gross (A)	**2,652.33**	**10,469.21**	**13,121.54**
(B)			
(i) Investments outside India	-	-	-
(ii) Investments in India	2,652.33	10,469.21	13,121.54
Total – (B) to tally with Total (A)	**2,652.33**	**10,469.21**	**13,121.54**
Less: Impairment loss allowance - (C)	-	-	-
Total Net (D) = A - C	**2,652.33**	**10,469.21**	**13,121.54**

(₹ in millions)

Particulars	As at March 31, 2018 At Fair Value through profit and loss	At Cost	Total
(A)			
Mutual funds	65.96	-	65.96
Alternate investment funds	90.27	-	90.27
Government securities	5,846.83	-	5,846.83
Debt securities:			
in subsidiaries	-	-	-
in others	974.82	-	974.82
Equity instruments:			
in subsidiaries	-	8,469.21	8,469.21
in others	381.25	-	381.25
Others	1,567.01	-	1,567.01
Total – Gross (A)	**8,926.14**	**8,469.21**	**17,395.35**
(B)			
(i) Investments outside India	-	-	-
(ii) Investments in India	8,926.14	8,469.21	17,395.35
Total – (B) to tally with Total (A)	**8,926.14**	**8,469.21**	**17,395.35**
Less: Impairment loss allowance - (C)	-	-	-
Total Net (D) = A - C	**8,926.14**	**8,469.21**	**17,395.35**

(₹ in millions)

Particulars	As at April 01, 2017 At Fair Value through profit and loss	At Cost	Total
(A)			
Mutual funds	64.10	-	64.10
Alternate investment funds	4,382.14	-	4,382.14
Government securities	8,857.73	-	8,857.73
Debt securities:			
in subsidiaries	-	-	-
in others	1,243.88	-	1,243.88
Equity instruments:			
in subsidiaries	-	7,969.06	7,969.06
in others	381.25	-	381.25
Total – Gross (A)	**14,929.10**	**7,969.06**	**22,898.16**
(i) Investments outside India	-	-	-
(ii) Investments in India	14,929.10	7,969.06	22,898.16
Total – (B) to tally with Total (A)	**14,929.10**	**7,969.06**	**22,898.16**
Less: Impairment loss allowance - (C)	-	-	-
Total Net (D) = A - C	**14,929.10**	**7,969.06**	**22,898.16**

CHARTERED ACCOUNTANTS MUMBAI

Note 9.1 Investment details script wise

(₹ in millions)

Particulars	As at March 31, 2019			As at March 31, 2018			As at April 1, 2017		
	Quantity (in actuals)	Face value per unit (in ₹)	Carrying Value	Quantity (in actuals)	Face value per unit (in ₹)	Carrying Value	Quantity (in actuals)	Face value per unit (in ₹)	Carrying Value
Mutual funds			76.10			65.96			64.10
IIFL Focused Equity Fund-Direct Plan-Growth (formerly known as IIFL India Growth Fund (G))	4,562,418.45	10	76.10	4,562,418.45	10	65.96	4,562,418.47	10	61.89
Reliance MF Fixed Horizon	-	-	-	-	-	-	214,609.00	10	2.21
Alternate investment fund			63.19			90.27			4,382.14
Phi Capital Growth Fund-I	156.93	100,000	9.27	-	-	-	-	-	-
Indiareit Apartment Fund - Class B	28.32	100,000	4.42	66.43	100,000	8.89	85.82	100,000	8.58
IIFL Income Opportunities Fund- Special Situation - Class B	932,923.14	3.9963	4.11	932,923.14	4.6570	6.76	932,923.14	7.7648	8.96
IIFL Income Opportunities Fund- Special Situation - Class S	10,278,484.68	3.9963	45.39	10,278,484.68	4.6570	74.62	10,278,484.68	7.7648	99.47
IIFL National Development Agenda Fund	-	-	-	-	-	-	9,713,023.97	8.4710	122.79
IIFL Income Opportunities Fund - Series Regular Income	-	-	-	-	-	-	400,000,000.00	10	4,002.97
IIFL Real Estate Fund (Domestic) Series 1(C)	-	-	-	-	-	-	7,500,000.00	15.9627	120.17
IIFL Income Opportunities Fund	-	-	-	-	-	-	58,351,969.68	0.7693	19.20
Government securities			-			5,846.83			8,857.73
Government securities	-	-	-	57,000,000.00	100	5,735.69	85,500,000.00	100	8,679.06
Interest Accrued	-	-	-	-	-	111.14	-	-	178.67
Debt securities (in subsidiaries)			501.12			-			-
8.93 % IIFL Home Finance-2023 (formerly known as India Infoline Housing Finance Limited)	500.00	1,000,000	470.79	-	-	-	-	-	-
Interest accrued			30.33						
Debt securities (other than subsidiaries)			649.15			974.82			1,243.88
9.25% DHFL - 2023	748,346.00	1,000	610.65	768,843.00	1,000	783.34	768,843.00	1,000	804.44
7.35% NHAI - 2031	-	-	-	130,000.00	1,000	142.96	203,649.00	1,000	229.11
Reliance Capital Ltd	-	-	-	-	-	-	60.00	100,000	9.01
12.00% IIFL - 2018	-	-	-	-	-	-	1,127.00	1,000	1.13
8.65% IIFL Series 39 Type I - 2018	-	-	-	-	-	-	10.00	1,000,000	10.00
8.65% IIFL Series 40 - 2018	-	-	-	-	-	-	15.00	1,000,000	15.00
8.65% IIFL Series 41 Type I - 2018	-	-	-	-	-	-	35.00	1,000,000	35.00
8.65% IIFL Series 41 Type II - 2018	-	-	-	-	-	-	3.00	1,000,000	3.00
8.65% IIFL Series 42 Type I - 2018	-	-	-	-	-	-	25.00	1,000,000	25.00
8.65% IIFL Series 41 Type III - 2018	-	-	-	-	-	-	50.00	1,000,000	50.00
Interest accrued			38.50			48.52			62.19
Equity instruments (other than subsidiaries)			591.50			381.25			381.25
TransUnion CIBIL Limited (formerly known as Credit Information Bureau (India) Limited)	250,000.00	10	591.50	250,000.00	10	381.25	250,000.00	10	381.25
Equity instruments (in subsidiaries)			10,469.21			8,469.21			7,969.06
IIFL Home Finance Limited (formerly known as India Infoline Housing Finance Limited)	20,968,181	10	8,254.77	19,968,181.00	10	7,254.77	19,968,181.00	10	7,254.77
Samasta Microfinance Limited	175,112,133.00	10	2,214.29	108,417,631.00	10	1,214.29	58,417,631.00	10	714.29
Clara Developers Private Limited (refer note 9.1.1 below)	10,000.00	10	0.15	10,000.00	10	0.15	-	-	-
Others			771.27			1,567.01			-
IRB InvIT Fund	11,565,000.00	96.5981	771.27	19,110,000.00	99.90	1,567.01	-	-	-
Total Gross			13,121.54			17,395.35			22,898.16

Note 9.1.1 During the previous year, the Company acquired 100% equity shares of Clara Developers Private Limited as well as title of the land towards satisfaction of dues given to Assotech Limited. The land was acquired vide sale deed dated March 30, 2018, from IDBI Trusteeship Services Private Limited, the security trustee for the underlying loan, under the provisions of The Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 (SARFAESI). The land along with all rights including development rights and possession etc. now reside with the Company.

Note 10. Other financial assets

(₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(Unsecured, considered good)			
Security deposits	279.82	231.79	250.27
Deposit with Clearing Corporation India Ltd	2.40	32.10	2.00
Interest strip asset on assignment	320.12	24.02	42.06
Staff advances	0.55	0.57	0.79
Inter corporate deposit	817.50	-	-
Receivable from Group companies/ subsidiaries	42.58	14.26	3.12
Insurance receivable	152.99	196.43	117.99
Less: Provisions on insurance receivables (refer note 10.3 below)	(75.36)	(41.03)	(30.83)
Receivable on account of assignment	0.05	33.47	36.20
Other receivables	6.34	15.86	45.19
Other advance (refer note 10.1 below)	48.20	346.47	-
Expected loan loss provision on loans sanctioned but undrawn	(237.15)	(28.29)	(33.66)
(Unsecured, considered doubtful)			
Other advances (refer note 10.1 below)	-	70.60	-
Less: Impairment loss allowance on advances (refer note 10.2 below)	-	(70.60)	-
Total	**1,358.04**	**825.65**	**433.13**

Note 10.1 The Company during the year ended March 31, 2018 had acquired an existing advance portfolio from M/S IIFL Management Services Limited ("IIFLMSL"), a fellow subsidiary of the Company uptil March 2018. IIFLMSL has been underwriting affordable residential units with recognised developers in past, but was finding it challenging to manage this book. The Company, being in the business of financing and having contact with the developers, was in a better position to manage this book and therefore acquired the portfolio from IIFLMSL, which shall be repaid by the developers through their cash flows or sales at regular rests with a fixed rate of return. The Company is in the process of obtaining requisite no objection certificates / agreements from the respective developers/ builders for transferring said allotment letters in its name.

Note 10.2 Impairment loss allowance on Other advances

(₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018
Opening	**70.60**	-
Addition	-	70.60
Less: Transfer to Loans	(70.60)	-
Closing	-	**70.60**

Note 10.3 Provisions on insurance receivables

(₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018
Opening	**41.03**	**30.83**
Addition	44.23	15.50
Reduction	(9.90)	(5.30)
Closing	**75.36**	**41.03**

Note 11. Deferred Tax Assets and Liabilities

Significant components of deferred tax assets and liabilities for the year ended March 31, 2019 are as follows:

(₹ in millions)

Particulars	Opening balance (as on April 1, 2018)	Recognised in profit or loss	Recognised in/ reclassified from OCI	Closing balance (as on March 31, 2019)
Deferred tax assets				
Property, plant and equipment	248.04	(4.24)	-	243.80
Provisions, allowances for doubtful receivables / loans	2,524.14	(15.68)	-	2,508.46
Compensated absences and retirement benefits	26.42	19.37	(5.06)	40.73
MTM on derivative financial instruments	-	2.30	-	2.30
Income amortisation (net)	117.45	(115.84)	-	1.61
Expenses deductible in future years	0.66	62.23	-	62.89
Unrealised profit on investments	50.63	17.82	-	68.45
Total deferred tax assets	**2,967.34**	**(34.04)**	**(5.06)**	**2,928.25**
Deferred tax liabilities	-	-	-	-
Deferred tax assets (net)	2,967.34	(34.04)	(5.06)	2,928.25

Significant components of deferred tax assets and liabilities for the year ended March 31, 2018 are as follows:

(₹ in millions)

Particulars	Opening balance (as on April 1, 2017)	Recognised in profit or loss	Recognised in/ reclassified from OCI	Closing balance (as on March 31, 2018)
Deferred tax assets				
Property, plant and equipment	261.56	(13.52)	-	248.04
Provisions, allowances for doubtful receivables / loans	1,904.44	619.70	-	2,524.14
Compensated absences and retirement benefits	1.77	18.82	5.83	26.42
Income amortisation (net)	55.89	61.56	-	117.45
Expenses deductible in future years	2.02	(1.36)	-	0.66
Unrealised profit on investments	(68.20)	118.83	-	50.63
Total deferred tax assets	**2,157.48**	**804.03**	**5.83**	**2,967.34**
Deferred tax liabilities				
Provision for 36(1)(viia)	(104.78)	104.78	-	-
Total deferred tax liabilities	**(104.78)**	**104.78**	-	-
Deferred tax assets (net)	2,052.70	908.81	5.83	2,967.34

Note 12. Investment property (at cost)

(₹ in millions)

Particulars	Property (Flats)	Land	Total
Gross carrying value			
As at April 1, 2018	**1,550.72**	**900.43**	**2,451.15**
Additions during the year	4.81	178.31	183.12
Deductions/ adjustments during the year	-	-	-
As at March 31, 2019	**1,555.53**	**1,078.74**	**2,634.27**
Less : Impairment loss allowance	-	-	-
Net carrying value as at March 31, 2019	**1,555.53**	**1,078.74**	**2,634.27**
Fair value as on March 31, 2019 (Fair value hierarchy : Level 3)	1,710.00	1,081.15	2,791.15

(₹ in millions)

Particulars	Property (Flats)	Land	Total
Gross carrying value			
As at April 1, 2017	**504.06**	-	**504.06**
Additions during the year	1,046.66	900.43	1,947.09
Deductions/ adjustments during the year	-	-	-
As at March 31, 2018	**1,550.72**	**900.43**	**2,451.15**
Less : Impairment loss allowance	-	-	-
Net carrying value as at March 31, 2018	**1,550.72**	**900.43**	**2,451.15**
Fair value as on April 01, 2017 (Fair value hierarchy : Level 3)	489.20	-	489.20
Fair value as on March 31, 2018 (Fair value hierarchy : Level 3)	1,620.00	954.20	2,574.20

Note 12.1: Management has acquired possession of these properties in satisfaction of the debts and intends to dispose them in due course, subject to conducive market conditions. These properties have been valued taking into consideration various factors such as location, facilities & amenities, quality of construction, percentage of completion of construction (as for some properties the construction is currently on hold), residual life of building, business potential, supply & demand, local nearby enquiry, market feedback of investigation and ready recknor published by government. These valuations have been performed by external independent valuers, having appropriate recognised professional qualification and experience in the location and category of property being valued. The fair values are based on market values, being the estimated amount for which a property could be exchanged in an arm's length transaction. These properties are not depreciated as they have not been put to use.

Note 13. Property, Plant and Equipment

(₹ in millions)

Particulars	Furniture And Fixtures	Vehicles	Office Equipment	Buildings	Plant & Equipment	Computer	Total
Cost as at April 1, 2018	157.84	1.60	49.17	359.31	47.99	144.83	760.74
Additions during the year	246.99	-	48.33	-	56.31	140.80	492.43
Deductions/ adjustments	(6.70)	-	(4.99)	-	(5.80)	(14.09)	(31.58)
As at March 31, 2019	398.13	1.60	92.51	359.31	98.50	271.54	1,221.59
Depreciation							
As at April 1, 2018	44.44	0.60	22.03	21.15	15.11	30.45	133.78
Depreciation for the year	82.20	0.60	20.32	21.15	24.26	78.30	226.83
Deductions/ adjustments	(3.51)	-	(3.30)	-	(4.12)	(8.04)	(18.97)
Up to March 31, 2019	123.13	1.20	39.05	42.30	35.25	100.71	341.64
Net block as at March 31, 2019	275.00	0.40	53.46	317.01	63.25	170.83	879.95

(₹ in millions)

Particulars	Furniture And Fixture	Vehicles	Office Equipment	Buildings	Plant & Equipment	Computer	Total
Cost as at April 1, 2017	59.34	3.80	24.90	359.31	25.39	48.34	521.08
Additions during the year	102.90	-	25.15	-	27.58	96.97	252.60
Deductions/ adjustments	(4.40)	(2.20)	(0.88)	-	(4.98)	(0.48)	(12.94)
As at March 31, 2018	157.84	1.60	49.17	359.31	47.99	144.83	760.74
Depreciation							
As at April 1, 2017	-	-	-	-	-	-	-
Depreciation for the year	45.10	1.10	22.27	21.15	17.05	30.57	137.24
Deductions/ adjustments	(0.66)	(0.50)	(0.24)	-	(1.94)	(0.12)	(3.46)
Up to March 31, 2018	44.44	0.60	22.03	21.15	15.11	30.45	133.78
Net block as at March 31, 2018	113.40	1.00	27.14	338.16	32.88	114.38	626.96

Note 14. Other Intangible Assets (other than internally generated)

(₹ in millions)

Particulars	Computer software
Cost or valuation as at April 1, 2018	**20.11**
Additions during the year	11.37
As at March 31, 2019	**31.48**
Amortisations	
As at April 1, 2018	**7.04**
Additions during the year	9.79
Up to March 31, 2019	**16.83**
Net block as at March 31, 2019	**14.65**

(₹ in millions)

Particulars	Computer software
Cost or valuation as at April 1, 2017	**2.20**
Additions during the year	17.91
As at March 31, 2018	**20.11**
Amortisations	
As at April 1, 2017	-
Amortisation for the year	7.04
Up to March 31, 2018	**7.04**
Net block as at March 31, 2018	**13.07**

Note 15. Other non-financial assets

(₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Unsecured, considered good			
Prepaid expenses	102.19	98.66	52.42
Advances for operational expenses	30.38	22.47	24.07
GST / Service tax input	4.91	-	-
Other assets	2.06	1.63	1.96
Total	**139.54**	**122.76**	**78.45**

Note 16. Payables

(₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(1) Trade payables			
(ii)Total outstanding dues of creditors other than micro enterprises and small enterprises			
Outstanding dues of creditors	101.04	48.07	20.05
Accrued salaries and benefits	58.07	36.66	16.08
Provision for expenses	374.15	327.50	252.51
Other trade payables	0.41	0.43	10.19
Total	**533.67**	**412.66**	**298.83**

Note 16.1 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006

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

Particulars	2018-2019	2017-2018
(a) Principal amount remaining unpaid to any supplier at the year end	-	-
(b) Interest due thereon remaining unpaid to any supplier at the year end	-	-
(c) Amount of interest paid and payments made to the supplier beyond the appointed day during the year	-	-
(d) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
(e) Amount of interest accrued and remaining unpaid at the year end	-	-
(f) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	-	-

The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the MSMED Act. This has been relied upon by the auditors.

Note 17. Debt Securities

(₹ in millions)

Particulars	At Amortised Cost As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(i) Non Convertible Debentures (refer note (a) and 17.1 below) - Secured	37,610.31	26,859.54	31,988.74
Less : Unamortised debenture issue expenses	(205.66)	(18.68)	(31.86)
(ii) Commercial Papers (refer note 17.1 below) - Unsecured	34,950.00	67,000.00	29,550.00
Less : Unexpired discount on Commercial Paper (refer note (b) below)	(237.97)	(882.59)	(193.49)
Total (A)	**72,116.68**	**92,958.27**	**61,313.39**
Debt securities in India	72,116.68	92,958.27	61,313.39
Debt securities outside India	-	-	-
Total (B) to tally with (A)	**72,116.68**	**92,958.27**	**61,313.39**

(a) The Non Convertible Debentures are secured by way of first pari-passu charge on immovable property, current assets, book debts, loans and advances including receivables other than those specifically charged.

(b) Unexpired discount on Commercial Papers is net of ₹ 538.39 million (March 31, 2018: ₹ 398.08 million, April 01, 2017: ₹ 284.03 million), towards discount accrued but not due.

Note 17.1 - Terms of repayment

(₹ in millions)

Residual Maturity	As at March 31, 2019 Rate of Interest / Yield	Amount	As at March 31, 2018 Rate of Interest / Yield	Amount	As at April 1, 2017 Rate of Interest / Yield	Amount
Non Convertible Debentures (secured)		**37,610.31**		**26,859.54**		**31,988.74**
Fixed:		**26,676.92**		**16,298.54**		**19,845.74**
More than 5 years	-	-	-	-	-	-
3-5 Years	9.50% - 10.20%	10,626.92	8.00% -10.20%	5,375.00	8.85% - 10.20%	5,750.00
1-3 Years	8.00% - 10.20%	9,250.00	7.75% -10.20%	7,925.00	8.85% - 12.00%	13,595.74
Less than 1 year	7.75% - 9.50%	6,800.00	10.00% -12.00%	2,998.54	11.15% - 11.85%	500.00
Floating:^		**7,000.00**		**7,000.00**		**5,000.00**
More than 5 years	-	-	-	-	-	-
3-5 Years	-	-	-	-	8.60%	5,000.00
1-3 Years	8.87%	5,000.00	8.07% - 8.60%	7,000.00	-	-
Less than 1 year	8.15% -8.44%	2,000.00	-	-	-	-
Zero Coupon:		**3,933.39**		**3,561.00**		**7,143.00**
More than 5 years	-	-	-	-	-	-
3-5 Years	9.60%	494.23	8.75%	100.00	8.85% - 9.30%	1,613.00
1-3 Years	8.75% - 9.30%	3,044.16	8.85% - 9.30%	1,830.00	8.85% - 10.70%	2,451.00
Less than 1 year	8.85% - 9.30%	395.00	9.00% - 10.50%	1,631.00	9.00% - 11.10%	3,079.00
Commercial Papers		**34,950.00**		**67,000.00**		**29,550.00**
Less than 1 year	8.90% - 9.10%	34,950.00	7.40% - 8.15%	67,000.00	7.00% - 8.00%	29,550.00
TOTAL		**72,560.31**		**93,859.54**		**61,538.74**

^The floating rate Non Convertible Debentures are linked with Government securities / Treasury Bills interest rates plus applicable spread.

Note 17.2 - Non Convertible Debentures - instrument wise details

(₹ in millions)

Description of security	Coupon/ Yield	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Zero Coupon Secured Redeemable Non Convertible Debentures. Series A3 Option Ii. Date of Maturity 03/04/2017	10.10%	-	-	200.00
Zero Coupon Secured Redeemable Non Convertible Debentures. Series 9. Date of Maturity 03/04/2017	10.70%	-	-	180.00
11.15% Secured Redeemable Non Convertible Debentures. Option II. Date of Maturity 04/04/2017	11.15%	-	-	150.00
Nifty 50 Index Linked Secured Redeemable Non Convertible Market Linked Debentures. Series I-043 Type I. Date of Maturity 18/04/2017	9.75%	-	-	50.00
Zero Coupon Secured Redeemable Non Convertible Debentures. Option I. Date of Maturity 24/04/2017	11.00%	-	-	250.00
11.85% Secured Redeemable Non Convertible Debentures. Date of Maturity 29/04/2017	11.85%	-	-	350.00
Market Linked Secured Redeemable Non Convertible Market Linked Debentures. Series I-045 Date of Maturity 15/05/2017	9.80%	-	-	250.00
Zero Coupon Secured Redeemable Non Convertible Debentures. Series A3 Option Iii. Date of Maturity 16/06/2017	10.10%	-	-	50.00
Zero Coupon Secured Redeemable Non Convertible Debentures. Option I. Date of Maturity 20/06/2017	11.10%	-	-	200.00
Nifty 50 Index Linked Secured Redeemable Non Convertible Market Linked Debentures. Series I-044 Type I. Date of Maturity 23/06/2017	9.75%	-	-	21.00
Zero Coupon Secured Redeemable Non Convertible Debentures. Option II. Date of Maturity 03/07/2017	11.00%	-	-	120.00
Zero Coupon Secured Redeemable Non Convertible Debentures. Option I. Date of Maturity 16/08/2017	10.90%	-	-	180.00
Zero Coupon Secured Redeemable Non Convertible Debentures. Option II. Date of Maturity 31/08/2017	10.90%	-	-	170.00
Zero Coupon Secured Redeemable Non Convertible Debentures. Series 3. Option I. Date of Maturity 21/09/2017	10.90%	-	-	65.00
Zero Coupon Secured Redeemable Non Convertible Debentures. Series 3. Option I. Date of Maturity 3/10/2017	10.90%	-	-	39.00
9.52% Secured Redeemable Non-Convertible Debentures. Series A09. Date of Maturity 6/10/2017	9.52%	-	-	100.00
Zero Coupon Secured Redeemable Non Convertible Debentures. Series 3. Option I. Date of Maturity 11/10/2017	10.90%	-	-	91.00
Zero Coupon Secured Redeemable Non Convertible Debentures. Series 4. Option 1. Date of Maturity 02/11/2017	10.90%	-	-	40.00
Zero Coupon Secured Redeemable Non Convertible Debentures. Series 4. Option 2. Date of Maturity 20/11/2017	10.90%	-	-	610.00
Zero Coupon Secured Redeemable Non Convertible Debentures. Series 5 Option 1. Date of Maturity 06/12/2017	10.70%	-	-	40.00
Zero Coupon Secured Redeemable Non Convertible Debentures. Series 5. Option 2. Date of Maturity 18/12/2017	10.70%	-	-	60.00
Zero Coupon Secured Redeemable Non Convertible Debentures. Series 7 Option I. Date of Maturity 09/01/2018	10.70%	-	-	30.00
Zero Coupon Secured Redeemable Non Convertible Debentures. Series 7. Option Ii. Date of Maturity 23/01/2018	10.70%	-	-	34.00
Market Linked Secured Redeemable Non Convertible Market Linked Debentures. Series II-039 Type I. Date of Maturity 29/01/2018	9.00%	-	-	17.00
Market Linked Secured Redeemable Non Convertible Market Linked Debentures. Series Mld/1-40. Date of Maturity 02/02/2018	9.00%	-	-	15.00
Nifty 50 Index Linked Secured Redeemable Non Convertible Market Linked Debentures. Series I-044 Type Ii. Date of Maturity 07/02/2018	9.75%	-	-	25.00
Nifty 50 Index Linked Secured Redeemable Non Convertible Market Linked Debentures. Series I-044 Type Iii. Date of Maturity 07/02/2018	9.75%	-	-	12.00
Market Linked Secured Redeemable Non Convertible Market Linked Debentures. Series I-041 Type I. Date of Maturity 12/02/2018	9.00%	-	-	35.00
Market Linked Secured Redeemable Non Convertible Market Linked Debentures. Series I-041 Type Iii. Date of Maturity 12/02/2018	9.00%	-	-	50.00
Market Linked Secured Redeemable Non Convertible Market Linked Debentures. Series I-042 Type I. Date of Maturity 27/02/2018	9.00%	-	-	25.00
Cnx Nifty Index Linked Secured Redeemable Non Convertible Debentures. Date of Maturity 19/03/2018	10.60%	-	-	120.00
Zero Coupon Secured Redeemable Non Convertible Debentures. Series 7. Option Iii. Date of Maturity 02/04/2018	10.70%	-	-	62.00
Zero Coupon Secured Redeemable Non Convertible Debentures. Series 8. Option I. Date of Maturity 02/04/2018	10.50%	-	-	33.00
Zero Coupon Secured Redeemable Non Convertible Debentures. Series A1 Option I. Date of Maturity 02/04/2018	10.50%	-	-	330.00
Zero Coupon Secured Redeemable Non Convertible Debentures. Series 8. Option Ii. Date of Maturity 10/04/2018	10.50%	-	67.00	67.00
Zero Coupon Secured Redeemable Non Convertible Debentures. Series A1 Option Ii. Date of Maturity 17/04/2018	10.50%	-	142.00	142.00
Equity Linked Non Convertible Debentures - Series 046 Date of Maturity 25/04/2018	9.35%	-	250.00	250.00
Zero Coupon Secured Redeemable Non-Convertible Debentures. Series A10. Date of Maturity 30/04/2018	9.40%	-	-	175.00

Note 17.2 - Non Convertible Debentures - instrument wise details

(₹ in millions)

Description of security	Coupon/ Yield	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Zero Coupon Secured Redeemable Non Convertible Debentures. Series A1 Option Iii. Date of Maturity 08/05/2018	10.50%	-	40.00	40.00
10% Secured Redeemable Non Convertible Debentures. Date of Maturity 24/05/2018	10.00%	-	100.00	100.00
Zero Coupon Secured Redeemable Non Convertible Debentures. Series A2 Option I. Date of Maturity 24/05/2018	10.35%	-	175.00	175.00
10.45% Secured Redeemable Non Convertible Debentures. Series 6. Date of Maturity 31/05/2018	10.45%	-	96.00	1,050.00
Zero Coupon Secured Redeemable Non Convertible Debentures. Series A2 Option Ii. Date of Maturity 31/05/2018	10.35%	-	35.00	35.00
10.55% Secured Redeemable Non Convertible Debentures. Date of Maturity 11/06/2018	10.55%	-	100.00	100.00
Zero Coupon Secured Redeemable Non Convertible Debentures. Series A4 Option Ii. Date of Maturity 13/07/2018	10.10%	-	70.00	70.00
Zero Coupon Secured Redeemable Non Convertible Debentures. Series A4 Option Ii. Date of Maturity 13/07/2018	10.10%	-	100.00	100.00
Zero Coupon Secured Redeemable Non Convertible Debentures. Series A4 Option I. Date of Maturity 09/08/2018	10.10%	-	250.00	250.00
Zero Coupon Secured Redeemable Non Convertible Debentures. Series A5 Option Ii. Date of Maturity 13/09/2018	9.80%	-	60.00	60.00
9.20 % Redeemable Non Convertible Debentures Date of Maturity 18/09/2018	9.20%	-	-	2,000.00
9.30% Secured Redeemable Non-Convertible Debentures. Series A11. Date of Maturity 20/09/2018	9.30%	-	-	5,000.00
12% Secured Redeemable Non Convertible Debentures. Option III. Date of Maturity 30/09/2018	12.00%	-	2,352.64	2,688.02
12% Secured Redeemable Non Convertible Debentures. Option IV. Date of Maturity 30/09/2018	12.00%	-	249.90	257.72
Zero Coupon Secured Redeemable Non Convertible Debentures. Series A5 Option I. Date of Maturity 03/10/2018	9.80%	-	130.00	130.00
Zero Coupon Secured Redeemable Non Convertible Debentures. Series A5 Option Iii. Date of Maturity 17/10/2018	9.80%	-	30.00	30.00
Zero Coupon Secured Redeemable Non Convertible Debentures. Series A6 Option I. Date of Maturity 25/10/2018	9.80%	-	30.00	30.00
Zero Coupon Secured Redeemable Non Convertible Debentures. Series A6 Option Ii. Date of Maturity 08/11/2018	9.80%	-	30.00	30.00
Zero Coupon Secured Redeemable Non Convertible Debentures. Series A6 Option Iii. Date of Maturity 27/11/2018	9.80%	-	60.00	60.00
Zero Coupon Secured Redeemable Non Convertible Series A8 Option I. Date of Maturity 12/12/2018	9.80%	-	34.00	34.00
Zero Coupon Secured Redeemable Non Convertible Series A8 Option Ii. Date of Maturity 26/12/2018	9.80%	-	34.00	34.00
Zero Coupon Secured Redeemable Non Convertible Series A8 Option Iii. Date of Maturity 16/01/2019	9.80%	-	44.00	44.00
Nifty 50 Index Linked Secured Redeemable Non Convertible Market Linked Debentures. Series I-043 Type Ii. Date of Maturity 18/01/2019	9.00%	-	50.00	50.00
11% Secured Redeemable Non Convertible Debentures. Date of Maturity 06/03/2019	11.00%	-	100.00	100.00
9.30 % Redeemable Non Convertible Debentures Date of Maturity 5/04/2019	9.30%	2,000.00	2,000.00	2,000.00
Secured Redeemable Non-Convertible Debentures. Series C7. Date of Maturity 21/05/2019	8.15%	1,000.00	1,000.00	-
Secured Redeemable Non-Convertible Debentures. Date of Maturity 06/06/2019	7.75%	1,500.00	1,500.00	-
Secured Redeemable Non-Convertible Debentures. Series C9. Date of Maturity 05/07/2019	8.44%	1,000.00	1,000.00	-
Secured Redeemable Non-Convertible Debentures. Series C5. Date of Maturity 26/08/2019	7.85%	1,250.00	1,250.00	-
Zero Coupon Non Convertible Debentures with Maturity Date of 12/09/2019	9.30%	65.00	65.00	65.00
Zero Coupon Non Convertible Debentures With Maturity Date of 24/09/2019	9.30%	105.00	105.00	105.00
9.20 % Redeemable Non Convertible Debentures Date of Maturity 4/11/2019	9.20%	300.00	300.00	300.00
Zero Coupon Non Convertible Debentures with Maturity Date of 12/11/2019	8.85%	50.00	50.00	50.00
9.50% Secured Rated Listed Redeemable Non Convertible Debentures. Series E1. Date of Maturity 31/12/2019	9.50%	1,750.00	-	-
G-Sec Index Principal Protected Market Linked Listed Secured Redeemable Non Convertible Debentures. Series C-13. Date of Maturity 10/01/2020	9.00%	175.00	-	-
Zero Coupon Non Convertible Debentures with Maturity Date of 07/04/2020	8.85%	110.00	110.00	110.00
Zero Coupon Secured Redeemable Non-Convertible Debentures. Series A11. Date of Maturity 20/04/2020	9.30%	1,500.00	1,500.00	1,500.00
10 Year G-Sec Rate Linked Secured Listed Rated Redeemable Non Convertible Debentures. Series C11. Date of Maturity 21/04/2020	8.75%	500.00	-	-
10 Year G-Sec Rate Linked Secured Listed Rated Redeemable Non Convertible Debentures. Series C12. Date of Maturity 27/04/2020	9.00%	574.16	-	-
Secured Redeemable Non Convertible Debentures. Date of Maturity 30/04/2020	8.87%	5,000.00	5,000.00	5,000.00
9.98% Secured Listed Rated Redeemable Non Convertible Debentures. Series C14 Option Ii. Date of Maturity 28/09/2020	9.98%	1,000.00	-	-
10.20% Secured Redeemable Non Convertible Debentures. Date of Maturity 03/11/2020	10.20%	2,875.00	2,875.00	2,875.00
Secured Redeemable Non-Convertible Debentures. Series C6. Date of Maturity 29/04/2021	8.00%	2,500.00	2,500.00	-

Note 17.2 - Non Convertible Debentures - instrument wise details

(₹ in millions)

Description of security	Coupon/ Yield	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Secured Redeemable Non-Convertible Debentures. Series C8. Date of Maturity 30/04/2021	8.75%	100.00	100.00	-
Zero Coupon Secured Listed Rated Redeemable Non Convertible Debentures. Series C10. Date of Maturity 25/05/2021	9.25%	260.00	-	-
10.20% Secured Redeemable Non Convertible Debentures. Date of Maturity 03/11/2021	10.20%	2,875.00	2,875.00	2,875.00
Market Linked Secured Redeemable Non Convertible Market Linked Debentures. Series I-041 Type Ii. Date of Maturity 10/02/2022	9.00%	-	-	3.00
9.50% Secured Rated Listed Redeemable Non Convertible Debenture. Series I. Maturity Date - 07/05/2022	9.50%	2,605.00	-	-
9.60% Secured Rated Listed Redeemable Non Convertible Debenture. Series I. Maturity Date - 07/05/2022	9.60%	389.15	-	-
Zero Coupon Secured Rated Listed Redeemable Non Convertible Debenture. Series II - Category II,III & IV. : Maturity Date - 07/05/2022	9.60%	494.23	-	-
9.75% Secured Rated Listed Redeemable Non Convertible Debenture. Series Iii. Maturity Date - 07/02/2024	9.75%	6,368.09	-	-
10.20% Secured Rated Listed Redeemable Non Convertible Debenture. Series Iv. Maturity Date - 07/02/2024	10.20%	1,264.68	-	-
TOTAL		37,610.31	26,859.54	31,988.74

Note 18. Borrowings (Other than Debt securities)

(₹ in millions)

Particulars	At Amortised Cost		
	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(A)			
(a) Term loan from banks (secured) (refer note (a) & 18.1 below)	37,676.83	29,568.58	30,341.24
Less : Prepaid expenses	(66.19)	(13.62)	(40.15)
(b) Other loans (refer note 18.2 below)	-	-	-
(i) Cash credit/ overdraft (secured) (refer note (a) below)	7,512.78	7,545.41	6,332.02
(ii) CBLO (secured) (refer note (b) below)	-	5,550.00	8,400.00
Less : Unexpired discount on CBLO	-	(2.14)	(2.51)
(iii) Securitisation liability	4,474.06	7,887.52	8,193.83
Less : Prepaid expenses	(3.34)	-	-
Total (A)	49,594.14	50,535.75	53,224.43
(B)			
Borrowings in India	49,594.14	50,535.75	53,224.43
Borrowings outside India	-	-	-
Total (B) to tally with (A)	49,594.14	50,535.75	53,224.43

Notes:

(a) These term loans are secured by way of a first pari-passu charge over the current assets in the form of receivables, book debts, bills, outstanding monies receivables including future movable assets, other than those specifically charged. Out of the total loans from banks, loans amounting to ₹ 4,714.22 million (March 31 2018: ₹ 10,599.63 million and April 01, 2017: ₹22,025.65 million) are guaranteed by Holding Company - IIFL Holdings Limited.

(b) Borrowings under CBLO are secured against government securities of face value NIL (March 31 2018: ₹ 5,700 million, April 01, 2017: ₹ 8,550 million).

Note 18. 1 - Terms of repayment of term loans

(₹ in millions)

Residual Maturity	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	Rate of Interest/ Yield	Amount	Rate of Interest/ Yield	Amount	Rate of Interest/ Yield	Amount
Floating:						
More than 5 years	-	-	8.05%	500.00	-	-
3 - 5 Years	8.40% - 10.25%	6,687.34	7.90% to 8.20%	6,833.33	8.30% to 8.80%	6,116.68
1 - 3 Years	8.40% - 10.80%	16,165.57	7.68% to 8.60%	12,445.67	8.15% to 9.60%	15,211.65
Less than 1 year	8.40% - 10.80%	14,823.92	7.68% - 8.65%	9,789.58	8.15% to 9.60%	9,012.91
Total		37,676.83		29,568.58		30,341.24

The rate of interest for the above term loans is linked to marginal cost of funds based lending rate/ treasury bills plus applicable spread. The above categorisation of loans has been based on the interest rates prevalent as on the respective reporting dates.

Note 18. 2 - Terms of repayment of other loans

(₹ in millions)

Residual Maturity	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	Rate of Interest/ Yield	Amount	Rate of Interest/ Yield	Amount	Rate of Interest/ Yield	Amount
Floating:						
Cash credit/ overdraft : Less than 1 year **	8.40% - 10.95%	7,512.78	7.50% - 10.55%	7,545.41	8.65% - 11.70%	6,332.02
Fixed:		-		-		-
CBLO : Less than 1 year	-	-	7.05%	5,550.00	5.45%	8,400.00
Securitisation liability		-		-		-
Fixed:		4,363.35		7,707.10		7,909.04
More than 5 years	-	-	-	-	-	-
3- 5 Years	10.10%	0.48	6.75%-7.80%	105.41	7.25%-8.65%	120.36
1-3 Years	10.10%	2,467.38	6.75%-8.85%	3,477.61	7.25%-9.25%	3,697.74
Less than 1 year	10.10%	1,895.49	6.75%-8.85%	4,124.08	7.25%-9.25%	4,090.94
Floating:***		110.71		180.42		284.79
More than 5 years	7.20%	57.10	7.10%	99.34	7.50%	167.80
3- 5 Years	7.20%	24.34	7.10%	34.10	7.50%	45.40
1-3 Years	7.20%	20.25	7.10%	26.03	7.50%	39.20
Less than 1 year	7.20%	9.02	7.10%	20.95	7.50%	32.39
Total		11,986.84		20,982.93		22,925.85

**The rate of interest for the above loans is linked to marginal cost of funds based lending rate/ fixed deposits plus applicable spread. The above categorisation of loans has been based on the interest rates prevalent as on the respective reporting dates.

***The rate of interest for the above loans is linked to base rate of Bank plus applicable spread. The above categorisation of loans has been based on the interest rates prevalent as on the respective reporting dates.

Note 19. Subordinated liabilities

(₹ in millions)

Particulars	At Amortised Cost As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(A)			
Preference Shares (other than those that qualify as Equity)	-	-	750.00
Non Convertible Debentures (unsecured)	8,644.63	9,434.17	8,446.09
Less: Unamortised debenture issue expenses	(44.31)	(20.51)	(24.35)
Total (A)	**8,600.32**	**9,413.66**	**9,171.74**
(B)			
Subordinated liabilities in India	8,600.32	9,413.66	9,171.74
Subordinated liabilities outside India	-	-	-
Total (B) to tally with (A)	**8,600.32**	**9,413.66**	**9,171.74**

Note 19.1 - Terms of repayment

(₹ in millions)

Residual Maturity	As at March 31, 2019 Rate of Interest / Yield	Amount	As at March 31, 2018 Rate of Interest / Yield	Amount	As at April 01, 2017 Rate of Interest / Yield	Amount
Non Convertible Debenture (unsecured)						
Fixed		**8,144.63**		**8,981.31**		**7,995.00**
More than 5 years	8.70% - 10.50%	4,714.63	8.70% -12.10%	1,100.00	12.10% - 12.20%	530.00
3- 5 Years	12.10% - 12.20%	530.00	10.50% -12.20%	780.00	10.50% - 11.25%	2,900.00
1-3 Years	10.50% -11.25%	2,900.00	10.75% -11.25%	2,550.00	12.25% - 12.75%	4,553.07
Less than 1 year	-	-	12.75%	4,551.31	12.25%	11.93
Zero Coupon		**500.00**		**452.86**		**451.09**
More than 5 years	9.35%	500.00	-	-	-	-
1-3 Years	-	-	-	-	12.75%	451.09
Less than 1 year	-	-	12.25% - 12.75%	452.86	-	-
Total		**8,644.63**		**9,434.17**		**8,446.09**
Preference Shares (other than those that qualify as Equity)*	-	-	-	-	8.00%	**750.00**

*These preference shares have been redeemed during the year ended March 31, 2018. They had seniority over equity shareholders with respect to payment of capital and dividend. It had dividend rate of 8% p.a. and no cumulative right with respect to payment of dividend.

Note 19.2 - Non Convertible Debentures - instrument wise details

(₹ in millions)

Description of security	Coupon/ Yield	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
12.25% Non-Convertible Debentures Date of Maturity 23/01/2018 (SBDB I – 6 Years)	12.25%	-	-	3.76
12.25% Non-Convertible Debentures Date of Maturity 7/02/2018 (SBDB II – 6 Years)	12.25%	-	-	2.54
12.25% Non-Convertible Debentures Date of Maturity 1/03/2018 (SBDB III – 6 Years)	12.25%	-	-	2.41
12.25% Non-Convertible Debentures Date of Maturity 04/04/2018 (SBDB VI – 6 Years)	12.25%	-	1.77	1.77
12.75% Unsecured Redeemable Non Convertible Debentures. Option I. Date of Maturity 17/09/2018	12.75%	-	3,948.53	3,948.51
12.75% Unsecured Redeemable Non Convertible Debentures. Option Ii. Date of Maturity 17/09/2018	12.75%	-	600.38	600.38
Zero Coupon Unsecured Redeemable Non Convertible Debentures. Option Iii. Date of Maturity 17/09/2018	12.75%	-	451.09	451.09
12.75% Non-Convertible Debentures Date of Maturity 18/01/2019 (SBMIB I – 7 Years)	12.75%	-	1.16	1.16
12.75% Non-Convertible Debentures Date of Maturity 07/02/2019 (SBMIB II – 7 Years)	12.75%	-	0.03	0.03
12.75% Non-Convertible Debentures Date of Maturity 07/02/2019(SBMIB III – 7 Years)	12.75%	-	0.25	0.25
12.75% Non-Convertible Debentures Date of Maturity 23/02/2019(SBMIB IV – 7 Years)	12.75%	-	0.47	0.47
12.75% Non-Convertible Debentures Date of Maturity 02/03/2019(SBMIB V – 7 Years)	12.75%	-	0.09	0.09
12.75% Non-Convertible Debentures Date of Maturity 30/03/2019 (SBMIB VII - 7 Years)	12.75%	-	0.35	0.35
12.75% Non-Convertible Debentures Date of Maturity 30/03/2019 (SBMIB VI – 7 Years)	12.75%	-	0.05	0.05
12.25% Non-Convertible Debentures Date of Maturity 30/03/2018 (SBDB IV – 6 Years)	12.25%	-	-	1.44
12.25% Non-Convertible Debentures Date of Maturity 30/03/2019 (SBDB V – 6 Years)	12.25%	-	-	1.79
10.75% Unsecured Redeemable Non Convertible Debentures. Date of Maturity 30/04/2020	10.75%	450.00	450.00	450.00
10.75% Unsecured Redeemable Non Convertible Subordinated Debentures In The Nature of Tier Ii Capital. Date of Maturity 03/06/2020	10.75%	100.00	100.00	100.00
11.25% Unsecured Redeemable Non Convertible Debentures. Date of Maturity 05/09/2020	11.25%	2,000.00	2,000.00	2,000.00
10.75% Unsecured Redeemable Non Convertible Debentures. Series U01. Date of Maturity 10/09/2021	10.75%	200.00	200.00	200.00
10.50% Unsecured Redeemable Non Convertible Debentures. Series U02. Date of Maturity 16/09/2021	10.50%	150.00	150.00	150.00
12.15% Unsecured Redeemable Non-Convertible Debenture. Date of Maturity 30/08/2022	12.15%	200.00	200.00	200.00
12.2% Unsecured Redeemable Subordinated Taxable Non Convertible Debentures. Date of Maturity 04/11/2022	12.20%	230.00	230.00	230.00
12.10% Unsecured Redeemable Non Convertible Debentures. Series 1.Date of Maturity 24/05/2023	12.10%	100.00	100.00	100.00
Unsecured Redeemable Non-Convertible Subordinated Debentures – Series U03. Date of Maturity 19/11/2027	8.70%	1,000.00	1,000.00	-
9% India Infoline (Regs) 18-2028_Rupee Denominated Bond. Maturity Date - 28/06/2028	9.00%	3,250.00	-	-
Unsecured Rated Listed Redeemable Non Convertible Subordinated Debentures Iifl MLD-2028. Series U04. Date of Maturity 25/08/2028	9.35%	500.00	-	-
10% Unsecured Rated Listed Redeemable Non Convertible Debenture. Series V. Maturity Date - 07/02/2029	10.00%	310.15	-	-
10.50% Unsecured Rated Listed Redeemable Non Convertible Debenture. Series VI. Maturity Date - 07/02/2029	10.50%	154.48	-	-
TOTAL		8,644.63	9,434.17	8,446.09

Note 20. Other financial liabilities

(₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Interest accrued but not due on borrowings	2,171.29	2,002.81	2,505.48
Temporary overdrawn bank balances	120.93	3,305.19	1,317.57
Payable on account of assignment	7,969.42	33.47	333.88
Other payables (auction proceeds, retention payable, unclaimed NCD amount, etc.) (refer note 20.1 below)	63.69	79.44	251.38
Payable to Group companies/ subsidiary	58.44	-	6.15
Gratuity payable (refer note 30.2)	3.55	3.18	4.39
Total	**10,387.32**	**5,424.09**	**4,418.85**

Note 20.1 During the year, amount of ₹ 0.10 million (March 31, 2018: NIL, April 01, 2017: NIL) was transferred to Investor Education and Protection Fund. Also, amount of ₹ 1.12 million (March 31, 2018: NIL, April 01, 2017: NIL) was due for transfer on March 31, 2019 and the said amount was transferred within 30 days of becoming due.

Note 21. Provisions

(₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Provision for bonus	135.72	92.21	50.96
Provision for leave encashment	58.73	40.22	24.54
Dividend payable (including dividend distribution tax)	-	-	72.24
Total	**194.45**	**132.43**	**147.74**

Note 22. Other non-financial liabilities

(₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Advances from customers	437.95	805.88	1,585.04
Statutory remittances	-	59.06	41.90
Total	**437.95**	**864.94**	**1,626.94**

Note 23: Equity Share Capital

(i) Authorised, Issued, Subscribed and Paid-up Share Capital

(₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Authorised Share Capital			
300,000,000 Equity Shares (March 31, 2018 and April 01, 2017: 300,000,000) of ₹ 10 each	3,000.00	3,000.00	3,000.00
1,999,600 Equity Shares (March 31, 2018 and April 01, 2017: 1,999,600) of ₹100 each	199.96	199.96	199.96
400 Preference Shares (March 31, 2018 and April 01, 2017: 400) of ₹ 100 each	0.04	0.04	0.04
575,000,000 Preference Shares (March 31, 2018 and April 01, 2017: 575,000,000) of ₹ 10 each	5,750.00	5,750.00	5,750.00
Total	8,950.00	8,950.00	8,950.00
Issued, Subscribed and Paid-up Share Capital			
280,920,097 Equity Shares (March 31, 2018 : 280,742,031 and April 01, 2017: 23,71,65,102) of ₹ 10 each fully paid with voting rights	2,809.20	2,807.42	2,371.65
Total	2,809.20	2,807.42	2,371.65

(ii) Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	₹ in millions	No. of Shares	₹ in millions
Equity Shares				
At the beginning of the year	280,742,031	2,807.42	237,165,102	2,371.65
Add: Issued during the year	-	-	-	-
Add: Stock options exercised under employee stock option plan	178,066	1.78	242,520	2.43
Add: Compulsorily convertible preference shares converted during the year	-	-	43,334,409	433.34
Outstanding at the end of the year	280,920,097	2,809.20	280,742,031	2,807.42

(iii) Rights attached to equity shares

The Company has issued only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. During the year ended March 31, 2019, equity shareholders were paid an interim dividend of ₹ 3/- (March 31, 2018 ₹ 2.75) per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. However, no such preferential amount exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iv) Shares held by Holding Company

Name of the shareholder	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	No. of Shares	% Holdings	No. of Shares	% Holdings	No. of Shares	% Holdings
IIFL Holdings Limited and its nominees	237,396,476	84.51%	237,345,270	84.54%	237,154,030	99.99%

(v) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	No. of Shares	% Holdings	No. of Shares	% Holdings	No. of Shares	% Holdings
Equity shares of ₹ 10 each fully paid up						
IIFL Holdings Limited and its nominees	237,396,476	84.51%	237,345,270	84.54%	237,154,030	99.99%
CDC Group PLC	43,334,509	15.43%	43,334,509	15.44%	-	-
Preference shares of ₹ 10 each						
CDC Group PLC					43,334,409	100%

(vi) During the period of five years immediately preceding the Balance Sheet date, the Company has not issued any shares without payment being received in cash or by way of bonus shares or shares bought back.

(vii) Shares reserved for issue under options and contracts/ commitments for sale of shares/ disinvestments, including the terms and amount: Refer note 38 for details of shares reserved for issue under Employee Stock Option Plan of the Company.

Note 23.1: Other Equity

(₹ in millions)

Particulars	Compulsory Convertible preference shares	Reserves & Surplus							Total
		Securities Premium	General Reserve	Special Reserve Pursuant to Section 45 IC of Reserve Bank of India Act, 1934	Capital Redemption Reserve	Debenture Redemption Reserve	Retained Earnings	Stock Compensation Reserve	
Balance as at April 01, 2017	433.34	18,265.21	463.00	3,158.50	1,500.00	3,507.40	1,016.42	7.79	28,351.66
Profit for the year	-	-	-	-	-	-	2,259.93	-	2,259.93
Interim dividend	-	-	-	-	-	-	(652.79)	-	(652.79)
Dividend distribution tax on interim dividend	-	-	-	-	-	-	(132.89)	-	(132.89)
Preference dividend	-	-	-	-	-	-	(119.21)	-	(119.21)
Dividend distribution tax on preference dividend	-	-	-	-	-	-	(24.27)	-	(24.27)
Transfer to/ from other reserves	-	3.65	-	710.00	750.00	-	(1,460.00)	(3.65)	-
Compulsorily convertible preference shares converted during the year	(433.34)	-	-	-	-	-	-	-	(433.34)
Addition during the year	-	19.07	-	-	-	338.30	(338.30)	15.22	34.29
Balance as at March 31, 2018	-	18,287.93	463.00	3,868.50	2,250.00	3,845.70	548.89	19.36	29,283.38
Profit for the year	-	-	-	-	-	-	3,849.52	-	3,849.52
Interim dividend	-	-	-	-	-	-	(842.46)	-	(842.46)
Dividend distribution tax on interim dividend	-	-	-	-	-	-	(164.55)	-	(164.55)
Transfer to/ from other reserves	-	3.92	4,007.65	769.00	-	(4,007.65)	(769.00)	(3.92)	-
Addition during the year	-	19.99	-	-	-	258.95	(258.95)	56.12	76.11
Balance as at March 31, 2019	-	18,311.84	4,470.65	4,637.50	2,250.00	97.00	2,363.45	71.56	32,202.00

(₹ in millions)

Note 24.1 Interest income

Particulars	FY 2018-19				FY 2017-18			
	On financial assets measured at amortised cost	On financial assets classified at fair value through profit or loss	On financial assets classified at fair value through OCI	Total	On financial assets measured at amortised cost	On financial assets classified at fair value through profit or loss	On financial assets classified at fair value through OCI	Total
Interest on loans	23,530.45	-	3,438.14	26,968.59	20,381.44	-	1,819.91	22,201.35
Interest on investments	-	505.03	-	505.03	-	718.95	-	718.95
Interest on deposits with banks	645.30	-	-	645.30	575.93	-	-	575.93
Other income	4.72	-	-	4.72	168.77	-	-	168.77
Total	24,180.47	505.03	3,438.14	28,123.64	21,126.14	718.95	1,819.91	23,665.00

Note 24.2 Dividend income

The Company received dividend income amounting to ₹ 47.94 million (P.Y ₹ 4.91 million). Dividend received from subsidiary company amounts to ₹41.94 million (P.Y Nil)

Note 25. Net gain/ (loss) on fair value changes

(₹ in millions)

Particulars	FY 2018-19	FY 2017-18
Net gain/ (loss) on financial instruments at fair value through profit or loss		
On trading portfolio		
- Investments	(166.00)	635.82
Total net gain/(loss) on fair value changes	**(166.00)**	**635.82**
Fair value changes		
- Realised	(169.02)	1,005.25
- Unrealised	3.02	(369.43)
Total net gain/(loss) on fair value changes	**(166.00)**	**635.82**

Note 26. Other income

(₹ in millions)

Particulars	FY 2018-19	FY 2017-18
Interest on income tax refund	-	10.03
Miscellaneous income	92.57	50.15
Profit on sale of fixed assets	-	0.75
Total	92.57	60.93

Note 27. Finance costs

(₹ in millions)

Particulars	On Financial liabilities measured at Amortised Cost	
	FY 2018-19	FY 2017-18
Interest on debt securities	7,909.60	7,297.85
Interest on borrowings	4,505.43	4,130.37
Interest on subordinated liabilites	1,077.19	1,150.21
Other borrowing cost *	159.59	197.40
Total	13,651.81	12,775.83

* Includes foreign currency expenses amounting to ₹ 22.28 million (P.Y Nil)

Note 28. Net (gain)/ loss on derecognition of financial instruments under amortised cost category

(₹ in millions)

Particulars	FY 2018-19	FY 2017-18
Interest strip on assignment of loans	(296.10)	18.04
Bad debts written off (net)	3,246.66	2,167.44
Total	2,950.56	2,185.48

Note 29. Impairment on financial instruments

(₹ in millions)

Particulars	FY 2018-19			FY 2017-18		
	On financial liabilities measured at amortised cost	On financial assets classified at fair value through OCI	Total	On financial liabilities measured at amortised cost	On financial assets classified at fair value through OCI	Total
Loans	38.61	(54.18)	(15.57)	1,569.58	163.44	1,733.02
Other financial assets	25.72	-	25.72	4.92	-	4.92
Total	64.33	(54.18)	10.15	1,574.50	163.44	1,737.94

Note 30. Employee benefit expenses

(₹ in millions)

Particulars	FY 2018-19	FY 2017-18
Salaries	3,649.71	2,561.21
Contribution to provident and other funds (refer note 30.1 below)	183.68	123.94
Leave encashment	47.88	26.05
Gratuity (refer note 30.2 below)	20.06	16.17
Staff welfare expenses	148.73	92.65
Share based payments	31.00	7.24
Total	**4,081.06**	**2,827.26**

30.1 Defined contribution plans

(₹ in millions)

The Company has recognised the following amounts as an expense and included in the Employee benefit expenses

Particulars	FY 2018-19	FY 2017-18
Contribution to Provident fund	56.07	36.56
Contribution to Employee State Insurance Corporation	43.21	31.37
Contribution to Labour welfare fund	0.29	0.19
Company contribution to employee pension scheme	84.11	55.82
Total	**183.68**	**123.94**

30.2 Gratuity disclosure statement

Particulars	FY 2018-19	FY 2017-18
Type of benefit	Gratuity	Gratuity
Country	India	India
Reporting currency	INR	INR
Reporting standard	Indian Accounting Standard 19 (Ind AS 19)	Indian Accounting Standard 19 (Ind AS 19)
Funding status	Funded	Funded
Starting period	01-Apr-18	01-Apr-17
Date of reporting	31-Mar-19	31-Mar-18
Period of reporting	12 Months	12 Months

Assumptions (current year)		
Expected return on plan assets	7.64%	7.80%
Rate of discounting	7.64%	7.80%
Rate of salary increase	6.00%	8.00%
Rate of employee turnover	For service 4 years and below 31% p.a. & thereafter 2% p.a.	For service 4 years and below 35% p.a. & thereafter 2% p.a.
Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Mortality rate after employment	N.A.	N.A.

Assumptions (previous year)		
Expected return on plan assets	7.80%	6.81%
Rate of discounting	7.80%	6.81%
Rate of salary increase	8.00%	5.00%
Rate of employee turnover	For service 4 years and below 35% p.a. & thereafter 2% p.a.	For service 4 years and below 25% p.a. & thereafter 10% p.a
Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Mortality rate after employment	N.A.	N.A.

(₹ in millions)

Table showing change in the present value of projected benefit obligation	FY 2018-19	FY 2017-18
Present value of benefit obligation at the beginning of the year	94.03	67.17
Interest cost	7.33	4.58
Current service cost	19.82	15.87
Past service cost	-	-
Liability transferred in/ acquisitions	1.29	2.59
(Liability transferred out/ divestments)	(0.38)	(1.62)
(Gains)/ losses on curtailment	-	-
(Liabilities extinguished on settlement)	-	-
(Benefit paid directly by the employer)	(0.29)	(0.02)
(Benefit paid from the fund)	(16.35)	(10.17)
The effect of changes in foreign exchange rates	-	-
Actuarial (gains)/losses on obligations - due to change in demographic assumptions	3.88	(18.32)
Actuarial (gains)/losses on obligations - due to change in financial assumptions	(27.33)	22.81
Actuarial (gains)/losses on obligations - due to experience	11.55	11.14
Present value of benefit obligation at the end of the year	93.55	94.03

(₹ in millions)

Table showing change in the Fair Value of Plan Assets	FY 2018-19	FY 2017-18
Fair value of plan assets at the beginning of the year	90.85	62.79
Interest income	7.09	4.28
Contributions by the employer	5.84	35.01
Expected contributions by the employees	-	-
Assets transferred in/ acquisitions	-	-
(Assets transferred out/ divestments)	-	-
(Benefit paid from the fund)	(16.35)	(10.17)
(Assets distributed on settlements)	-	-
Effects of asset ceiling	-	-
The effect of changes in foreign exchange rates	-	-
Return on plan assets, excluding interest income	2.57	(1.06)
Fair value of plan assets at the end of the year	90.00	90.85

(₹ in millions)

Amount recognised in the Balance Sheet	FY 2018-19	FY 2017-18
(Present value of benefit obligation at the end of the year)	(93.55)	(94.03)
Fair value of plan assets at the end of the year	90.00	90.85
Funded status (surplus/ (deficit))	(3.55)	(3.18)
Net (liability)/asset recognised in the Balance Sheet	(3.55)	(3.18)

(₹ in millions)

Net interest cost for current year	FY 2018-19	FY 2017-18
Present value of benefit obligation at the beginning of the year	94.03	67.17
(Fair value of plan assets at the beginning of the year)	(90.85)	(62.79)
Net liability/(asset) at the beginning	3.18	4.38
Interest cost	7.33	4.58
(Interest income)	(7.09)	(4.28)
Net interest cost for current year	0.24	0.30

(₹ in millions)

Expenses recognised in the Statement of Profit or Loss for current year	FY 2018-19	FY 2017-18
Current service cost	19.82	15.87
Net interest cost	0.24	0.29
Past service cost	-	-
(Expected contributions by the employees)	-	-
(Gains)/losses on curtailments and settlements	-	-
Net effect of changes in foreign exchange rates	-	-
Expenses recognised	20.06	16.17

(₹ in millions)

Expenses recognised in OCI for current year	FY 2018-19	FY 2017-18
Actuarial (gains)/ losses on obligation for the year	(11.90)	15.63
Return on plan assets, excluding interest income	(2.57)	1.06
Change in asset ceiling	-	-
Net (income)/ expense for the year recognised in OCI	(14.47)	16.69

(₹ in millions)

Balance Sheet reconciliation	FY 2018-19	FY 2017-18
Opening net liability	3.18	4.38
Expenses recognised in Statement of Profit or Loss	20.06	16.17
Expenses recognised in OCI	(14.47)	16.69
Net liability/(asset) transfer in	1.29	2.59
Net (liability)/asset transfer out	(0.38)	(1.62)
(Benefit paid directly by the employer)	(0.29)	(0.02)
(Employer's contribution)	(5.84)	(35.01)
Net liability/(asset) recognised in the Balance Sheet	3.55	3.18

(₹ in millions)

Category of Assets	FY 2018-19	FY 2017-18
Government of India Assets	-	-
State Government Securities	-	-
Special Deposits Scheme	-	-
Debt Instruments	-	-
Corporate Bonds	-	-
Cash And Cash Equivalents	-	-
Insurance fund	90.00	90.85
Asset-Backed Securities	-	-
Structured Debt	-	-
Other	-	-
Total	90.00	90.85

Information for major category of plan assets of gratuity fund is not available with the Company and hence not disclosed

(₹ in millions)

Other details	FY 2018-19	FY 2017-18
Prescribed contribution for next year (12 months)	24.13	22.99

(₹ in millions)

Net interest cost for next year	FY 2018-19	FY 2017-18
Present value of benefit obligation at the end of the year	93.55	94.03
(Fair value of plan assets at the end of the year)	(90.00)	(90.85)
Net liability/ (asset) at the end of the year	3.55	3.18
Interest cost	7.15	7.33
(Interest income)	(6.88)	(7.09)
Net interest cost for next year	0.27	0.24

(₹ in millions)

Expenses recognised in the Statement of Profit or Loss for next year	FY 2018-19	FY 2017-18
Current service cost	20.58	19.81
Net interest cost	0.27	0.25
(Expected contributions by the employees)	-	-
Expenses recognised	20.85	20.06

(₹ in millions)

Maturity analysis of the benefit payments: From the Fund	FY 2018-19	FY 2017-18
Projected benefits payable in future years from the date of reporting		
1st following year	7.22	6.42
2nd following year	2.38	1.88
3rd following year	2.70	2.15
4th following year	2.88	2.39
5th following year	3.11	2.75
Sum of years 6 To 10	24.72	20.54
Sum of years 11 and above	321.86	390.22

(₹ in millions)

Maturity analysis of the benefit payments: From the Employer	FY 2018-19	FY 2017-18
Projected benefits payable in future years from the date of reporting		
1st following year	-	-
2nd following year	-	-
3rd following year	-	-
4th following year	-	-
5th following year	-	-
Sum of years 6 To 10	-	-
Sum of years 11 and above	-	-

(₹ in millions)

Sensitivity analysis	FY 2018-19	FY 2017-18
Projected benefit obligation on current assumptions	93.55	94.03
Delta effect of +1% change in rate of discounting	(11.97)	(13.22)
Delta effect of -1% change in rate of discounting	14.72	16.44
Delta effect of +1% change in rate of salary increase	13.81	15.07
Delta effect of -1% change in rate of salary increase	(11.62)	(12.55)
Delta effect of +1% change in rate of employee turnover	2.11	(0.50)
Delta effect of -1% change in rate of employee turnover	(2.58)	0.50

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Notes

Actuarial gains/losses are recognised in the period of occurrence under Other Comprehensive Income (OCI). All above reported figures of OCI are gross of taxation.

Salary escalation & attrition rate are in line with the industry practice considering promotion and demand and supply of the employees.

Maturity analysis of benefit payments is undiscounted cashflows considering future salary, attrition & death in respective year for members as mentioned above.

Average Expected Future Service represents Estimated Term of Post - Employment Benefit Obligation.

Value of asset is considered as fair value of plan asset for the period of reporting.

Qualitative disclosures

Characteristics of defined benefit plan

The Company has a defined benefit gratuity plan in India (funded). The company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund.

The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

Risks associated with defined benefit plan

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

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

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

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

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

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

Characteristics of defined benefit plans

During the year, there were no plan amendments, curtailments and settlements.

A separate trust fund is created to manage the Gratuity plan.

Note: The above information is as provided by the Actuary, which has been relied upon by the auditors.

Note 31. Other expenses

(₹ in millions)

Particulars	FY 2018-19	FY 2017-18
Advertisement and marketing expenses*	473.94	168.34
Direct operating expenses	227.36	231.00
Bank charges	52.19	59.82
Commission to non whole-time directors	1.50	2.34
Communication costs	92.16	77.39
Electricity	114.31	81.32
Exchange and statutory charges	9.73	10.95
Legal & professional fees*	674.11	299.34
Directors sitting fees	3.37	2.64
Office expenses	333.82	199.38
Postage & courier	43.72	35.29
Printing & stationary	38.01	31.78
Rates & taxes	5.72	4.38
Rent (refer note 37)	600.22	442.20
Repairs & maintenance		
- Computer	11.49	4.01
- Others	88.70	84.87
Remuneration to auditors		
- Audit fees	1.40	1.75
- Certification / other services	5.69	0.04
- Out of pocket expenses	0.24	0.04
Software charges*	224.53	59.94
Travelling & conveyance	207.75	144.94
Corporate social responsibility expenses (refer note 40)	97.62	86.88
Miscellaneous expenses	28.47	4.67
Insurance premium	81.89	42.98
Loss on sale of fixed assets (net)	0.41	-
Total	**3,418.35**	**2,076.29**

*Includes below payments done in foreign currency

(₹ in millions)

Particulars	FY 2018-19	FY 2017-18
Advertisement and marketing expenses	1.33	2.00
Software Charges	4.24	-
Legal & Professional fees	1.81	1.35

Note 32. Exceptional items

During the year ended March 2019, the Company executed definitive agreement for the sale of its "Vehicle Financing Business" as a going concern on a slump sale basis to IndoStar Capital Finance Limited ("Indostar"). The profit on sale aggregating to ₹ 1,153.30 million has been disclosed as an exceptional item. In terms of the Business Transfer Agreement, the Company will be receiving the outstanding purchase consideration of ₹ 20,177.78 million from Indostar in 12 (twelve) equal monthly instalments from the closing date March 31, 2019, with interest.

Note 33. Income taxes

(₹ in millions)

Amounts recognised in statement of profit or loss	FY 2018-19	FY 2017-18
Current tax expense		
Current year	1,586.50	2,047.21
Changes in estimates related to prior years	10.71	-
Deferred tax expense		
Origination and reversal of temporary differences	34.04	(908.81)
Recognition of previously unrecognised tax losses	-	-
Total	**1,631.25**	**1,138.40**

(₹ in millions)

Amounts recognised in other comprehensive income	FY 2018-19			FY 2017-18		
	Before tax	Tax expense	Net of tax	Before tax	Tax expense	Net of tax
Remeasurements of defined benefit liability/ (asset)	14.47	(5.06)	9.41	(16.69)	5.83	(10.86)

(₹ in millions)

Reconciliation of income tax expense of the year to accounting year	FY 2018-19	FY 2017-18
Profit before tax	5,471.36	3,409.20
Tax using the Company's domestic tax rate	1,911.91	1,179.86
Tax effect of:	-	-
Non-deductible expenses	16.46	40.75
Tax-exempt income- Others (includes deduction under section 80JJAA)	(100.22)	(40.94)
Tax-exempt income- Dividend	(16.75)	(1.70)
Income taxed at different rates	(103.75)	(12.24)
Change in tax rate	-	(29.23)
Adjustments for current tax for prior periods	10.71	-
Past-year losses for which no deferred tax asset is recognised	(87.11)	24.62
Recognition of previously unrecognised deductible temporary differences	-	(22.72)
Total income tax expense	**1,631.25**	**1,138.40**

Note 34. Earnings Per Share

(₹ in millions)

Basic and Diluted Earnings Per Share ("EPS") computed in accordance with INDAS 33 'Earnings per share"

Particulars		FY 2018-2019	FY 2017-2018
Face value of equity shares in ₹ fully paid up		10.00	10.00
BASIC			
Profit after tax as per statement of Profit and Loss		3,849.52	2,259.93
Less: Preference dividend and dividend distribution tax on preference dividend		-	143.48
Profit after tax attributable to equity share holders	A	3,849.52	2,116.45
Weighted average number of equity shares outstanding	B	237,892,956	237,831,520
Basic EPS (In ₹)	**A/B**	**16.18**	**8.90**
DILUTED			
Weighted average number of equity shares for computation of basic EPS		237,892,956	237,831,520
Add: Potential equity shares on account conversion of Employees Stock Options		949,617	43,381,505
Weighted average number of equity shares for computation of diluted EPS	C	238,842,573	281,213,025
Diluted EPS (In ₹)	**A/C**	**16.12**	**7.53**

Note 35. Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk.

Risk management is integral to the Company's strategy. An enterprise wide risk management framework is in place to govern the company's risk management processes. A strong risk management team and an effective credit operations structure ensures that risks are properly identified and timely addressed to ensure minimal impact on the Company's growth and performance.

Risk management is integral to Company's strategy. The comprehensive understanding of risk management throughout the various levels of an organization aids in driving key decisions related to risk-return balance, capital allocation and product pricing. The Company operates under the guidance of the Board approved risk appetite statement that covers business composition, guidance around gross non-performing assets and net non-performing assets, leverage, funding and liquidity, etc.
Additionally, it is also ensured that appropriate focus is on managing risk proactively by ensuring business operations are in accordance with laid-down risk. A strong risk management team and an effective credit operations structure ensures that risks are properly identified and timely addressed, to ensure minimal impact on the Company's growth and performance.

Risk Management Structure

The Company has established multi-level risk governance for monitoring and control of product and entity level risks. The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles. The Board has constituted the Risk Management Committee ("RMC") which is responsible for monitoring the overall risk process within the Company. The RMC is empowered to develop an independent risk strategy comprising of principles, frameworks, policies and limits and ensuring its effective implementation. Independent function of Risk management is in place headed by the Chief Risk Officer ("CRO") who reports to the Chief Executive Officer ("CEO") with oversight of RMC of the Board. The Risk department primarily operationalises risk management framework approved by RMC.

The Company has a well defined risk framework constituting various lines of defence – the first line of defence, consisting of management, is responsible for seamless integration of risk principles across all businesses. Additionally, it ensures adequate managerial and supervisory controls to ensure compliance and highlight inadequate processes and unexpected events. The Company has well-defined internal control measures in every process.

Independent risk and policy team constitutes second line of defence which is responsible for identification and assessment of entity-wide risks. Post its identification, it aims to mitigate risks either through portfolio trigger and caps (Credit risk) or through ongoing risk control and self assessment (Operational risk).

Internal Audit function is the third line of defence that independently reviews activities of the first two lines of defence and reports to the Audit Committee of the Board.

Risk Management Practices

The Company has developed the necessary competency to identify early stress signals and has also defined processes, including corrective and remedial actions as regards people and processes, for mitigation to ensure minimum damage. A stress testing mechanism is put in place to carry out the event based sensitivity analysis and identify the accounts under stress due to expected market movement. In event of susceptibility to external triggers, appropriate risk mitigation would be undertaken and thereby minimize the losses to the company.

It has initiated a detailed portfolio quality review mechanism which enables analysis of portfolio along various behavioural, demographic and financial parameters. Additionally, through tie-ups with external bureaus, an analysis of collection performance coupled with continuous credit assessment for various key segments is undertaken. The practices aid in proactive course correction thereby modifying credit or sourcing mechanisms, if required. Additionally, application scorecard has been developed enabling the Company to standardise credit underwriting and improve sourcing quality in the long run.

The Company's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities. Information pertaining to different type of risks are identified, analysed and tested on timely basis. The same is presented to RMC at periodic intervals.

In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as cross currency interest rate swaps are entered to hedge certain foreign currency risk exposures and variable interest rate exposures.

The Company's central Treasury department identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments and investment of excess liquidity. The Company's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Company.

35A.1. Credit Risk

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

Credit quality analysis

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

(₹ in millions)

Particulars	As at March 31, 2019				
	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Financial Assets where loss allowance measured using simplified approach/ cost	Total
Cash and cash equivalents	-	-	-	4,148.37	4,148.37
Bank Balance other than above	-	-	-	10,035.02	10,035.02
Receivables	-	-	-	-	-
(i) Trade Receivables	-	-	-	76.73	76.73
(ii) Other Receivables	-	-	-	20,177.78	20,177.78
Loans *	88,402.43	10,642.95	5,022.41	-	104,067.79
Investments**	-	-	-	10,469.21	10,469.21
Other Financial assets	-	-	-	1,358.04	1,358.04

* Loans comprises of outstanding principal, interest accrued but not due and principal and interest overdue.

**Investments are classified at cost

(₹ in millions)

Particulars	As at March 31, 2018				
	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Financial Assets where loss allowance measured using simplified approach/ cost	Total
Cash and cash equivalents	-	-	-	1,535.36	1,535.36
Bank Balance other than above	-	-	-	8,946.97	8,946.97
Receivables	-	-	-	-	-
(i) Trade Receivables	-	-	-	207.19	207.19
(ii) Other Receivables	-	-	-	-	-
Loans *	119,215.84	21,012.20	4,813.23	-	145,041.27
Investments**	-	-	-	8,469.21	8,469.21
Other Financial assets	-	-	-	825.65	825.65

* Loans comprises of outstanding principal, interest accrued but not due and principal and interest overdue.

**Investments are classified at cost

(₹ in millions)

Particulars	As at April 1, 2017				
	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Financial Assets where loss allowance measured using simplified approach/ cost	Total
Cash and cash equivalents	-	-	-	9,409.93	9,409.93
Bank Balance other than above	-	-	-	8,482.61	8,482.61
Receivables	-	-	-	-	-
(i) Trade Receivables	-	-	-	1,692.55	1,692.55
(ii) Other Receivables	-	-	-	-	-
Loans *	95,512.33	17,276.72	4,284.97	-	117,074.02
Investments**	-	-	-	7,969.06	7,969.06
Other Financial assets	-	-	-	433.13	433.13

* Loans comprises of outstanding principal, interest accrued but not due and principal and interest overdue.

**Investments are classified at cost

Financial assets measured using simplified approach

The Company follows 'simplified approach' for recognition of impairment loss allowance on cash and cash equivalents, bank balances, trade receivables, other receivables and other financial assets. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

35A.2. Collateral held

The Company holds collateral and other credit enhancements against certain of its credit exposures. The loans are collateralised against the shares, bonds, debentures, mutual funds, commercial vehicle, house properties and gold.

35A.3. Loss allowance and Exposure at Default

The following tables show reconciliations from the opening to the closing balance of the loss allowance on loans and advances

(₹ in millions)

Reconciliation of loss allowance	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Total
Opening ECL Mar-18	1,694.73	2,634.92	3,397.41	7,727.06
New loans disbursed during the year	578.28	540.47	305.60	1,424.35
Loans closed/ written off during the year	(1,191.75)	(1,429.21)	(2,227.25)	(4,848.21)
Movement in provision without change in asset staging	(121.20)	(30.35)	27.36	(124.19)
Movement in provision due to change in asset staging	(93.39)	1,257.05	2,634.89	3,798.55
Closing ECL Mar-19	866.67	2,972.88	4,138.01	7,977.56

(₹ in millions)

Reconciliation of loss allowance	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Total
Opening ECL Mar-17	998.28	2,506.49	2,763.21	6,267.98
New loans disbursed during the year	1,197.39	98.91	244.46	1,540.76
Loans closed/ written off during the year	(228.10)	(111.92)	(1,824.32)	(2,164.34)
Movement in provision without change in asset staging	(154.24)	432.45	(1.38)	276.83
Movement in provision due to change in asset staging	(118.60)	(291.01)	2,215.44	1,805.83
Closing ECL Mar-18	1,694.73	2,634.92	3,397.41	7,727.06

The following tables show reconciliations from the opening to the closing balance of the exposure at default ("EAD")

(₹ in millions)

Reconciliation of Exposure at Default	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Total
Opening EAD Mar-2018	143,408.06	21,398.71	4,813.23	169,620.00
New loans disbursed during the year	81,375.13	5,428.42	461.96	87,265.51
Loans closed/ written off during the year	(83,269.47)	(12,883.79)	(3,300.80)	(99,454.06)
Movement in EAD without change in asset staging	(15,224.84)	(96.15)	0.40	(15,320.59)
Movement in EAD due to change in asset staging	(7,796.96)	(2,753.46)	3,047.62	(7,502.80)
Closing EAD Mar-2019	118,491.92	11,093.73	5,022.41	134,608.06

(₹ in millions)

Reconciliation of Exposure at Default	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Total
Opening EAD Mar-2017	106,460.34	17,283.87	4,284.97	128,029.18
New loans disbursed during the year	90,475.80	3,733.02	10.61	94,219.43
Loans closed/written off during the year	(35,785.69)	(8,467.28)	(2,693.41)	(46,946.38)
Movement in EAD without change in asset staging	(18,977.92)	347.12	(50.18)	(18,680.98)
Movement in EAD due to change in asset staging	1,235.53	8,501.98	3,261.24	12,998.75
Closing EAD Mar-2018	143,408.06	21,398.71	4,813.23	169,620.00

35A.4. Write off

Contractual amount outstanding on financial assets that were written off during the reporting period is ₹ 3,246.66 million (P.Y ₹ 2,167.44 million)

35A.5. Modified financial instruments

For financial assets, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that the modification does not result in cash flows that are substantially different (thereby not resulting into derecognition), the Company has disclosed modification gain/ loss based on discounted cash flows.

(₹ in millions)

Particulars	FY 2018-2019	FY 2017-2018
Value of modified assets at the time of modification	143.88	4.33
Value of modified assets outstanding at end of year	134.35	3.50
Modification gain/ loss	0.03	0.78

The above modification is in accordance with the provisions defined in the Master Direction Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 Circular No DNBR.PD.008/03.10.119/2016-17 dated September 01, 2016 (updated as on February 22, 2019)

35A.6. Credit risk grading of loans

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties.

The Company ensures effective monitoring of credit facilities through a portfolio quality review framework. As per this process, an asset is reviewed at a frequency determined based on the risk it carries at the review date.

For effective risk management, the company monitors its portfolio, based on product, underlying security and credit risk characteristics.

The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions. An independent risk and policy team reviews adherence to policies and processes and carries out audit on periodic basis.

Additionally, the Company evaluates risk based on staging as defined in Ind AS, details of which are mentioned below.

Credit grading details (₹ in millions)

Period	Stage 1	Stage 2	Stage 3	Total EAD
April 1, 2017	106,460.34	17,283.87	4,284.97	128,029.18
March 31, 2018	143,408.06	21,398.71	4,813.23	169,620.00
March 31, 2019	118,491.92	11,093.73	5,022.41	134,608.06

35A.7. Concentration of credit risk

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on spreading its lending portfolio across various products/states/customer base with a cap on maximum limit of exposure for an individual/Group. Accordingly, the Company does not have concentration risk.

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INDIA INFOLINE FINANCE LTD.

35B Liquidity Risk

Liquidity risk refers to the risk that the Company may not be able to meet its short-term financial obligations. The Company manages liquidity risk by maintaining sufficient cash and marketable securities and by having access to funding through an adequate amount of credit lines. Further, the Company has well defined Asset Liability Management (ALM) framework with an appropriate organizational structure to regularly monitor and manage maturity profiles of financial assets and financial liabilities including debt financing plans, cash and cash equivalent instruments to ensure liquidity. The Company seeks to maintain flexibility in funding mix by way of sourcing the funds through money markets, debt markets and banks to meet its business and liquidity requirements.

(i) Maturities of financial liabilities

(₹ in millions)

Contractual maturities of financial liabilities (including financial guarantee) As at March 31, 2019	Total	Upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years
Derivative financial instruments	6.59	6.59					
Trade payables	533.67	533.67					
Other payables							
Debt securities	72,322.34	39,212.03	2,420.00	2,275.00	17,294.16	11,121.15	
Borrowings (other than debt securities)	49,663.67	7,964.14	3,312.48	8,456.92	23,160.87	6,712.17	57.09
Subordinated liabilities	8,644.63				2,900.00	530.00	5,214.63
Other financial liabilities	10,387.32	9,194.29	386.45	311.33	461.33	6.62	27.30
Financial guarantee contracts	500.00	500.00					
Total	142,058.22	57,410.72	6,118.93	11,043.25	43,816.36	18,369.94	5,299.02

(₹ in millions)

Contractual maturities of financial liabilities (including financial guarantee) As at March 31, 2018	Total	Upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years
Derivative financial instruments							
Trade payables	412.66	412.66					
Other payables							
Debt securities	92,976.95	66,232.94	3,012.54	1,501.47	16,755.00	5,475.00	
Borrowings (other than debt securities)	50,549.37	11,338.61	3,232.29	7,929.73	20,476.56	6,972.84	599.34
Subordinated liabilities	9,434.17	1.77	5,000.00	2.40	2,550.00	780.00	1,100.00
Other financial liabilities	5,424.09	4,029.93	835.95	303.13	254.67	0.41	
Financial guarantee contracts	500.00	500.00					
Total	159,297.24	82,515.91	12,080.78	9,736.73	40,036.23	13,228.25	1,699.34

(₹ in millions)

Contractual maturities of financial liabilities (including financial guarantee) As at April 1, 2017	Total	Upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years
Derivative financial instruments							
Trade payables	298.83	298.83					
Other payables							
Debt securities	61,345.25	31,057.50	535.00	1,343.00	16,046.75	12,363.00	
Borrowings (other than debt securities)	53,264.58	11,054.94	3,474.05	9,537.57	22,747.80	6,282.42	167.80
Subordinated liabilities	9,196.09		750.00	11.92	5,004.17	2,900.00	530.00
Other financial liabilities	4,418.85	2,453.58	413.38	532.79	948.01	71.09	
Financial guarantee contracts							
Total	128,523.60	44,864.85	5,172.43	11,425.28	44,746.73	21,616.51	697.80

Note : Borrowings includes cash credit facilities, has been slotted in "over 6 months to 1 year" and "over 1 year to 3 years" in the ratio of 40% and 60% respectively

(ii) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period

(₹ in millions)

	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Floating rate			
Expiring within one year (bank overdraft and other facilities)	2,767.22	2,984.59	2,767.98
Expiring beyond one year (bank loans)			15,500.00

35C Market Risk

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

35C.1 Interest rate risk

The exposure of the Company's borrowing and loans to interest rate changes at the end of the reporting period are as follows

(₹ in millions)

	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Floating rate borrowings	52,300.32	44,294.42	41,958.04
Fixed rate borrowings	78,330.32	108,666.07	81,847.88
Total borrowings	130,630.64	152,960.49	123,805.92

The Company had the following variable rate borrowings outstanding

(₹ in millions)

	As at March 31, 2019			As at March 31, 2018			As at April 1, 2017		
	Weighted average interest rate (%)	Balance	% of total loans	Weighted average interest rate (%)	Balance	% of total loans	Weighted average interest rate (%)	Balance	% of total loans
Bank overdrafts, bank loans	9.26%	45,300.32	34.68%	8.17%	37,294.42	24.38%	8.89%	36,958.04	29.85%
Non convertible debentures	8.71%	7,000.00	5.36%	8.48%	7,000.00	4.58%	8.60%	5,000.00	4.04%
Net exposure to cash flow interest rate risk		52,300.32			44,294.42			41,958.04	

An analysis by maturities is provided in note 36 (B)(i). The percentage of total loans shows the proportion of loans that are currently at variable rates in relation to the total amount of borrowings

Sensitivity

Profit or loss is sensitive to higher/ lower interest expense from borrowings as a result of changes in interest rates (assuming other variables constant)

(₹ in millions)

Particulars	Impact on profit after tax		Impact on other components of equity	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Interest rates - increase by 30 basis points	(102.07)	(86.90)		
Interest rates - decrease by 30 basis points	102.07	86.90		

The Company had the following variable rate loans outstanding

(₹ in millions)

	As at March 31, 2019			As at March 31, 2018			As at April 1, 2017		
	Weighted average interest rate (%)	Balance	% of total loans	Weighted average interest rate (%)	Balance	% of total loans	Weighted average interest rate (%)	Balance	% of total loans
Floating rate loans	13.87%	6,468.03	5.26%	12.96%	11,853.15	7.43%	13.22%	19,203.63	16.33%

Sensitivity

Profit or loss is sensitive to higher/ lower interest income from loans as a result of changes in interest rates (assuming other variables constant)

(₹ in millions)

Particulars	Impact on profit after tax		Impact on other components of equity	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Interest rates - increase by 30 basis points	12.62	23.25		
Interest rates - decrease by 30 basis points	(12.62)	(23.25)		

35C.2. Exposure to currency risks

The Company's currency position is as under

(₹ in millions)

Particulars	USD	EUR	CHF	JPY	SGD	Other Currencies
Foreign currency assets						
Foreign currency liabilities (in INR)*	6.59					
Net gap as at March 31, 2019	(6.59)	-	-	-	-	-

Particulars	USD	EUR	CHF	JPY	SGD	Other Currencies
Foreign currency assets						
Foreign currency liabilities						
Net gap as at March 31, 2018						

Particulars	USD	EUR	CHF	JPY	SGD	Other Currencies
Foreign currency assets						
Foreign currency liabilities						
Net gap as at March 31, 2017						

* Fully hedged by forward contract

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

(₹ in millions)

Particulars	Impact on profit after tax		Impact on other components of equity	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
USD sensitivity*				
INR/ USD - increase by 5%	(9.01)			
INR/ USD - decrease by 5%	9.01			

* Holding all other variables constant. The sensitivity on profit and loss is due to the timing difference of the maturity of the forward exchange contract. On the date of maturity of the forward exchange contract, the sensitivity of profit and loss to changes in the exchange rates will be Nil.

35C.3. Price Risk

(a) Exposure

The Company's exposure to assets having price risk is as under

(₹ in millions)

Particulars	Equity Shares (Other than Subsidiary)	Mutual Funds / Alternate investment funds/ Others	Bonds	Government Securities	Total
Market value as on March 31, 2019	591.50	910.56	1,081.44		2,583.50
Market value as on March 31, 2018	381.25	1,723.24	926.30	5,735.69	8,766.48
Market value as on April 01, 2017	381.25	4,446.24	1,181.69	8,679.06	14,688.24

To manage its price risk arising from investments in equity securities/ other assets, the Company diversifies its portfolio.

(b) Sensitivity

The table below summarises the impact of increases/ decreases of the index on the Company's equity/ other assets and profit for the period. The analysis is based on the assumption that the instrument index has increased/ decreased by 5% with all other variables held constant.

(₹ in millions)

Particulars	Impact on profit after tax		Impact on other components of equity	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Increase 5%	84.04	286.63		
Decrease 5%	(84.04)	(286.63)		

35D.Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value. The Company monitors capital using a capital adequacy ratio as prescribed by the Reserve Bank Of India.

35E. Fair values of financial instruments

Financial instruments by category

(₹ in millions)

Particulars	As at March 31, 2019		
	Fair Value through profit or loss	Fair value through Other Comprehensive Income	Amortised cost / Cost
Financial assets			
Cash and cash equivalents	-	-	4,148.37
Bank Balance other than (a) above	-	-	10,035.02
Derivative financial instruments	-	-	-
Receivables			
(i) Trade receivables	-	-	76.73
(ii) Other receivables	-	-	20,177.78
Loans	-	24,872.43	96,013.94
Investments	2,652.33	-	10,469.21
Other financial assets	-	-	1,358.04
Total financial assets	**2,652.33**	**24,872.43**	**142,279.09**
Financial liabilities			
Derivative financial instruments	6.59	-	-
Trade payables	-	-	533.67
Other payables	-	-	-
Debt securities	-	-	72,116.68
Borrowings (other than debt securities)	-	-	49,594.14
Subordinated liabilities	-	-	8,600.32
Other financial liabilities	-	-	10,387.32
Total financial liabilities	**6.59**	-	**141,232.13**

(₹ in millions)

Particulars	As at March 31, 2018 Fair Value through profit or loss	Fair value through Other Comprehensive Income	Amortised cost / Cost
Financial assets			
Cash and cash equivalents	-	-	1,535.36
Bank Balance other than (a) above	-	-	8,946.97
Derivative financial instruments	-	-	-
Receivables	-	-	
(i) Trade receivables	-	-	207.19
(ii) Other receivables	-	-	-
Loans	-	19,251.38	136,720.45
Investments	8,926.14	-	8,469.21
Other financial assets	-	-	825.65
Total financial assets	**8,926.14**	**19,251.38**	**156,704.83**
Financial liabilities			
Derivative financial instruments	-	-	-
Trade payables	-	-	412.66
Other payables	-	-	-
Debt securities	-	-	92,958.27
Borrowings (other than debt securities)	-	-	50,535.75
Subordinated liabilities	-	-	9,413.66
Other financial liabilities	-	-	5,424.09
Total financial liabilities	-	-	**158,744.43**

(₹ in millions)

Particulars	As at April 1, 2017 Fair Value through profit or loss	Fair value through Other Comprehensive Income	Amortised cost / Cost
Financial assets			
Cash and cash equivalents	-	-	9,409.93
Bank Balance other than (a) above	-	-	8,482.61
Derivative financial instruments	-	-	-
Receivables	-	-	-
(i) Trade receivables	-	-	1,692.55
(ii) Other receivables	-	-	-
Loans	-	3,765.46	110,528.94
Investments	14,929.10	-	7,969.06
Other financial assets	-	-	433.13
Total financial assets	**14,929.10**	**3,765.46**	**138,516.22**
Financial liabilities			
Derivative financial instruments	-	-	-
Trade payables	-	-	298.83
Other payables	-	-	-
Debt securities	-	-	61,313.39
Borrowings (other than debt securities)	-	-	53,224.43
Subordinated liabilities	-	-	9,171.74
Other financial liabilities	-	-	4,418.85
Total financial liabilities	-	-	**128,427.24**

35E. 1. Financial instruments measured at fair value – Fair value hierarchy

The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position

35E.2. Valuation methodologies of financial instruments measured at fair value

- Quoted equity/ debt/ instruments are measured based on the last traded price in the recognised stock exchange and are classified as level 1
- Mutual Funds are measured based on the published net asset value (NAV) by AMFI and are classified as level 1
- Alternate Investment Funds are measured based on the latest NAV provided by the fund house and are classified as level 3
- Equity instruments in non-listed entities are initially recognised at transaction price and re-measured (to the extent information is available) and valued by external independent valuer and classified as Level 3
- Government Securities are valued based on the closing price published by CCIL/ FIMMDA for March 2018 and March 2017 respectively and are classified as level 2
- Unquoted debt securities are measured based on average of security level prices received from AMFI appointed/designated agencies viz: CRISIL and ICRA and are classified as level 2
- Fair value of loans measured at FVOCI approximates its carrying value and are classified as level 3
- Fair value of forward foreign exchange contracts is determined by computing present value of payoff between contractual rate (Strike) and forward exchange rates at the testing date and are classified as Level 2

(₹ in millions)

Financial assets and liabilities measured at fair value - recurring fair value measurements As at March 31, 2019	Level 1	Level 2	Level 3	Total	Carrying Value
Financial assets					
Loans - classified under FVTOCI	-	-	24,872.43	24,872.43	24,872.43
Investments	1,496.52	501.12	654.69	2,652.33	2,652.33
(i) Mutual funds/ Alternate investment fund / Others	847.37	-	63.19	910.56	910.56
(ii) Government securities	-	-	-	-	-
(iii) Debt securities	649.15	501.12	-	1,150.27	1,150.27
(iv) Equity	-	-	591.50	591.50	591.50
Total financial assets	1,496.52	501.12	25,527.12	27,524.76	27,524.76
Financial liabilities					
Forward exchange contract	-	6.59	-	6.59	6.59
Total financial liabilities	-	6.59	-	6.59	6.59

(₹ in millions)

Financial assets and liabilities measured at fair value - recurring fair value measurements As at March 31, 2018	Level 1	Level 2	Level 3	Total	Carrying Value
Financial assets					
Loans - classified under FVTOCI	-	-	19,251.38	19,251.38	19,251.38
Investments	1,632.97	6,821.65	471.52	8,926.14	8,926.14
(i) Mutual funds/ Alternate investment fund / Others	1,632.97	-	90.27	1,723.24	1,723.24
(ii) Government securities	-	5,846.83	-	5,846.83	5,846.83
(iii) Debt securities	-	974.82	-	974.82	974.82
(iv) Equity	-	-	381.25	381.25	381.25
Total financial assets	1,632.97	6,821.65	19,722.90	28,177.52	28,177.52
Financial liabilities					
Forward exchange contract	-	-	-	-	-
Total financial liabilities	-	-	-	-	-

(₹ in millions)

Financial assets and liabilities measured at fair value - recurring fair value measurements As at April 01, 2017	Level 1	Level 2	Level 3	Total	Carrying Value
Financial assets					
Loans - classified under FVTOCI	-	-	3,765.46	3,765.46	3,765.46
Investments	64.10	10,101.61	4,763.39	14,929.10	14,929.10
(i) Mutual funds/ Alternate investment fund / Others	64.10	-	4,382.14	4,446.24	4,446.24
(ii) Government securities	-	8,857.73	-	8,857.73	8,857.73
(iii) Debt securities	-	1,243.88	-	1,243.88	1,243.88
(iv) Equity	-	-	381.25	381.25	381.25
Total financial assets	64.10	10,101.61	8,528.85	18,694.56	18,694.56
Financial liabilities					
Forward exchange contract	-	-	-	-	-
Total financial liabilities	-	-	-	-	-

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35E.3. Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only.

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term nature, the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and bank balances, Trade receivables, other receivables, balances other than cash and cash equivalents and trade payables.

Loans, Debts, Borrowings and Subordinated Debts

The fair values of these instruments are estimated by determining the price of the instrument taking into consideration the origination date, maturity date, coupon rate, actual or approximation of frequency of interest payments and incorporating the actual or estimated/proxy yields of identitical or similar instruments through the discounting factor. For instruments, having contractual residual maturity or original maturity less than one year, the carrying value has been considered as fair value. Fair values of Loans and advances are presented net of provisions for impairment.

(₹ in millions)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed As at March 31, 2019	Total Fair value	Carrying value	Valuation hierarchy
Financial assets			
Cash and cash equivalents	4,148.37	4,148.37	-
Bank Balance other than included above	10,035.02	10,035.02	-
Receivables	-		
(i) Trade receivables	76.73	76.73	-
(ii) Other receivables	20,177.78	20,177.78	-
Loans	97,107.55	96,013.94	Level 3
Investment in subsidiary	23,696.58	10,469.21	Level 3
Other financial assets	1,358.04	1,358.04	-
Total financial assets	**156,600.07**	**142,279.09**	
Financial Liabilities			
Trade payables	533.67	533.67	-
Other payables	-	-	-
Debt securities	71,392.59	72,116.68	Level 3
Borrowings (other than debt securities)	49,696.82	49,594.14	Level 3
Subordinated liabilities	8,146.18	8,600.32	Level 3
Other financial liabilities	10,387.32	10,387.32	-
Total financial liabilities	**140,156.58**	**141,232.13**	

(₹ in millions)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed As at March 31, 2018	Total Fair value	Carrying value	Valuation hierarchy
Financial assets			
Cash and cash equivalents	1,535.36	1,535.36	-
Bank Balance other than included above	8,946.97	8,946.97	-
Receivables			
(i) Trade receivables	207.19	207.19	-
(ii) Other receivables	-	-	-
Loans	137,540.01	136,720.45	Level 3
Investment in subsidiary	17,541.33	8,469.21	Level 3
Other financial assets	825.65	825.65	-
Total financial assets	**166,596.51**	**156,704.83**	
Financial Liabilities			
Trade payables	412.66	412.66	-
Other payables	-	-	-
Debt securities	92,851.26	92,958.27	Level 3
Borrowings (other than debt securities)	50,313.69	50,535.75	Level 3
Subordinated liabilities	9,573.47	9,413.66	Level 3
Other financial liabilities	5,424.09	5,424.09	-
Total financial liabilities	**158,575.17**	**158,744.43**	

(₹ in millions)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed As at April 01, 2017	Total Fair value	Carrying value	Valuation hierarchy
Financial assets			
Cash and cash equivalents	9,409.93	9,409.93	-
Bank Balance other than included above	8,482.61	8,482.61	-
Receivables	-		
(i) Trade receivables	1,692.55	1,692.55	-
(ii) Other receivables	-	-	-
Loans	112,265.92	110,528.94	Level 3
Investment in subsidiary	16,688.84	7,969.06	Level 3
Other financial assets	433.13	433.13	-
Total financial assets	**148,972.98**	**138,516.22**	
Financial Liabilities			
Trade payables	298.83	298.83	-
Other payables	-	-	-
Debt securities	62,339.05	61,313.39	Level 3
Borrowings (other than debt securities)	52,908.49	53,224.43	Level 3
Subordinated liabilities	9,719.21	9,171.74	Level 3
Other financial liabilities	4,418.85	4,418.85	-
Total financial liabilities	**129,684.43**	**128,427.24**	

35.E.4 Movements in Level 3 financial instruments measured at

The following tables show the reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities measured at fair value:

(₹ in millions)

Particulars	Loans - Classified under FVOCI	Alternate Investment fund	Equity
Balances as at April 1, 2018	19,251.38	90.27	381.25
Purchases	-	-	-
Issuances	66,210.72	9.27	-
Settlements	-	-	-
Sale of financial instrument classified as level 3 at the beginning of the financial year	(60,589.67)	(7.93)	-
Total gain/ losses recognised in profit and loss	-	(28.42)	210.25
Transfers in	-	-	-
Transfers out	-	-	-
Balances as at March 31, 2019	24,872.43	63.19	591.50
Unrealised gain /losses related to balances held at the end of financial year	-	(31.25)	210.25

(₹ in millions)

Particulars	Loans - Classified under FVOCI	Alternate Investment fund	Equity
Balances as at April 1, 2017	3,765.46	4,382.14	381.25
Purchases	-	-	-
Issuances	15,485.92	-	-
Settlements	-	-	-
Sale of financial instrument classified as level 3 at the beginning of the financial year	-	(4,267.92)	-
Total gain/ losses recognised in profit and loss	-	(23.95)	-
Transfers in	-	-	-
Transfers out	-	-	-
Balances as at March 31, 2018	19,251.38	90.27	381.25
Unrealised gain/ losses related to balances held at the end of financial year	-	(24.81)	-

35 F. Transferred financial assets that are derecognised in their entirety

During the year ended March 31, 2019, the Company has sold some loans and advances measured at FVTOCI as per assignment deals, as a source of finance. As per the terms of deal, since the derecognition criteria as per IND AS 109, including transfer of substantially all the risks and rewards relating to assets being transferred to the buyer being met, the assets have been derecognised.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/ (loss) on derecognition, per type of asset.

(₹ in millions)

Particulars	FY 2018-19	FY 2017-18
Financial assets derecognised during the year	60,589.67	-
Gain from derecognition	934.16	-

35 G Transferred financial assets that are recognised in their entirety

The Company uses securitisations as a source of finance. Such transaction resulted in the transfer of contractual cash flows from portfolios of financial assets to holders of issued debt securities. Such deals resulted in continued recognition of the securitised assets since the Company retains substantial risks and rewards. The table below outlines the carrying amounts and fair values of all financial assets transferred that are not derecognised in their entirety and associated liabilities.

(₹ in millions)

Securitisations	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Carrying amount of transferred assets measured at amortised cost	4,474.06	7,887.52	8,193.83
Carrying amount of associated liabilities (Debt securities - measured at amortised cost)	4,474.06	7,887.52	8,193.83
Fair value of assets	4,576.74	7,665.45	7,878.11
Fair value of associated liabilities	4,576.74	7,665.45	7,878.11
Net position at Fair value	-	-	-

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Note 36. Capital, Other Commitments and Contingent Liabilities at Balance Sheet date:

Contingent Liabilities

(₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018
In respect of Income tax demands (refer note (a) below)	29.83	211.69
In respect of Bank guarantees given (refer note (b) below)	500.00	500.00

(a) The Company has filed appeal against the said demands raised by the Income Tax Department.

(b) The above guarantee has been given on behalf of subsidiary company Samasta Microfinance Limited.

(c) Amount paid under protest with respect to income tax demand is ₹ 29.83 million (P.Y ₹ 211.69 million).

(d) Apart from the above, 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 Group's financial position.

Commitments not provided for

(₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018
Commitments related to loans sanctioned but undrawn	8,158.22	7,274.56
Estimated amount of contracts remaining to be executed on capital account	117.90	68.91
Commitments related to Alternate Investment Funds	34.31	-

Note 37. Minimum Lease Rentals

The Company has taken office premises on operating lease at various locations. Lease rents in respect of the same have been charged to the Statement of Profit and Loss. The total of future minimum lease rentals under non cancellable operating leases, outstanding as at March 31, 2019, are as under:

(₹ in millions)

Minimum Lease Rentals	FY 2018-2019	FY 2017-2018
Up to One year	4.17	3.93
One to Five years	1.25	6.95
Total	**5.42**	**10.88**

Note 38. Employee stock option

The Company has implemented "India Infoline Finance Limited Employees Stock Options Plan-2015" ("IIFL ESOP 2015") and has outstanding options granted under the said scheme. The options are granted by the Nomination and Remuneration Committee and they vest in graded manner and must be exercised within the specified period as per the IIFL ESOP 2015. Each employees share option converts into one equity of the company on exercise.

(A) The details of various Employee Stock Option Schemes that are in existence during the year are as under

Particulars	As at March 31 2019 (ESOP 2015)	As at March 31 2018 (ESOP 2015)	As at April 01, 2017 (ESOP 2015)
Number of options outstanding	6,831,528	2,034,958	2,582,488
Method of accounting	Fair value	Fair value	Fair value
Vesting plan	Options currently granted would vest over a period of maximum five years subject to a minimum period of one year from the date of grant of options.	Options currently granted would vest over a period of maximum four years subject to a minimum period of one year from the date of grant of options.	Options currently granted would vest over a period of maximum four years subject to a minimum period of one year from the date of grant of options.
Exercise period	Maximum seven years from the date of grant	Maximum seven years from the date of grant.	Maximum seven years from the date of grant.
Grant Dates	2-Dec-2015, 9-Mar-2016 and 8-Feb-2017, 2- May- 2018, 4-Sep-2018, 21-Nov-2018, 18-Jan-2019	2-Dec-2015, 2-Dec-2015, 9-Mar-2016 and 8-Feb-2017	2-Dec-2015, 2-Dec-2015, 9-Mar-2016 and 8-Feb-2017
Grant Price (₹ Per Share)	₹ 83, ₹ 144, ₹ 192, ₹ 239, ₹ 239, ₹ 246	₹ 83, ₹ 83, ₹ 83, ₹ 144	₹ 83, ₹ 83, ₹ 83, ₹ 144
Fair Value of option on the date of Grant of Option (₹ Per Share)	₹ 15.93, 16.01, 23.84, 37.24, 37.16, 49.89, 45.31, 46.50	₹ 15.93, 14.72, 16.01, 23.84	₹ 15.93, 14.72, 16.01, 23.84

Movement of options granted

Particulars	No. of options			Weighted average exercise prices		
	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Options outstanding at the beginning of the year	2,034,958	2,582,488	780,040	132	128	83
Granted during the year	5,912,875	-	1,900,000	232	-	144
Exercised during the year	(178,066)	(242,520)	(10,972)	122	89	83
Expired / forfeited during the year	(938,239)	(305,010)	(86,580)	181	133	88
Options outstanding at the end of the year	6,831,528	2,034,958	2,582,488	212	132	128
Exercisable at the end of the year	421,700	241,040	59,632	123	120	83

Share options outstanding at the end of the year have following exercise price range Range of Exercise price per share ₹	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	Numbers	Weighted average remaining contractual life (months)	Numbers	Weighted average remaining contractual life (months)	Numbers	Weighted average remaining contractual life (months)
50-100	283,228	45	415,408	57	689,488	69
100-150	1,048,000	59	1,619,550	71	1,893,000	83
150-200	894,500	74	-	-	-	-
200-250	4,605,800	80	-	-	-	-

Fair Value Methodology:

The fair value of the shares are measured using Black scholes formulae. Measurement inputs include share price on measurement date, exercise date of the instrument, exercise price, expected life, risk free interest rate, dividend yield, expected volatility

Key Assumptions used in Black Scholes model for calculating fair value as on the date of grant are as follows:

Particulars - for the year ended March 31, 2019						
Grant date	02-May-18	02-May-18	04-Sep-18	21-Nov-18	18-Jan-19	18-Jan-19
Risk free interest rate	7.60%-7.79%	7.60%-7.83%	7.96% - 8.10%	7.49%-7.62%	7.26%-7.40%	7.26% -7.44%
Expected average life	5.00	5.00	5.25	5.00	5.00	5.25
Expected volatility of share price	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Dividend yield	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Fair value on the date of grant (₹/option)	37.24	37.16	49.89	45.31	45.10	46.50

Weighted average share price on the date of exercise of the options during the year is ₹ 246/- (P.Y ₹ 192/-)

Particulars - For the year ended March 31, 2018	
Grant Date	-
Risk free interest rate	-
Expected average life	-
Expected volatility of share price	-
Dividend yield	-
Fair value on the date of grant (₹/option)	-

Note 39. List of Related Parties

Nature of relationship	Name of party
Holding company	IIFL Holdings Limited
Direct subsidiaries	IIFL Home Finance Limited (Formerly India Infoline Housing Finance Limited)
	Clara Developers Private Limited
	Samasta Microfinance Limited
Step down subsidiary	Ayusha Dairy Private Limited (upto August 6, 2018)
Other related parties (due to common promoter wef April 1, 2018) / Fellow subsidiaries (upto March 31, 2018)	IIFL Commodities Limited (Formerly India Infoline Commodities Limited)
	IIFL Securities Limited (Formerly India Infoline Limited)
	IIFL Management Services Limited (Formerly India Infoline Insurance Services Limited)
	IIFL Insurance Brokers Limited (Formerly India Infoline Insurance Brokers Limited))
	IIFL Wealth Management Limited
	IIFL Facilities Services Limited (Formerly IIFL Real Estate Limited)
	India Infoline Foundation
	IIFL Distribution Services Limited
	IIFL Alternate Asset Advisors Limited
	IIFL Wealth Finance Limited
	5Paisa Capital Limited
Key managerial personnel	Mr.Nirmal Jain
	Mr.R. Venkataraman
	Mrs.Rajashree Nambiar (upto January 31, 2018)
	Mr.Sumit Bali (w.e.f June 25, 2018)
	Mr.Nilesh Vikamsey (Independent Director)
	Mr.Vijay Kumar Chopra (Independent Director)
	Mrs.Geeta Mathur (Independent Director)
	Mrs.Shubhalakshmi Panse (upto October 31, 2018) (Independent Director)
Relatives of key managerial personnel	Mrs.Aditi Athavankar (Spouse of R. Venkataraman)

Notes:

1) List includes related parties with whom transactions were carried out during current or previous year.

2) Pursuant to the implementation of Composite Scheme of Arrangement as approved by the NCLT (refer note 44), India Infoline Media and Research Services Limited was merged with IIFL Holdings Limited w.e.f. April 1, 2017 and thereafter, the said business was carved out from IIFL Holdings Limited and merged with IIFL Wealth Management Limited w.e.f. April 1, 2018. Accordingly, transactions during FY 2017-18 with India Infoline Media and Research Services Limited have been disclosed under IIFL Holdings Limited and transactions with India Infoline Media and Research Services Limited during FY 2018-19 have been disclosed under IIFL Wealth Management Limited.

Note 39.1 Significant transactions with related parties

(₹ in millions)

Nature of transaction	Holding Company	Fellow subsidiaries	Direct subsidiaries	Other related parties	Key managerial personnel and their relatives	Total
Interest income						
IIFL Securities Limited	-	-	-	28.04	-	28.04
	-	(10.01)	-	-	-	(10.01)
IIFL Home Finance Limited	-	-	27.64	-	-	27.64
	-	-	(24.63)	-	-	(24.63)
IIFL Facilities Services Limited	-	-	-	3.12	-	3.12
	-	-	-	-	-	-
IIFL Management Services Limited	-	-	-	7.12	-	7.12
	-	-	-	-	-	-
5 Paisa Capital Limited	-	-	-	6.64	-	6.64
	-	-	-	(0.46)	-	(0.46)
Samasta Microfinance Limited	-	-	11.31	-	-	11.31
	-	-	(62.26)	-	-	(62.26)
Interest expense						
IIFL Facilities Services Limited	-	-	-	114.41	-	114.41
	-	(631.98)	-	-	-	(631.98)
IIFL Holdings Limited	-	-	-	-	-	-
	(1.15)	-	-	-	-	(1.15)
IIFL Home Finance Limited	-	-	24.67	-	-	24.67
	-	-	(36.52)	-	-	(36.52)
IIFL Wealth Finance Limited	-	-	-	2.26	-	2.26
	-	-	-	-	-	-
IIFL Alternate Asset Advisors Limited	-	-	-	1.05	-	1.05
	-	-	-	-	-	-
IIFL Management Services Limited	-	-	-	-	-	-
	-	(2.66)	-	-	-	(2.66)
Service charges income						
IIFL Home Finance Limited	-	-	4.17	-	-	4.17
	-	-	(7.08)	-	-	(7.08)
Referral fees income						
IIFL Wealth Management Limited	-	-	-	14.35	-	14.35
	-	(6.87)	-	-	-	(6.87)
Service fees on assignment transaction						
Samasta Microfinance Limited	-	-	-	-	-	-
	-	-	(0.01)	-	-	(0.01)
Donation paid						
India Infoline Foundation	-	-	-	97.62	-	97.62
	-	(86.88)	-	-	-	(86.88)
Arranger/ processing fees /brokerage on non convertible debenture/merchant banking fees						
IIFL Securities Limited	-	-	-	222.35	-	222.35
	-	-	-	-	-	-
5 Paisa Capital Limited	-	-	-	1.17	-	1.17
	-	-	-	-	-	-
IIFL Facilities Services Limited	-	-	-	25.00	-	25.00
	-	-	-	-	-	-
IIFL Management Services Limited	-	-	-	59.55	-	59.55
	-	-	-	-	-	-
IIFL Wealth Management Limited	-	-	-	18.87	-	18.87
	-	(12.27)	-	-	-	(12.27)
Samasta Microfinance Limited	-	-	189.91	-	-	189.91
	-	-	(65.25)	-	-	(65.25)
IIFL Home Finance Limited	-	-	12.41	-	-	12.41
	-	-	(18.49)	-	-	(18.49)
Rent expenses						
IIFL Facilities Services Limited	-	-	-	43.09	-	43.09
	-	(44.57)	-	-	-	(44.57)
IIFL Management Services Limited	-	-	-	-	-	-
	-	(0.42)	-	-	-	(0.42)
Aditi Athavankar	-	-	-	-	2.40	2.40
	-	-	-	-	(2.40)	(2.40)
Commission/ brokerage expense						
IIFL Securities Limited	-	-	-	5.04	-	5.04
	-	(0.73)	-	-	-	(0.73)

Note 39.1 Significant transactions with related parties

(₹ in millions)

Nature of transaction	Holding Company	Fellow subsidiaries	Direct subsidiaries	Other related parties	Key managerial personnel and their relatives	Total
Remuneration paid						
Mr.Nirmal Jain	-	-	-	-	68.71	68.71
	-	-	-	-	(59.54)	(59.54)
Mr.R. Venkataraman	-	-	-	-	48.57	48.57
	-	-	-	-	(42.50)	(42.50)
Mr.Sumit Bali	-	-	-	-	46.27	46.27
	-	-	-	-	-	-
Mrs.Rajashree Nambiar	-	-	-	-	-	-
	-	-	-	-	(27.99)	(27.99)
Director sitting fees and commission to directors						
Mr.Nilesh Vikamsey	-	-	-	-	0.78	0.78
	-	-	-	-	(0.12)	(0.12)
Mr.Vijay Kumar Chopra	-	-	-	-	2.17	2.17
	-	-	-	-	(2.11)	(2.11)
Mrs.Geeta Mathur	-	-	-	-	1.37	1.37
	-	-	-	-	(1.46)	(1.46)
Mrs.Shubhalakshmi Panse	-	-	-	-	0.06	0.06
	-	-	-	-	(0.96)	(0.96)
Equity dividend received						
IIFL Home Finance Limited	-	-	41.94	-	-	41.94
	-	-	-	-	-	-
Equity dividend paid						
IIFL Holdings Limited	712.15	-	-	-	-	712.15
	(652.17)	-	-	-	-	(652.17)
Preference dividend paid						
IIFL Holdings Limited	-	-	-	-	-	-
	(99.95)	-	-	-	-	(99.95)
ICD/loan taken						
IIFL Holdings Limited	-	-	-	-	-	-
	(1,500.00)	-	-	-	-	(1,500.00)
IIFL Home Finance Limited	-	-	4,410.00	-	-	4,410.00
	-	-	(3,462.10)	-	-	(3,462.10)
IIFL Management Services Limited	-	-	-	-	-	-
	-	(1,500.00)	-	-	-	(1,500.00)
IIFL Facilities Services Limited	-	-	-	21,270.00	-	21,270.00
	-	(321,766.05)	-	-	-	(321,766.05)
ICD/loan returned						
IIFL Holdings Limited	-	-	-	-	-	-
	(1,500.00)	-	-	-	-	(1,500.00)
IIFL Facilities Services Limited	-	-	-	21,270.00	-	21,270.00
	-	(321,766.05)	-	-	-	(321,766.05)
IIFL Home Finance Limited	-	-	4,410.00	-	-	4,410.00
	-	-	(3,462.10)	-	-	(3,462.10)
IIFL Management Services Limited	-	-	-	-	-	-
	-	(1,500.00)	-	-	-	(1,500.00)
ICD/loan given						
IIFL Holdings Limited	-	-	-	-	-	-
	(615.00)	-	-	-	-	(615.00)
IIFL Securities Limited	-	-	-	26,330.00	-	26,330.00
	-	(14,000.00)	-	-	-	(14,000.00)
IIFL Management Services Limited	-	-	-	2,740.00	-	2,740.00
	-	-	-	-	-	-
IIFL Facilities Services Limited	-	-	-	22,092.50	-	22,092.50
	-	(35,120.50)	-	-	-	(35,120.50)
IIFL Home Finance Limited	-	-	77,147.00	-	-	77,147.00
	-	-	(68,061.30)	-	-	(68,061.30)
Samasta Microfinance Limited	-	-	3,545.00	-	-	3,545.00
	-	-	(4,309.50)	-	-	(4,309.50)
5 Paisa Capital Limited	-	-	-	1,072.00	-	1,072.00
	-	-	-	(101.50)	-	(101.50)

Note 39.1 Significant transactions with related parties

(₹ in millions)

Nature of transaction	Holding Company	Fellow subsidiaries	Direct subsidiaries	Other related parties	Key managerial personnel and their relatives	Total
ICD/loan received back						
IIFL Holdings Limited	-	-	-	-	-	-
	(615.00)	-	-	-	-	(615.00)
IIFL Securities Limited	-	-	-	26,330.00	-	26,330.00
	-	(14,000.00)	-	-	-	(14,000.00)
IIFL Facilities Services Limited	-	-	-	21,565.00	-	21,565.00
	-	(35,120.50)	-	-	-	(35,120.50)
IIFL Management Services Limited	-	-	-	2,450.00	-	2,450.00
	-	-	-	-	-	-
IIFL Home Finance Limited	-	-	77,147.00	-	-	77,147.00
	-	-	(68,061.30)	-	-	(68,061.30)
5 Paisa Capital Limited	-	-	-	1,072.00	-	1,072.00
	-	-	-	(101.50)	-	(101.50)
Samasta Microfinance Limited	-	-	4,489.74	-	-	4,489.74
	-	-	(3,364.76)	-	-	(3,364.76)
Investment in subsidiaries						
IIFL Home Finance Limited	-	-	1,000.00	-	-	1,000.00
	-	-	-	-	-	-
Samasta Microfinance Limited	-	-	1,000.00	-	-	1,000.00
	-	-	(500.00)	-	-	(500.00)
Purchase of investment						
IIFL Management Services Limited	-	-	-	-	-	-
	-	(0.15)	-	-	-	(0.15)
Sale of investment						
IIFL Wealth Finance Limited	-	-	-	-	-	-
	-	-	-	(86.27)	-	(86.27)
Investment in non convertible debenture						
IIFL Home Finance Limited	-	-	491.00	-	-	491.00
	-	-	-	-	-	-
Allocation / reimbursement of expenses paid						
IIFL Securities Limited	-	-	-	604.35	-	604.35
	-	(109.65)	-	-	-	(109.65)
IIFL Holdings Limited	85.49	-	-	-	-	85.49
	(59.44)	-	-	-	-	(59.44)
5 Paisa Capital Limited	-	-	-	0.02	-	0.02
	-	-	-	-	-	-
IIFL Home Finance Limited	-	-	5.65	-	-	5.65
	-	-	-	-	-	-
IIFL Management Services Limited	-	-	-	12.45	-	12.45
	-	(0.98)	-	-	-	(0.98)
IIFL Facilities Services Limited	-	-	-	34.97	-	34.97
	-	(21.01)	-	-	-	(21.01)
Allocation / reimbursement of expenses paid others						
IIFL Securities Limited	-	-	-	8.49	-	8.49
	-	(3.32)	-	-	-	(3.32)
IIFL Holdings Limited	0.50	-	-	-	-	0.50
	(0.81)	-	-	-	-	(0.81)
IIFL Wealth Management Limited	-	-	-	0.11	-	0.11
	-	-	-	-	-	-
IIFL Commodities Limited	-	-	-	0.05	-	0.05
	-	(0.03)	-	-	-	(0.03)
IIFL Facilities Services Limited	-	-	-	0.52	-	0.52
	-	(1.94)	-	-	-	(1.94)
IIFL Home Finance Limited	-	-	0.22	-	-	0.22
	-	-	(0.75)	-	-	(0.75)
Spaisa Capital Limited	-	-	-	0.15	-	0.15
	-	-	-	(0.05)	-	(0.05)
IIFL Management Services Limited	-	-	-	0.12	-	0.12
	-	(0.03)	-	-	-	(0.03)
IIFL Insurance Brokers Limited	-	-	-	0.07	-	0.07
	-	(0.99)	-	-	-	(0.99)

Note 39.1 Significant transactions with related parties

(₹ in millions)

Nature of transaction	Holding Company	Fellow subsidiaries	Direct subsidiaries	Other related parties	Key managerial personnel and their relatives	Total
Allocation / reimbursement of expenses received						
IIFL Facilities Services Limited	-	-	-	0.01	-	0.01
	-	(0.70)	-	-	-	(0.70)
IIFL Commodities Limited	-	-	-	-	-	-
	-	(0.04)	-	-	-	(0.04)
IIFL Management Services Limited	-	-	-	0.88	-	0.88
	-	(1.33)	-	-	-	(1.33)
IIFL Securities Limited	-	-	-	25.20	-	25.20
	-	(22.41)	-	-	-	(22.41)
IIFL Home Finance Limited	-	-	26.99	-	-	26.99
	-	-	-	-	-	-
5 Paisa Capital Limited	-	-	-	2.66	-	2.66
	-	-	-	(0.26)	-	(0.26)
IIFL Insurance Brokers Limited	-	-	-	0.64	-	0.64
	-	(0.31)	-	-	-	(0.31)
Allocation / reimbursement of expenses received others						
5 Paisa Capital Limited	-	-	-	0.06	-	0.06
	-	-	-	-	-	-
IIFL Securities Limited	-	-	-	3.14	-	3.14
	-	(4.62)	-	-	-	(4.62)
IIFL Holdings Limited	0.58	-	-	-	-	0.58
	(0.26)	-	-	-	-	(0.26)
IIFL Home Finance Limited	-	-	26.12	-	-	26.12
	-	-	(0.72)	-	-	(0.72)
India Infoline Foundation	-	-	-	-	-	-
	-	(0.01)	-	-	-	(0.01)
IIFL Distribution Services Limited	-	-	-	-	-	-
	-	(0.01)	-	-	-	(0.01)
IIFL Management Services Limited	-	-	-	31.01	-	31.01
	-	(0.02)	-	-	-	(0.02)
IIFL Insurance Brokers Limited	-	-	-	-	-	-
	-	(0.11)	-	-	-	(0.11)
IIFL Facilities Services Limited	-	-	-	0.51	-	0.51
	-	(1.00)	-	-	-	(1.00)
IIFL Wealth Management Limited	-	-	-	0.00	-	0.00
	-	-	-	-	-	-
Redemption of preference shares						
IIFL Holdings Limited	-	-	-	-	-	-
	(750.00)	-	-	-	-	(750.00)
Security deposit paid towards rent						
IIFL Facilities Services Limited	-	-	-	11.70	-	11.70
	-	-	-	-	-	-
Security deposit paid (others)						
IIFL Holdings Limited	0.10	-	-	-	-	0.10
	-	-	-	-	-	-
Security deposit received (others)						
IIFL Holdings Limited	0.10	-	-	-	-	0.10
	-	-	-	-	-	-
Purchase of loans						
Samasta Microfinance Limited	-	-	-	-	-	-
	-	-	(242.31)	-	-	(242.31)
Payment towards assignment transaction						
IIFL Home Finance Limited	-	-	68.54	-	-	68.54
	-	-	(113.90)	-	-	(113.90)
Receipt towards assignment transaction						
Samasta Microfinance Limited	-	-	87.95	-	-	87.95
	-	-	(171.41)	-	-	(171.41)
IIFL Home Finance Limited	-	-	30.70	-	-	30.70
	-	-	(187.55)	-	-	(187.55)
Non convertible debenture issued						
IIFL Alternate Asset Advisors Limited	-	-	-	290.00	-	290.00
	-	-	-	-	-	-
IIFL Wealth Finance Limited	-	-	-	353.92	-	353.92
	-	-	-	-	-	-

Note 39.1 Significant transactions with related parties

(₹ in millions)

Nature of transaction	Holding Company	Fellow subsidiaries	Direct subsidiaries	Other related parties	Key managerial personnel and their relatives	Total
Non convertible debenture redeemed						
IIFL Alternate Asset Advisors Limited	-	-	-	139.61	-	139.61
	-	-	-	-	-	-
IIFL Wealth Finance Limited	-	-	-	65.25	-	65.25
	-	-	-	-	-	-
IIFL Facilities Services Limited	-	-	-	197.10	-	197.10
	-	-	-	-	-	-

Note 39.2 Closing balances with related parties

(₹ in millions)

Nature of transaction	Holding Company	Fellow subsidiaries	Direct subsidiaries	Other related parties	Key managerial personnel and their relatives	Total
Other payable						
IIFL Holdings Limited	-	-	-	-	-	-
	(5.00)	-	-	-	-	(5.00)
5 Paisa Capital Limited	-	-	-	0.50	-	0.50
	-	-	-	-	-	-
IIFL Securities Limited	-	-	-	23.74	-	23.74
	-	-	-	-	-	-
IIFL Management Services Limited	-	-	-	16.94	-	16.94
	-	-	-	-	-	-
IIFL Facilities Services Limited	-	-	-	0.07	-	0.07
	-	-	-	-	-	-
Samasta Microfinance Limited	-	-	17.20	-	-	17.20
	-	-	-	-	-	-
Other receivable						
IIFL Wealth Management Limited	-	-	-	4.87	-	4.87
	-	(7.42)	-	-	-	(7.42)
IIFL Insurance Brokers Limited	-	-	-	0.02	-	0.02
	-	-	-	-	-	-
IIFL Holdings Limited	0.17	-	-	-	-	0.17
	-	-	-	-	-	-
IIFL Home Finance Limited	-	-	37.53	-	-	37.53
	-	-	(11.84)	-	-	(11.84)
IIFL Management Services Limited	-	-	-	-	-	-
	-	(542.05)	-	-	-	(542.05)
Security deposit receivable						
Aditi Athavankar	-	-	-	-	50.00	50.00
	-	-	-	-	(50.00)	(50.00)
IIFL Facilities Services Limited	-	-	-	11.70	-	11.70
	-	-	-	-	-	-
Receivable towards assignment						
IIFL Home Finance Limited	-	-	1.89	-	-	1.89
	-	-	(17.55)	-	-	(17.55)
Samasta Microfinance Limited	-	-	0.05	-	-	0.05
	-	-	(21.87)	-	-	(21.87)
Payable towards assignment						
IIFL Home Finance Limited	-	-	5.35	-	-	5.35
	-	-	(13.86)	-	-	(13.86)
Loans and advances given (including interest accrued)						
Samasta Microfinance Limited	-	-	-	-	-	-
	-	-	(953.17)	-	-	(953.17)
Outstanding ICD (given)						
IIFL Management Services Limited	-	-	-	290.00	-	290.00
	-	-	-	-	-	-
IIFL Facilities Services Limited	-	-	-	527.50	-	527.50
	-	-	-	-	-	-
Outstanding loan amount of assigned book purchased						
Samasta Microfinance Limited	-	-	3.43	-	-	3.43
	-	-	(70.90)	-	-	(70.90)
IIFL Home Finance Limited	-	-	137.48	-	-	137.48
	-	-	(168.17)	-	-	(168.17)
Outstanding loan amount of assigned book sold						
IIFL Home Finance Limited	-	-	125.48	-	-	125.48
	-	-	(194.03)	-	-	(194.03)
Corporate guarantee given						
Samasta Microfinance Limited	-	-	500.00	-	-	500.00
	-	-	(500.00)	-	-	(500.00)
Outstanding non convertible debenture issued						
IIFL Facilities Services Limited	-	-	-	200.00	-	200.00
	-	(397.10)	-	-	-	(397.10)

Note 39.1 Significant transactions with related parties

(₹ in millions)

Nature of transaction	Holding Company	Fellow subsidiaries	Direct subsidiaries	Other related parties	Key managerial personnel and their relatives	Total
Interest accrued on non convertible debenture issued						
IIFL Facilities Services Limited	-	-	-	12.82	-	12.82
	-	(45.29)	-	-	-	(45.29)
Investment in non convertible debenture (including interest accrued)						
IIFL Home Finance Limited	-	-	521.34	-	-	521.34
	-	-	-	-	-	-
Gratuity payable *						
Mr.Nirmal Jain	-	-	-	-	1.20	1.20
	-	-	-	-	(1.13)	(1.13)
Mr.R. Venkataraman	-	-	-	-	1.20	1.20
	-	-	-	-	(1.13)	(1.13)
Mr.Sumit Bali	-	-	-	-	0.11	0.11
	-	-	-	-	-	-
Leave encashment payable *						
Mr.Nirmal Jain	-	-	-	-	4.84	4.84
	-	-	-	-	(4.06)	(4.06)
Mr.R. Venkataraman	-	-	-	-	3.44	3.44
	-	-	-	-	(2.88)	(2.88)
Mr.Sumit Bali	-	-	-	-	0.28	0.28
	-	-	-	-	-	-

* Based on actuarial valuation report

Note 40. Corporate Social Responsibility

During the financial year 2018-2019, the Company has spent ₹ 97.62 million (P.Y. ₹ 86.88 million) out of the total amount of ₹ 97.62 million (P.Y. ₹ 86.88 million) required to be spent as per section 135 of The Companies Act, 2013 in respect of Corporate Social Responsibility (CSR). The aforementioned amount has been contributed to India Infoline Foundation.

Note 41.1 Maturity analysis of assets and liabilities as at March 31, 2019

(₹ in millions)

Sr. No	Particulars	Within 12 months	After 12 months	Total
	Assets			
[1]	**Financial assets**			
(a)	Cash and cash equivalents	4,148.37	-	4,148.37
(b)	Bank balance other than (a) above	10,029.54	5.48	10,035.02
(c)	Derivative financial instruments	-	-	-
(d)	Receivables			
	(i) Trade receivables	76.73	-	76.73
	(ii) Other receivables	20,177.78	-	20,177.78
(e)	Loans	74,917.46	45,968.91	120,886.37
(f)	Investments	2,060.83	11,060.71	13,121.54
(g)	Other financial assets	1,083.34	274.70	1,358.04
[2]	**Non-financial assets**			
(a)	Current tax assets (net)	-	725.15	725.15
(b)	Deferred tax assets (net)	-	2,928.25	2,928.25
(c)	Investment property	-	2,634.27	2,634.27
(d)	Property, plant and equipment	-	879.95	879.95
(e)	Capital work-in-progress	-	60.21	60.21
(f)	Other intangible assets	-	14.65	14.65
(g)	Other non-financial assets	138.07	1.47	139.54
	Total Assets	**112,632.12**	**64,553.75**	**177,185.87**
	Liabilities and Equity			
	Liabilities			
[1]	**Financial liabilities**			
(a)	Derivative financial instruments	6.59	-	6.59
(b)	Payables			
	(I)Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	533.67	-	533.67
	(II) Other payables			
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-
(c)	Debt securities	43,856.75	28,259.93	72,116.68
(d)	Borrowings (other than debt securities)	24,213.74	25,380.40	49,594.14
(e)	Subordinated liabilities	-	8,600.32	8,600.32
(f)	Other financial liabilities	9,892.07	495.25	10,387.32
[2]	**Non-financial liabilities**			
(a)	Current tax liabilities (net)	303.55	-	303.55
(b)	Provisions	152.34	42.11	194.45
(c)	Other non-financial liabilities	437.95	-	437.95
[3]	**Equity**			
(a)	Equity share capital	-	2,809.20	2,809.20
(b)	Other equity	-	32,202.00	32,202.00
	Total Liabilities and Equity	**79,396.66**	**97,789.21**	**177,185.87**

Note 41.2 Maturity analysis of assets and liabilities as at March 31, 2018

(₹ in millions)

Sr. No	Particulars	Within 12 months	After 12 months	Total
	Assets			
[1]	**Financial Assets**			
(a)	Cash and cash equivalents	1,535.36	-	1,535.36
(b)	Bank balance other than (a) above	7,770.88	1,176.09	8,946.97
(c)	Derivative financial instruments	-	-	-
(d)	Receivables			
	(i) Trade receivables	207.19	-	207.19
	(ii) Other receivables	-	-	-
(e)	Loans	94,849.54	61,122.29	155,971.83
(f)	Investments	8,544.89	8,850.46	17,395.35
(g)	Other financial assets	303.87	521.78	825.65
[2]	**Non-financial assets**			
(a)	Current tax assets (net)	-	1,186.53	1,186.53
(b)	Deferred tax assets (net)	-	2,967.34	2,967.34
(c)	Investment property	-	2,451.15	2,451.15
(d)	Property, plant and equipment	-	626.96	626.96
(e)	Capital work-in-progress	-	41.93	41.93
(f)	Other intangible assets	-	13.07	13.07
(g)	Other non-financial assets	122.22	0.54	122.76
	Total Assets	**113,333.95**	**78,958.14**	**192,292.09**
	Liabilities And Equity			
	Liabilities			
[1]	**Financial liabilities**			
(a)	Derivative financial instruments	-	-	-
(b)	Payables			
	(I)Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	412.66	-	412.66
	(II) Other payables			
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-
(c)	Debt securities	70,743.73	22,214.54	92,958.27
(d)	Borrowings (other than debt securities)	27,023.33	23,512.42	50,535.75
(e)	Subordinated liabilities	4,993.29	4,420.37	9,413.66
(f)	Other financial liabilities	5,169.00	255.09	5,424.09
[2]	**Non-financial liabilities**			
(a)	Current tax liabilities (net)	459.49	-	459.49
(b)	Provisions	102.41	30.02	132.43
(c)	Other non-financial liabilities	864.94	-	864.94
[3]	**Equity**			
(a)	Equity share capital	-	2,807.42	2,807.42
(b)	Other equity	-	29,283.38	29,283.38
	Total Liabilities and Equity	**109,768.85**	**82,523.24**	**192,292.09**

Note 41.3 Maturity analysis of assets and liabilities as at April 1, 2017

(₹ in millions)

Sr. No	Particulars	Within 12 months	After 12 months	Total
	Assets			
[1]	**Financial assets**			
(a)	Cash and cash equivalents	9,409.93	-	9,409.93
(b)	Bank balance other than (a) above	8,009.25	473.36	8,482.61
(c)	Derivative financial instruments	-	-	-
(d)	Receivables	-	-	
	(i) Trade receivables	1,692.55	-	1,692.55
	(ii) Other receivables	-	-	-
(e)	Loans	63,462.04	50,832.36	114,294.40
(f)	Investments	10,112.33	12,785.83	22,898.16
(g)	Other financial assets	208.55	224.58	433.13
[2]	**Non-financial assets**			
(a)	Current tax assets (net)	-	1,216.52	1,216.52
(b)	Deferred tax assets (net)	-	2,052.70	2,052.70
(c)	Investment property	-	504.06	504.06
(d)	Property, plant and equipment	-	521.08	521.08
(e)	Capital work-in-progress	-	12.90	12.90
(f)	Other intangible assets	-	2.20	2.20
(g)	Other non-financial assets	62.02	16.43	78.45
	Total Assets	**92,956.67**	**68,642.02**	**161,598.69**
	Liabilities And Equity			
	Liabilities			
[1]	**Financial liabilities**			
(a)	Derivative financial instruments	-	-	-
(b)	Payables			
	(I)Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	298.83	-	298.83
	(II) Other payables			
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	
(c)	Debt securities	32,931.94	28,381.45	61,313.39
(d)	Borrowings (other than debt securities)	27,840.77	25,383.66	53,224.43
(e)	Subordinated liabilities	761.89	8,409.85	9,171.74
(f)	Other financial liabilities	3,399.86	1,018.99	4,418.85
[2]	**Non-financial liabilities**			
(a)	Current tax liabilities (net)	673.46	-	673.46
(b)	Provisions	130.01	17.73	147.74
(c)	Other non-financial liabilities	1,626.94	-	1,626.94
[3]	**Equity**			
(a)	Equity share capital	-	2,371.65	2,371.65
(b)	Other equity	-	28,351.66	28,351.66
	Total Liabilities and Equity	**67,663.70**	**93,934.99**	**161,598.69**

42. Disclosure as required under Annex XII- RBI Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 01, 2016 as may be amended from time to time:

This disclosure has been prepared from the financial information which has been derived from the audited books of account as per Indian Accounting Standards (Ind AS) notified under section 133 of The Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 ("IND AS") after reversing the GAAP adjustment entries arising out of differences between the IND AS and the audited books of account as per Accounting Standards notified under section 133 of the Act read with Companies (Accounting Standards) Rules, 2006 ("Indian GAAP/erstwhile GAAP") as at and for the year ended March 31, 2019 (the "derived Indian GAAP Financial Information") and audited books of account for the year ended March 31, 2018 under Indian GAAP.

(i) Capital Adequacy Ratio

(₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018
CRAR (%)	19.18%	16.32%
CRAR - Tier I Capital (%)	15.94%	14.97%
CRAR - Tier II Capital (%)	3.24%	1.35%
Amount of subordinate debt raised as tier- II capital	8,644.63	9,434.17
Amount raised by issue of perpetual debt instruments.	-	-

(ii) Disclosure of Investments

(₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018
Value of Investments		
Gross value of Investments	**37,037.61**	**31,411.24**
(a) In India	37,037.61	31,411.24
(b) Outside India	-	-
Provision for depreciation/diminution	**498.77**	**366.30**
(a) In India	498.77	366.30
(b) Outside India	-	-
Net value of investments	**36,538.84**	**31,044.94**
(a) In India	36,538.84	31,044.94
(b) Outside India	-	-
Movement of provisions held towards depreciation on Investments		
Opening Balance	366.30	1.06
Add: Provision made during the year	156.70	366.30
Less : Write -off / write-back of excess provisions during the year	24.23	1.06
Closing balance	**498.77**	**366.30**

(iii) Derivatives:

(a) Forward Rate Agreement / Interest Rate Swap

(₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018
The notional principal of swap agreements	-	-
Losses which would be incurred if counterparties failed to fulfill their obligation under the agreements.	-	-
Collateral required by the NBFC upon entering into swaps	-	-
Concentration of credit risk arising from the swaps	-	-
The fair value of swap book	-	-

(b) Exchange traded Interest Rate "IR" derivatives

(₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018
Notional principal amount of exchange traded IR derivatives undertaken		
- 7.59% Government security 2026	-	2,947.63
- 6.97% Government security 2026	-	1,521.05
Total	-	**4,468.68**
Notional principal amount of exchange traded IR derivatives outstanding		
- 7.59% Government security 2026	-	-
- 6.97% Government security 2026	-	-
Total	-	-
Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective"	-	N.A
Mark to market value of exchange traded IR derivative outstanding and not highly effective	-	N.A

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS MUMBAI

INDIA INFOLINE FINANCE LTD.

(c) Disclosures on Risk Exposure in Derivatives

(I) Qualitative disclosure:

a) Structure and organization for management of risk in derivatives trading:

The Board of Directors, the Asset Liability Management Committee (ALCO), the Risk Management Committee (RMC) and the Market Risk Management Department are entrusted with the management of risks in derivatives.

The philosophy and framework for the derivative business is laid out in the Board approved policies including limits. It also reviews the market risk exposures of derivatives against the limits. The Risk Management Committee reviews all risks on a consolidated basis and also reviews Stress Testing.

The monitoring and measurement of risk in derivatives is carried out by the Market Risk Management Department. The Market Risk Management Department is independent of the Treasury Front office back office and directly reports into the Group Chief Risk Officer.

b) Scope and nature of risk measurement, risk reporting and risk monitoring systems:

All significant risks of the derivative portfolio are monitored and measured daily. The Market Risk Management Department measures and reports Market Risk metrics like VaR, PV01, Option Greeks like Delta, Gamma, Vega, Theta, Rho, etc. The Credit Risk from the derivatives portfolio is also measured daily.

The Market Risk Management Department monitors these exposures against the set limits and also reviews profitability on a daily basis. MIS is sent to relevant teams on a periodic basis. Exception reports are also sent so that emerging risks are reviewed and managed on a timely basis. Stress testing is also performed on the Derivative portfolio.

c) Policies for hedging and / or mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges / mitigants:

The Board Approved 'Hedging Policy' details the hedging strategies, hedging processes, accounting treatment, documentation requirements and effectiveness testing for hedges.

Hedges are monitored for effectiveness periodically, in accordance with the Board Approved Policy.

d) Accounting policy for recording hedge and non-hedge transactions; recognition of income, premiums and discounts; valuation of outstanding contracts; provisioning, collateral and credit risk mitigation:

Initial and additional margin paid over and above initial margin for entering into contracts for Equity Index/Stock Futures/Currency Futures/Interest Rate Futures and/or Equity Index/Stock Options/ Currency Options as the case may be ("Derivatives Portfolio") which are released on final settlement/squaring-up of underlying contracts are disclosed under the head "Other Current Assets".

"Equity Index/Stock Option/Currency Option Premium Account" represents premium paid or received for buying or selling the Options, respectively.

On final settlement or squaring up of contracts for Derivatives Portfolio, the realized profit or loss after adjusting the unrealized loss already accounted, if any, is recognized in the Statement of Profit and Loss. On settlement or squaring up of Derivatives Portfolio before expiry, the premium, prevailing in "Equity Index/Stock Option/Currency Option Premium Account" on that date is recognized in the Statement of Profit and Loss.

As at the Balance Sheet date, the Mark to Market/Unrealised Profit/(Loss) on all outstanding Derivative portfolio comprising of Securities and Equity/Currency Derivatives positions is determined on scrip basis with net unrealized losses on scrip basis being recognized in the Statement of Profit and Loss and the net unrealised gains on scrip basis are ignored.

(II) Quantitative Disclosure

(₹ in millions)

Particulars	2018-2019		2017-2018	
	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
Derivatives (Notional Principle Amount):				
- For hedging *	280.00	-	-	-
Marked to market positions:				
a) Asset	-	-	-	-
b) Liability	-6.59	-	-	-
Credit Exposure	-	-	-	-
Unhedged Exposures	-	-	-	-

* The Company had not opted for hedge accounting under IND AS 109 as there was no formal designation and documentation of hedging relationship at the inception. However, since the cash flows of the underlying borrowing and the derivative contract is back to back with the same counterparty, it offers economic hedge, and accordingly, the gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss.

(iv) Disclosures pertaining to securitisation transactions

The Company sells loans through securitisation and direct assignment.

(A) The information on securitisation of the Company as an originator in respect of securitisation transaction done during the year is given below:

(₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018
Total number of loan assets under par structure	184,570	493,660
Total book value of loan assets	13,335.89	6,792.05
Sale consideration received	13,335.89	6,792.05

(B) The information on securitisation of the Company as an originator in respect of outstanding amount of securitised assets is given below:

(₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018
No. of SPVs sponsored by the company for securitisation transactions	2	11
Total amount of securitised assets as per the books of SPVs sponsored by the company	4,474.06	7,887.91
Total amount of exposures retained by the company to comply with MRR as on the date of Balance Sheet	-	-
a) Off - Balance Sheet Exposures		
First Loss	-	-
Others	-	-
b) On - Balance Sheet Exposures		
First Loss	517.50	1,756.13
Investment in PTC	-	-
Overcollateralization	-	-
Amount of exposures to securitisation transaction other than MRR		
a) Off - Balance Sheet Exposures		
i) Exposures to own securitisations		
First Loss		
Others	-	-
ii) Exposures to third party securitisations		
First Loss		
Others		
b) On - Balance Sheet Exposures		
i) Exposures to own securitisations		
First Loss		
Others	-	80.10
ii) Exposures to third party securitisations		
First Loss		
Others		

(C) The information on direct assignment of the Company as an originator in respect of par transaction done during the year is given below:

(₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018
Total number of loan assets under par structure	932082	-
Total book value of loan assets	60,589.67	-
Sale consideration received	60,589.67	-

(D) The information on direct assignement of the Company as an originator in respect of outstanding amount of assets assigned under par structure is given below:

(₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018
No. of transactions assigned by the Company	24	10
Total amount outstanding	26,130.90	2,865.17
Total amount of exposures retained by the company to comply with MRR as on the date of Balance Sheet		
a) Off - Balance Sheet Exposures		
First Loss		
Others		
b) On - Balance Sheet Exposures		
First Loss		
Investment in PTC		
Exposures to own assigned transactions	2,600.54	296.86
Amount of exposures to assigned transaction other than MRR		
a) Off - Balance Sheet Exposures		
i) Exposures to own assigned transactions		
First Loss		
Others		
ii) Exposures to third party assigned tranactions		
First Loss		
Others		
b) On - Balance Sheet Exposures		
i) Exposures to own assigned transactions		
First Loss		
Others		
ii) Exposures to third party assigned tranactions		
First Loss		
Others		

(E) Details of Financial Assets sold to Securitisation/ Reconstruction Company for Assets Reconstruction:

(₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018
Number of accounts	-	-
Aggregate value (net of provisions) of accounts sold to SC/RC	-	-
Aggregate consideration	-	-
Additional consideration realised in respect of accounts transferred in earlier years	-	-
Aggregate loss over net book value	-	-

The aforementioned disclosure excludes sale of Non Performing Assets given in F (ii) below.

F) Details of non - performing financial assets purchased/ sold:

i. Details of non-performing financial assets purchased:

(₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018
Number of accounts purchased during the year	-	-
Aggregate outstanding	-	-
Of these, number of accounts restructured during the year	-	-
Aggregate outstanding	-	-

ii. Details of non-performing financial assets sold:

(₹ in millions)

Particulars	As at March 31, 2019*	As at March 31, 2018
Number of accounts sold	30	59
Aggregate outstanding	260.70	271.30
Aggregate consideration received	158.60	74.30

* Note: The above excludes divestment of Vehicle Financing Business on slump sale basis.

(v) Asset liability management maturity pattern

As at March 31, 2019

(₹ in millions)

Particulars	Upto 30/31 days	Over 1 month upto 2 month	Over 2 months upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 year	Over 3 year & upto 5 year	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-
Advances	12,385.41	15,455.31	7,074.32	6,303.34	25,214.30	19,822.80	6,905.69	2,701.95	95,863.12
Investments	105.56	-	-	815.09	2,074.08	12,960.35	9,381.99	11,201.77	36,538.84
Borrowings	24,783.66	13,074.92	8,847.00	5,265.23	9,765.26	40,867.40	18,338.49	5,214.63	126,156.59
Foreign currency assets	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	-	-	-	-	-	-	-	-	-

As at March 31, 2018

(₹ in millions)

Particulars	Upto 30/31 days	Over 1 month upto 2 month	Over 2 months upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 year	Over 3 year & upto 5 year	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-
Advances	7,903.14	7,967.38	7,693.43	18,433.78	32,509.68	47,126.04	7,439.42	6,069.70	135,142.57
Investments	5,702.62	195.69	-	220.47	3,340.50	9,361.96	3,754.48	8,469.21	31,044.93
Borrowings	9,213.98	38,571.87	28,496.58	10,224.04	7,600.22	36,277.92	13,088.37	1,600.00	145,072.98
Foreign currency assets	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	-	-	-	-	-	-	-	-	-

In computing the above information, certain estimates, assumptions and adjustments have been made by the Management which have been relied upon by the auditor.

(vi) Exposure to Real Estate Sector

(₹ in millions)

Category	As at March 31, 2019	As at March 31, 2018
a) Direct Exposure		
(i) Residential Mortgages		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented.	38,556.09	34,457.47
(ii) Commercial Real Estate		
Lending secured by mortgages on commercial real estate (office buildings, retail space, multi-purpose commercial premises, multi-family residentail building, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.) Exposure would also include non-fund based limits.	4,436.46	6,119.89
(iii) Investments in Mortgage back securities (MBS) and other securitised exposure-		
(a) Residential		
(b) Commercial real estate		
Total Direct Exposure (A)	**42,992.55**	**40,577.36**
b) Indirect Exposure (B)	12,069.77	10,942.36
Total Exposure to Real Estate Sector (A+B)	**55,062.32**	**51,519.72**

Note: Exposure includes amount outstanding including principal and interest overdue.

(vii) Exposure to Capital Market:

(₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018
(i) Direct investment in equity shares, convertibles bonds, convertible debentures and unit of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	205.00	205.00
(ii) Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investments in shares (including IPOs/ ESOPs), convertible bonds, convertible debentures, and unit of equity-oriented mutual funds;	4,429.43	7,059.33
(iii) Advances for any other purpose where shares or convertible bonds or convertibles debentures or units of equity-oriented mutual funds are taken as primary security;	2,345.75	3,727.52
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or unit or equity-oriented mutual funds i.e. where the primary security other than shares/ convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
(v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbroker and market makers;	-	-
(vi) Loan sanctioned to corporates against the security of shares/bonds/debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii) Bridge loans to companies against expected equity flows/issues;		-
(viii) All exposures to Venture Capital Funds (both registered and unregistered)	831.48	1,971.55
Total Exposure to Capital Market	**7,811.66**	**12,963.40**

Note:

(a) Exposure includes amount outstanding including principal and interest overdue.

(b) The above excludes direct equity investment in own subsidiary companies.

(viii) Details of penalties imposed by RBI or other regulators:

No penalty has been imposed during the year by RBI or other regulators.

(ix) Details of Credit Ratings:

A) Ratings assigned by Credit rating agencies:

(₹ in millions)

Rating Agency	Product	As at March 31, 2019		As at March 31, 2018	
		Amount	Rating assigned	Amount	Rating assigned
CARE Ratings Limited	Non Convertible Debenture	16,300	CARE AA; Stable [Double A; Outlook: Stable]	27,000	CARE AA; Positive [Double A; Outlook: Positive]
CARE Ratings Limited	Long Term Bank Facilities	20,000	CARE AA; Stable [Double A; Outlook: Stable]	20,000	CARE AA; Positive [Double A; Outlook: Positive]
CARE Ratings Limited	Preference Shares	500	CARE AA(RPS); Stable [Double A (RPS); Outlook: Stable]	500	CARE AA(RPS); Positive [Double A (RPS); Outlook: Positive]
CARE Ratings Limited	Subordinate Debt	2,000	CARE AA; Stable [Double A; Outlook: Stable]	2,000	CARE AA; Positive [Double A; Outlook: Positive]
ICRA Limited	Non Convertible Debentures Programme*	50,000	[ICRA]AA (Stable)	-	-
ICRA Limited	Commercial Paper programme	80,000	[ICRA]A1+	90,000	[ICRA]A1+
ICRA Limited	Subordinate Debt Programme	10,000	[ICRA]AA (Stable)	10,000	[ICRA]AA (Stable)
ICRA Limited	Long Term Bank Lines	57,750	[ICRA]AA (Stable)	57,750	[ICRA]AA (Stable)
ICRA Limited	Long term Debt Programme	25,100	[ICRA]AA (Stable)	25,100	[ICRA]AA (Stable)

(₹ in millions)

Rating Agency	Product	As at March 31, 2019		As at March 31, 2018	
		Amount	Rating assigned	Amount	Rating assigned
ICRA Limited	Secured NCD Programme	20,000	[ICRA]AA (Stable)	20,000	[ICRA]AA (Stable)
ICRA Limited	Un-secured NCD Programme	5,000	[ICRA]AA (Stable)	5,000	[ICRA]AA (Stable)
ICRA Limited	Long Term Principle Protected Equity Linked Debenture Programme	5,000	PP-MLD[ICRA]AA (Stable)	5,000	PP-MLD[ICRA]AA (Stable)
ICRA Limited	Long Term Principle Protected Market Linked Debenture Programme	5,000	PP-MLD[ICRA]AA (Stable)	1,000	PP-MLD[ICRA]AA (Stable)
ICRA Limited	Commercial Paper programme (IPO financing)^	-	-	50,000	[ICRA]A1+
CRISIL Limited	Non Convertible Debentures	5,000	CRISIL AA/Stable	-	-
CRISIL Limited	Non Convertible Debentures*	50,000	CRISIL AA/Stable	-	-
CRISIL Limited	Subordinate Debt	10,000	CRISIL AA/Stable	10,000	CRISIL AA/(Continues on 'Rating watch with Developing implications').
CRISIL Limited	Long Term Principal Protected Market Linked Debentures	5,000	CRISIL PP-MLD AAr/Stable	-	-
CRISIL Limited	Commercial Paper programme (IPO financing)^^	60,000	CRISIL A1+	60,000	CRISIL A1+
CRISIL Limited	Commercial Paper	80,000	CRISIL A1+	90,000	CRISIL A1+
Brickwork Ratings	NCDs (Public Issue)*	50,000	BWR AA+ (Stable)	-	-
Brickwork Ratings	Secured NCD	-	-	10,500	BWR AA+ (Stable)
Brickwork Ratings	Secured NCD	500	BWR AA+ (Stable)	500	BWR AA+ (Stable)
Brickwork Ratings	Bank Term Loan Facilities	-	-	1,000	BWR AA+ (Stable)
Brickwork Ratings	Unsecured Subordinated NCD	350	BWR AA+ (Stable)	750	BWR AA+ (Stable)

*Interchangeable between secured and subordinated debt.

^Rating for IPO financing is valid for a period of 31 days from March 14, 2018.

^^Rating for IPO financing is valid for a period of 60 days from March 26, 2019.(For P.Y. valid for a period of 1 month from March 16, 2018).

B) Details of migration of credit ratings during the year:

Rating Agency	Product	Rating assigned	Migration in ratings during the year
CARE Ratings	Non Convertible Debenture	CARE AA; Stable [Double A; Outlook: Stable]	Change in outlook from CARE AA;Positive to CARE AA;Stable
CARE Ratings	Long Term Bank Facilities	CARE AA; Stable [Double A; Outlook: Stable]	Change in outlook from CARE AA;Positive to CARE AA;Stable
CARE Ratings	Preference Shares	CARE AA(RPS); Stable [Double A (RPS); Outlook: Stable]	Change in outlook from CARE AA(RPS);Positive to CARE AA (RPS);Stable
CARE Ratings	Subordinate Debt	CARE AA; Stable [Double A; Outlook: Stable]	Change in outlook from CARE AA;Positive to CARE AA;Stable
CRISIL Limited	Subordinate Debt	CRISIL AA/ Stable	Change in outlook from CRISIL AA/(Continues on 'Rating watch with Developing implications'); to CRISIL AA/Stable

(x) No registration has been obtained from other financial regulators.

(xi) Considering the nature of the business of the entity and transactions entered during the year ended March 31, 2019 & March 31, 2018 following are having Nil disclosure:

a. Draw down from reserves
b. Overseas assets (for those with joint ventures and subsidiaries abroad)
c. Off- Balance Sheet SPVs sponsored
d. Financing of parent company products
e. Postponement of revenue recognition

(xii) The Company during the year ended has not exceeded single borrower limit (SGL)/ group borrower limit (GBL) while performing its lending operations.

(xiii) Remuneration paid to Non Executive Directors: (₹ in millions)

Name of the Director	2018-2019	2017-2018
Mr. V. K Chopra	2.17	2.11
Mrs. Geeta Mathur	1.37	1.46
Mr. Nilesh Vikamsey	0.78	0.12
Mrs. Shubhalakshmi Panse	0.06	0.96
Total	4.38	4.65

(xiv) Details of Provisions and Contingencies (₹ in millions)

Particulars	2018-2019	2017-2018
Provision for depreciation on investment	498.77	366.30
Provision towards non performing advances	(308.15)	(130.17)
Other Provision and Contingencies:		
Bad debts written off/(back)	3,246.66	2,167.44
Provision for Contingencies	(92.55)	(15.41)
Provision for Standard Assets	(108.93)	163.40
Total	3,235.80	2,551.56
Provision made towards Income Tax	1,589.07	2,053.10

(xv). Details of concentration of advances, exposures & NPA:

a) Concentration of Advances (₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018
Total advances to twenty largest borrowers	29,753.65	26,099.02
Percentage of advances to twenty largest borrowers to total advances	25.09%	17.22%

b) Concentration of Exposures (₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018
Total Exposure to twenty largest borrowers / customers	29,902.08	26,443.76
Percentage of exposure to twenty largest borrowers / customers to total exposure	24.94%	17.25%

Note: Exposure includes amount outstanding including principal and interest overdue.

c) Concentration of NPAs (₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018
Total exposure to top four NPA accounts	2,147.14	1,475.81

d) Details of sectorwise NPA:

Sector	% of NPAs to total advances in that sector	
	As at March 31, 2019	As at March 31, 2018
Agriculture & allied activities	2.70%	8.18%
MSME	3.85%	1.20%
Corporate borrowers	5.33%	2.97%
Services	6.49%	4.14%
Unsecured personal loans	3.80%	0.92%
Auto Loans	-	-
Other loans*	2.00%	1.70%

* Other loans include all loans that cannot be classified under any of the other sectors.

Note: Sectorwise NPA have been determined by the Management and relied upon by the auditors.

xvi. Movement of NPAs: (₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018
(i) Net NPAs to Net Advances (%)	2.09%	1.24%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	3,843.71	2,987.44
(b) Addition during the year	3,338.23	3,074.69
(c) Reduction during the year	3,040.38	2,218.42
(d) Closing balance	4,141.56	3,843.71
(iii) Movement of Net NPAs		
(a) Opening balance	1,873.87	887.44
(b) Addition during the year	2,179.04	2,452.78
(c) Reduction during the year	1,573.04	1,466.35
(d) Closing balance	2,479.87	1,873.87
(iii) Movement of provision for NPAs (excluding provision on standard assets)		
(a) Opening balance	1,969.83	2,100.00
(b) Addition during the year	1,159.19	621.91
(c) Reduction during the year	1,467.33	752.08
(d) Closing balance	1,661.69	1,969.83

xvii. Disclosure of Complaints: (₹ in millions)

Particulars	2018-19	2017-18
i. Number of complaints pending at the beginning of year	-	-
ii. Number of complaints received during the year	418	289
iii. Number of complaints redressed during the year	410	289
iv. Number of complaints pending at the end of the year	8	-

The details of the complaints have been compiled by the Management and relied upon by the auditors.

(xviii) Disclosure of restructured accounts

Details for 2018-19

(₹ in millions)

Sr. No.	Type of Restructuring / Asset Classification / Details		Under CDR Mechanism / SME Debt Restructuring Mechanism					Others					Total
			Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	
1	Restructured Accounts as on April 1 of the FY 2018 (opening figures)*	No. of borrowers							6	1		7	7
		Amount outstanding							3.42	0.09		3.51	3.51
		Provision thereon							0.34	0.02		0.36	0.36
2	Fresh restructuring during the year 2018-2019	No. of borrowers						77	14		2	93	93
		Amount outstanding						70.09	65.93		3.73	139.75	139.75
		Provision thereon						3.78	6.59		3.73	14.10	14.10
3	Upgradations to restructured standard category during the FY 2018-2019	No. of borrowers											
		Amount outstanding											
		Provision thereon											
4	Increase / Decrease in existing restructured accounts												
		Amount outstanding								(0.04)		(0.04)	(0.04)
		Provision thereon								(0.01)		(0.01)	(0.01)
5	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY 2018 and hence need not be shown as restructured standard advances at the beginning of the next FY 2019	No. of borrowers											
		Amount outstanding											
		Provision thereon											
6	Downgradations of restructured accounts during the FY 2018-2019	No. of borrowers											
		Amount outstanding											
		Provision thereon											
7	Fully recovered / Write-offs of restructured accounts during the FY 2018-2019	No. of borrowers							9			9	9
		Amount outstanding							(8.83)			(8.83)	(8.83)
		Provision thereon							(0.88)			(0.88)	(0.88)
8	Restructured Accounts as on March 31 of the FY 2019(closing figures*)	No. of borrowers						77	11	1	2	91	91
		Amount outstanding						70.09	60.52	0.08	3.73	134.42	134.42
		Provision thereon including provision for diminution in fair value						3.78	6.05	0.02	3.73	13.58	13.58

* Excluding the figures of Standard Restructured Advances which do not attract higher provisioning or risk weight (if applicable)

Details of MSME Accounts Restructured as per instructions given by RBI in its circular dated January 1, 2019

(₹ in millions)

No. of Accounts Restructured	Amount
77	70.09

Details for 2017-18

(₹ in millions)

Sr. No.	Type of Restructuring / Asset Classification / Details		Under CDR Mechanism / SME Debt Restructuring Mechanism: Standard	Sub-Standard	Doubtful	Loss	Total	Others: Standard	Sub-Standard	Doubtful	Loss	Total	Total
1	Restructured Accounts as on April 1 of the FY 2017 (opening figures)*	No. of borrowers											
		Amount outstanding											
		Provision thereon											
2	Fresh restructuring during the year 2017-2018	No. of borrowers							7			7	7
		Amount outstanding							3.52			3.52	3.52
		Provision thereon							0.36			0.36	0.36
3	Upgradations to restructured standard category during the FY 2017-2018	No. of borrowers											
		Amount outstanding											
		Provision thereon											
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY 2017 and hence need not be shown as restructured standard advances at the beginning of the next FY 2018	No. of borrowers											
		Amount outstanding											
		Provision thereon											
5	Downgradations of restructured accounts during the FY 2017-2018	No. of borrowers							(1)	1			
		Amount outstanding							(0.09)	0.09			
		Provision thereon							(0.02)	0.02			
6	Write-offs of restructured accounts during the FY 2017-2018	No. of borrowers											
		Amount outstanding											
		Provision thereon											
7	Restructured Accounts as on March 31 of the FY 2018(closing figures*)	No. of borrowers							6	1		7	7
		Amount outstanding							3.42	0.08		3.50	3.50
		Provision thereon including provision for diminution in fair value							0.34	0.02		0.36	0.36

(xix) Asset Classification

(₹ in millions)

Particulars	Outstanding Balance	Provision
Standard Assets	135,771.33	518.04
	(149,464.57)	(626.97)
Sub-Standard Assets	3,657.26	1,365.20
	(2,916.85)	(1,148.21)
Doubtful Assets	484.30	296.48
	(926.86)	(821.62)
Loss Assets		

Note:

a. In terms of RBI circular a general provision of ₹ 518.00 millions (P.Y ₹ 627.00 millions) has been made at 0.40% (P.Y 0.40%) of the standard assets. Standard Assets include interest overdue of ₹ 1328.10 millions (P.Y ₹ 1717.80 millions)

b. Asset classification is as per Reserve Bank of India guidelines and provision is as per Company's internal policy which is higher than the minimum required as per prudential norms

c. Above assets include investment in Real estate NCD's

d. Figures in bracket represent previous year's figures

(xx) Particulars as per RBI Directions as required in terms of paragraph 18 of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 01, 2016:

1. Loans and advances availed by the NBFCs inclusive of interest accrued there on but not paid:

(₹ in millions)

Particulars	March 31, 2019				March 31, 2018			
	Principal Amount outstanding	Interest Accrued but not due	Amount overdue	Total	Principal Amount outstanding	Interest Accrued but not due	Amount overdue	Total
Liability side:								
a) Debentures								
Secured	37,610.30	1,565.07	-	39,175.37	26,859.54	1,181.16	-	28,040.70
Unsecured (other than falling within the meaning of public deposits)	8,644.63	535.02	-	9,179.65	9,434.17	749.05	-	10,183.22
(b) Deferred credits	-	-	-	-	-	-	-	-
(c) Term loans	37,676.84	71.20	-	37,748.04	29,568.58	70.79	-	29,639.37
(d) Inter-corporate loans and borrowings	-	-	-	-	-	-	-	-
(e) Commercial Paper	34,712.03	-	-	34,712.03	66,117.41	-	-	66,117.41
(f) Other Loans (Overdraft)	7,512.78	-	-	7,512.78	13,093.27	1.81	-	13,095.08
Total	126,156.58	2,171.29	-	128,327.87	145,072.97	2,002.81	-	147,075.78

2. Break – up of Loans and Advances including Bills Receivables [Other than included in (4) below]:

(₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018
Assets side (Gross Value)		
(a) Secured	77,493.31	119,911.59
(b) Unsecured	19,774.06	19,990.75
Total	97,267.37	139,902.34

Note: The above include overdue principal.

3. Break- up of leased assets and stock on hire and other assets counting towards AFC activities:

(₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018
(i) Lease assets including lease rentals under sundry debtors		
(a) Financial lease	-	-
(b) Operating lease	-	-
(ii) Stock on hire including hire charges under sundry debtors		
(a) Assets on hire	-	-
(b) Repossessed Assets	-	-
(iii) Other Loans counting towards AFC activities		
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-

4. Break-up of Investments (Net of Provisions):

(₹ in millions)

Particulars	As at March 31,2019	As at March 31,2018
Current Investments :		
1 Quoted :		
(i) Shares:		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	610.65	899.28
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (Certificate of Deposits)	-	-
IRB InvIT	771.27	1,567.02
2 Unquoted:		
(i) Shares:		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	1,502.59	574.86
(iii) Units of mutual funds	50.00	50.00
(iv) Government Securities	-	5,702.62
(v) Others (please specify)	-	-
Alternative Investment Funds	60.21	62.46
Total	**2,994.72**	**8,856.24**
Long Term Investments :		
1 Quoted:		
(i) Shares:		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
2 Unquoted:		
(i) Shares:		
(a) Equity of subsidiary companies	10,469.21	8,469.21
(b) Preference of subsidiary companies	-	-
(ii) Debentures and Bonds	20,285.64	11,113.34
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
Equity Shares	155.00	155.00
Investment Property	2,634.27	2,451.15
Total (A)	**33,544.12**	**22,188.70**
Grand Total (A+B)	**36,538.84**	**31,044.94**

5. Borrower Group-wise Classification of all assets financed as in (2) and (3) above:

(₹ in millions)

Category	As at March 31,2019			As at March 31,2018		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties						
a) Subsidiaries	-	-	-	-	944.70	944.70
b) Companies in the same group	-	-	-	-	-	-
c) Other related parties	-	-	-	-	-	-
2. Other than related parties	77,493.31	19,774.06	97,267.37	119,911.59	19,990.75	139,902.34
Total	77,493.31	19,774.06	97,267.37	119,911.59	20,935.45	140,847.04

6. Investor group wise classification of all investments (Current and Long Term) in shares and securities (Both quoted and unquoted :

(₹ in millions)

Category	As at March 31,2019		As at March 31,2018	
	Market Value Breakup or fair value or NAV*	Book value (Net of provisions)	Market Value Breakup or fair value or NAV	Book value (Net of provisions)
1 Related Parties**				
a) Subsidiaries	18,859.73	10,940.00	12,513.06	8,469.20
b) Companies in the same group			-	-
c) Other related parties			-	-
2 Other than related parties	24,990.25	25,598.85	22,548.86	22,575.74
Total	43,849.98	36,538.85	35,061.92	31,044.94

*Breakup value for the unquoted investments are as defined by Reserve Bank of India.

** As per Indian Accounting Standard (Ind AS)

6.1 Fair value for investment in Real Estate NCD's has been taken at cost.

7. Other Information:

(₹ in millions)

Particulars	As at March 31,2019	As at March 31,2018
(i) Gross Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	4,141.56	3,843.70
(ii) Net Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	2,479.87	1,873.90
(iii) Assets acquired in satisfaction of debt	1,341.20	1,162.90

(xxi) Particulars as per RBI Directions for auction details (As required in terms of paragraph 26 (4)(d) of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 01, 2016

(₹ in millions)

Particulars	As at March 31,2019	As at March 31,2018
Number of gold loan accounts	40,366	47,115
Outstanding amount (₹ millions)	1,395.10	1,669.30
Amount recovered in auction (₹ millions)	1,590.60	1,848.20

None of the group companies have participated in the above auctions. The above details have been compiled by the Management and relied upon by the auditors.

43. Unhedged Foreign Currency Exposure:
The unhedged foreign currency exposure as on March 31, 2019 is Nil (P.Y Nil).

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

i. amalgamation of IIFL M&R with IIFL Holdings;
ii. demerger of the Securities Business Undertaking (as defined in the Scheme) of IIFL Holdings into IIFL Securities;
iii. demerger of the Wealth Business Undertaking (as defined in the Scheme) of IIFL Holdings into IIFL Wealth;
iv. transfer of the Broking and Depository Participant Business Undertaking (as defined in the Scheme) of IIFL Wealth to its wholly owned subsidiary i.e., IIFL Distribution on a going-concern basis; and
v. amalgamation of the Company with IIFL Holdings.

The Appointed Date for the amalgamation of IIFL M&R with IIFL Holdings is opening hours of April 1,2017 and for all the other steps mentioned above, the Appointed Date is opening hours of April 1, 2018.

The shareholders of the Company have approved the Scheme on December 12, 2018.

The National Company Law Tribunal Bench at Mumbai (Tribunal) has approved the aforementioned Scheme on March 7, 2019 under the applicable provisions of the Companies Act, 2013.

Certified copy of the said Order of the Tribunal was received by IIFL Holdings on March 15, 2019 and filed with the Registrar of Companies on April 11, 2019.

Clause 56.2.4 of the Scheme states that Part V of the Scheme dealing with the merger of the Company with IIFL Holdings shall be made effective upon receipt of Non-Banking Finance Company (NBFC) registration by IIFL Holdings from the Reserve Bank of India (RBI). Pending the receipt of NBFC registration from RBI and based on the legal opinion obtained by the Company, the Board of Directors at its meeting held on May 13, 2019 have decided to give effect to the Scheme in the following manner:

a) Merger of IIFL M&R with IIFL Holdings with effect from the Appointed Date i.e. April 1, 2017;
b) Demerger of Securities Business Undertaking and the Wealth Business Undertaking from IIFL Holdings with effect from the Appointed Date i.e. April 1, 2018; and
c) Transfer of the Broking and Depository Participant Business Undertaking from IIFL Wealth to its wholly owned subsidiary, IIFL Distribution with effect from the Appointed Date i.e. April 1, 2018.
d) Merger of the Company with IIFL Holdings to be given effect after receipt of necessary registration from the RBI.

On the record date each shareholder of IIFL Holdings will be entitled to:
a) additional 1 fully paid up equity share of Rs. 2 each in IIFL Securities for every 1 share held in IIFL Holdings for the demerger of Securities Business Undertaking;
b) additional 1 fully paid up equity share of Rs. 2 each in IIFL Wealth for every 7 shares held in IIFL Holdings for the demerger of Wealth Business Undertaking;

After aforesaid merger of the Company with IIFL Holdings, each shareholder of the Company whose name is recorded in the register of members of the Company on the record date will be entitled to 135 fully paid up equity shares of Rs. 2 each in IIFL Holdings for every 100 shares held in the Company.

45. Gold Loan Portfolio
As on March 31, 2019 the gold loan portfolio comprises 25.77% (P.Y. 21.39%) of the total assets of the Company.

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

47. Shared services

The Company operates from and uses the premises, infrastructure and other facilities and services as provided to it by its Holding Company/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/recoverable 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.

48. Fraud

During the year under review, the Company had come across frauds totalling to ₹ 15.06 millions /- (P.Y ₹ 37.16 millions/-) in respect of its lending operations. Out of the above, frauds amounting to ₹ 2.87 millions/- (P.Y ₹ 14.75 millions/-) has already been recovered. Suitable action has been taken by the Company to recover the balance amounts.

(The above information for individual frauds exceeding ₹ 100,000 has been compiled from Fraud Monitoring Return filed with the RBI)

The above information has been compiled by the Management and relied upon by the auditors.

49. Disclosure of Loan and advances pursuant to Regulation 53(f) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015:

Name of Related Party	Outstanding as on March 31, 2019	Maximum Outstanding during the year
5paisa Capital Limited	-	350.00
IIFL Management Services Limited (Formerly India Infoline Insurance Services Limited)	290.00	790.00
IIFL Securities Limited (Formerly India Infoline Limited)	-	5,000.00
IIFL Home Finance Limited (Formerly India Infoline Housing Finance Limited)	-	350.00
IIFL Facilities Services Limited (Formerly IIFL Real Estate Limited)	527.50	15,640.00
Samasta Microfinance Limited	-	748.62

50. Disclosure pursuant to SEBI Circular no. SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018 for fund raising by issuance of debt securities by large entities:

(₹ in millions)

Particulars	As at March 31, 2019
Outstanding borrowing	130,311.14
Highest Credit Rating During the previous FY along with name of the Credit Rating Agency	BWR AA+ (Pronounced as BWR Double A Plus) Outlook: Stable

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

For and on behalf of the Board of Directors
of INDIA INFOLINE FINANCE LIMITED

R. Venkataraman

R. VENKATARAMAN
Director
DIN : 00011919

SUMIT BALI
CEO & Executive Director
DIN : 02896088

PRABODH AGRAWAL
Chief Financial Officer

GAJENDRA THAKUR
Company Secretary

Place : Mumbai
Dated: May 14, 2019