

July 13, 2024

<b>The Manager, Listing Department, BSE Limited, Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai 400 001 Tel No.: 22721233 Fax No.: 22723719/22723121/22722037 BSE Scrip Code: 542773</b>	<b>The Manager, Listing Department, The National Stock Exchange of India Ltd., Exchange Plaza, 5 Floor, Plot C/1, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai 400 051 Tel No.: 2659 8235 Fax No.: 26598237 NSE Symbol: IIFLSEC</b>
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**Sub: Notice of the 29<sup>th</sup> Annual General Meeting and Annual Report for FY 2023-24**

Dear Sir/Madam,

Pursuant to the provisions of Regulation 34 read with Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the following;

- a) Notice of the 29<sup>th</sup> Annual General Meeting (“AGM”) of the Company scheduled to be held on Monday, August 5, 2024 at 11:30 a.m. IST through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”);
- b) Annual Report (including Business Responsibility and Sustainability Report) for FY 2023-24.

The Notice of the 29<sup>th</sup> AGM and Annual Report for FY 2023-24 is also uploaded on the Company’s website at <https://www.indiainfoline.com/securities/financials.php> and also on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com).

Kindly take the same on record and oblige.

Thanking You,  
Yours faithfully,  
**For IIFL Securities Limited**

**Meghal Shah**  
**Company Secretary**

**Encl: As above**

**IIFL Securities Limited**

Corporate Identity Number: **L99999MH1996PLC132983**

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

Tel: (91-22) 3929 4000/ 4103 5000 • Fax: (91-22) 2580 6654 • E-mail: [secretarial@iifl.com](mailto:secretarial@iifl.com) • Website: [www.iiflsecurities.com](http://www.iiflsecurities.com)



**IIFL Securities Limited**

**CIN: L99999MH1996PLC132983**

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## Notice

**NOTICE IS HEREBY GIVEN THAT THE TWENTY NINTH ANNUAL GENERAL MEETING OF THE MEMBERS OF IIFL SECURITIES LIMITED WILL BE HELD ON MONDAY, AUGUST 5, 2024, AT 11:30 A.M. THROUGH VIDEO CONFERENCING (“VC”)/OTHER AUDIO VISUAL MEANS (“OAVM”) TO TRANSACT THE FOLLOWING BUSINESS:-**

### **ORDINARY BUSINESS:**

#### **Item No. 1**

#### **To receive, consider and adopt:**

- a. The audited standalone financial statement(s) of the Company for the financial year ended March 31, 2024, together with the reports of the Board of Directors and Auditors thereon; and

**“RESOLVED THAT** the Audited Standalone financial statement(s) of the Company for the Financial Year ended March 31, 2024 along with the reports of the Board of Directors and Auditors thereon, be and are hereby received, considered and adopted.”

- b. The audited consolidated financial statement(s) of the Company for the financial year ended March 31, 2024, together with Auditors report thereon.

**“RESOLVED THAT** the Audited Consolidated financial statement(s) of the Company for the Financial Year ended March 31, 2024 along with the reports of the Auditors thereon, be and are hereby received, considered and adopted.”

#### **Item No. 2**

#### **To appoint a Director in place of Mr. R. Venkataraman (DIN: 00011919), who retires by rotation and being eligible, offers himself for re-appointment:**

**“RESOLVED THAT** pursuant to the provisions of Section 152 (6) of the Companies Act, 2013 read with Articles of Association of the Company and other applicable provisions, if any, of the Companies Act, 2013, Mr. R. Venkataraman (DIN: 00011919), who retires by rotation at this meeting and being eligible for re-appointment, be and is hereby re-appointed as the Director of the Company, liable to retire by rotation.”

### **SPECIAL BUSINESS:**

#### **Item No. 3**

**To re-appoint Ms. Rekha Gopal Warriar (DIN: 08152356) as an Independent Director of the Company and in this regard, to consider and if thought fit, to pass the following resolution as a Special Resolution:**

**“RESOLVED THAT** Ms. Rekha Gopal Warriar (DIN: 08152356), who was appointed as an Independent Director w.e.f. May 08, 2019 for first term of 5 (five) years and who meets the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013 (“the Act”) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), Articles of Association of the Company, and who is eligible for re-appointment and is recommended by the Board of Directors upon the recommendation of the Nomination and Remuneration Committee for the office of an Independent Director, be and is hereby re-appointed, in accordance with Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and the corresponding rules framed thereunder and SEBI Listing Regulations, as an Independent Director for a second term of 5 (five) consecutive years w.e.f. May 08, 2024;

**RESOLVED FURTHER THAT** any of the Directors, Chief Financial Officer and Company Secretary of the Company be and are hereby severally authorised to take all such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution.”

#### **Item No. 4**

**To re-appoint Mr. Narendra Deshmal Jain (DIN: 01984467) as Whole-time Director of the Company and in this regard, to consider and if thought fit, to pass the following resolution as a Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions read with Schedule V of the Companies Act, 2013 (hereinafter referred to as the “Act”) and the rules made thereunder, Regulation 17 and other applicable regulations of SEBI (Listing Obligations and

Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Articles of Association of the Company and as recommended by Nomination and Remuneration Committee and approved by Board of Directors of the Company, the approval of the Members be and is hereby accorded to re-appoint Mr. Narendra Deshmal Jain (DIN: 01984467) as Whole-Time Director and Key managerial Personnel of the Company, for a period of five years w.e.f. May 13, 2024 on the terms and conditions including remuneration as set out in the Explanatory Statement annexed hereto and whose period of office shall be liable to retire by rotation;

**RESOLVED FURTHER THAT** the Board of Directors (including Nomination and Remuneration Committee) be and is hereby authorised to alter and/or vary the terms and conditions of the said appointment including remuneration within the overall limits prescribed under Section 197 read with Schedule V to the Companies Act, 2013 or any amendments thereof;

**RESOLVED FURTHER THAT** where in any financial year, during the tenure of Mr. Narendra Deshmal Jain, the Company incurs a loss or its profits are inadequate, the Company shall continue to pay to Mr. Narendra Deshmal Jain, the remuneration by way of salary, perquisites and other allowances as a minimum remuneration subject to and in accordance with the conditions specified under Schedule V to the Companies Act, 2013 and rules made thereunder or such other limits as may be prescribed by law from time to time and approval of Members and/or Central Government required, if any;

**RESOLVED FURTHER THAT** any of the Directors, Chief Financial Officer and Company Secretary of the Company be and are hereby severally authorised to take all such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution."

#### Item No. 5

**To appoint Mr. Nemkumar H (DIN: 00350448) as Managing Director of the Company and in this regard, to consider and if thought fit, to pass the following resolution as a Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions read with Schedule V of the Companies Act, 2013 (hereinafter referred to as the "Act") and the rules made thereunder, Regulation 17 and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Articles of Association of the Company and as recommended by Nomination and Remuneration Committee and approved by Board of Directors of the Company, the approval of the Members be and is hereby accorded to re-designate and appoint Mr. Nemkumar H (DIN: 00350448) as a Managing Director and Key managerial Personnel of the Company, for a period of five years w.e.f. May 15, 2024, liable

to retire by rotation on the terms and conditions including remuneration as set out in the Explanatory Statement annexed hereto;

**RESOLVED FURTHER THAT** pursuant to provisions of Sections 197, 198, 203, Schedule V and other applicable provisions, if any, of the Act and the rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the members be and is hereby accorded to pay remuneration to Mr. Nemkumar H (DIN: 00350448), including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year as set out in the Explanatory Statement which may be in excess to 5% of the net profit of the Company computed in the manner stipulated in Section 198 of the Act;

**RESOLVED FURTHER THAT** the Board of Directors (including Nomination and Remuneration Committee) be and is hereby authorised to alter and/or vary the terms and conditions of the said appointment including remuneration as it may deem fit within the aforesaid limit;

**RESOLVED FURTHER THAT** any of the Directors, Chief Financial Officer and Company Secretary of the Company be and are hereby severally authorised to take all such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution."

#### Item No. 6

**To approve material related party transactions with IIFL Finance Limited and in this regard, to consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Regulation 23(4) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and applicable provisions of the Companies Act, 2013 and Rules made there under and any statutory modifications, amendments, variations or re-enactments thereof and the Company's Policy on Related Party Transactions and on the basis of the approval of the Audit Committee and recommendation of the Board of Directors of the Company, the approval of the Members be and is hereby accorded to the Board of Directors ("the Board" which term shall be deemed to include a Committee of the Board) for entering into transaction(s)/contract(s)/arrangement(s)/ agreements or modification(s) thereto with IIFL Finance Limited, being a Related Party as per SEBI Listing Regulations, in terms and conditions as mentioned in the explanatory statement annexed to this Notice, PROVIDED HOWEVER THAT the said transaction(s)/contract(s)/arrangement(s)/ agreements or modification(s) shall be carried out at arm's length basis and in the ordinary course of business of the Company from 29<sup>th</sup> Annual General Meeting (AGM) of the Company till the 30<sup>th</sup> AGM of the Company, for a period not exceeding fifteen months;



**RESOLVED FURTHER THAT** the Members of the Company do hereby approve and accord approval to the Board, to sign and execute all such documents, deeds and writings, including filing the said documents, etc. and do all such acts, deeds and things and take necessary steps as the Board may in its absolute discretion deem necessary, desirable or expedient to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Director(s), Chief Financial Officer, Company Secretary or any other Officer(s) / Authorized Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s);

**RESOLVED FURTHER THAT** all actions to be taken by the Board in this regard be and hereby approved and confirmed in all respects.

#### Item No. 7

**To approve material related party transactions with IIFL Home Finance Limited and in this regard, to consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Regulation 23(4) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and applicable provisions of the Companies Act, 2013 and Rules made there under and any statutory modifications, amendments, variations or re-enactments thereof and the Company’s Policy on Related Party Transactions and on the basis of the approval of the Audit Committee and recommendation of the Board of Directors of the Company, the approval of the Members be and is hereby accorded to the Board of Directors (“the Board” which term shall be deemed to include a Committee of the Board) for entering into transaction(s)/ contract(s)/arrangement(s)/ agreements or modification(s) thereto with IIFL Home Finance Limited, being a Related Party as per SEBI Listing Regulations, in terms and conditions as mentioned in the explanatory statement annexed to this Notice, PROVIDED HOWEVER THAT the said transaction(s)/ contract(s)/arrangement(s)/ agreements or modification(s) shall be carried out at arm’s length basis and in the ordinary course of business of the Company from 29<sup>th</sup> Annual General Meeting (AGM) of the Company till the 30<sup>th</sup> AGM of the Company, for a period not exceeding fifteen months;

**RESOLVED FURTHER THAT** the Members of the Company do hereby approve and accord approval to the Board, to sign and execute all such documents, deeds and writings, including

filing the said documents, etc. and do all such acts, deeds and things and take necessary steps as the Board may in its absolute discretion deem necessary, desirable or expedient to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Director(s), Chief Financial Officer, Company Secretary or any other Officer(s) / Authorized Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s);

**RESOLVED FURTHER THAT** all actions to be taken by the Board in this regard be and hereby approved and confirmed in all respects.

#### Item No. 8

**To approve material related party transactions with IIFL Samasta Finance Limited (Formerly Samasta Microfinance Limited), and in this regard, to consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Regulation 23(4) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and applicable provisions of the Companies Act, 2013 and Rules made there under and any statutory modifications, amendments, variations or re-enactments thereof and the Company’s Policy on Related Party Transactions and on the basis of the approval of the Audit Committee and recommendation of the Board of Directors of the Company, the approval of the Members be and is hereby accorded to the Board of Directors (“the Board” which term shall be deemed to include a Committee of the Board) for entering into transaction(s)/contract(s)/arrangement(s)/ agreements or modification(s) thereto with IIFL Samasta Finance Limited (Formerly Samasta Microfinance Limited), being a Related Party as per SEBI Listing Regulations, in terms and conditions as mentioned in the explanatory statement annexed to this Notice, PROVIDED HOWEVER THAT the said transaction(s)/ contract(s)/arrangement(s)/ agreements or modification(s) shall be carried out at arm’s length basis and in the ordinary course of business of the Company from 29<sup>th</sup> Annual General Meeting (AGM) of the Company till the 30<sup>th</sup> AGM of the Company, for a period not exceeding fifteen months;

**RESOLVED FURTHER THAT** the Members of the Company do hereby approve and accord approval to the Board, to sign and execute all such documents, deeds and writings, including filing the said documents, etc. and do all such acts, deeds

and things and take necessary steps as the Board may in its absolute discretion deem necessary, desirable or expedient to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Director(s), Chief Financial Officer, Company Secretary or any other Officer(s) / Authorized Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s);

**RESOLVED FURTHER THAT** all actions to be taken by the Board in this regard be and hereby approved and confirmed in all respects.

#### Item No. 9

**To approve material related party transactions with FIH Mauritius Investments Ltd and in this regard, to consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Regulation 23(4) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and applicable provisions of the Companies Act, 2013 and Rules made there under and any statutory modifications, amendments, variations or re-enactments thereof and the Company’s Policy on Related Party Transactions and on the basis of the approval of the Audit Committee and recommendation of the Board of Directors of the Company, the approval of the Members be and is hereby accorded to the Board of Directors (“the Board” which term shall be deemed to include a Committee of the Board) for entering into transaction(s)/ contract(s)/arrangement(s)/ agreements or modification(s) thereto with FIH Mauritius Investments Ltd, being a Related Party as per SEBI Listing Regulations, in terms and conditions as mentioned in the explanatory statement annexed to this Notice, PROVIDED HOWEVER THAT the said transaction(s)/ contract(s)/arrangement(s)/ agreements or modification(s) shall be carried out at arm’s length basis and in the ordinary course of business of the Company from 29<sup>th</sup> Annual General Meeting (AGM) of the Company till the 30<sup>th</sup> AGM of the Company, for a period not exceeding fifteen months;

**RESOLVED FURTHER THAT** the Members of the Company do hereby approve and accord approval to the Board, to sign and execute all such documents, deeds and writings, including filing the said documents, etc. and do all such acts, deeds and things and take necessary steps as the Board may in its absolute discretion deem necessary, desirable or expedient to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Director(s), Chief Financial Officer, Company Secretary or any other Officer(s) / Authorized Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s);

**RESOLVED FURTHER THAT** all actions to be taken by the Board in this regard be and hereby approved and confirmed in all respects.

#### Item No. 10

**To approve offer or invitation to subscribe to the Non-Convertible Debentures on private placement basis and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to the provisions of the Articles of Association of the Company and Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, and other applicable regulations as may be amended and applicable from time to time, approval of the members be and is hereby accorded to the Board of Directors of the Company to offer or invite subscriptions for secured/unsecured redeemable non- convertible debentures, in one or more series/tranches, upto ₹ 1,000 crores (Rupees One Thousand crores only), on private placement, from such persons and on such terms and conditions as the Board of Directors of the Company may, from time to time, determine and consider proper and more



beneficial to the Company including, without limitation, as to when the said Debentures are to be issued, the consideration for the issue, mode of payment, coupon rate, redemption period, utilisation of the issue proceeds and all matters connected therewith or incidental thereto;

**RESOLVED FURTHER THAT** the Board of Directors of the Company and/or its duly constituted committee be and is hereby authorised to do all acts, deeds, things and to take all such steps as may be necessary, proper or expedient to give effect to aforesaid resolution.”

**By Order of the Board of Directors**

**Meghal Shah**

Company Secretary  
ACS- 53569

Dated: July 02, 2024  
Place: Mumbai

**Regd. Office:**

IIFL House, Sun Infotech Park,  
Road No. 16V, Plot No. B-23, MIDC,  
Thane Industrial Area, Wagle Estate, Thane - 400 604  
Email - [secretarial@iifl.com](mailto:secretarial@iifl.com)

**Notes:**

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") setting out the material facts in respect of the Special Business and the relevant details as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called "SEBI Listing Regulations") and Secretarial Standard on General Meeting (SS-2) with respect to Director seeking appointment/re-appointment at this Annual General Meeting ("AGM") are annexed hereto.
2. The Ministry of Corporate Affairs ("MCA"), Vide General Circular No. 14/2020 dated April 8, 2020, General Circular No.17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 05, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 19/2021 dated December 08, 2021, General Circular No. 21/2021 dated December 14, 2021, General Circular No. 2/2022 dated May 05, 2022, General Circular No. 10/2022 dated December 28, 2022 and General Circular No. 09/2023 dated September 25, 2023 respectively, ("MCA Circulars"), has permitted, *inter-alia*, conduct of AGMs through Video Conferencing/ Other Audio-Visual Means ("VC/OAVM") facility till September 30, 2024. In compliance with these Circulars, provisions of the Act and the SEBI Listing Regulations, the 29<sup>th</sup> AGM of the Company is being conducted through VC/OAVM facility, which does not require physical presence of members at a common venue. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. The registered office of the Company shall be deemed to be the venue for the 29<sup>th</sup> AGM.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM facility will be counted for the purpose of ascertaining the quorum under Section 103 of the Act. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
5. Pursuant to the provisions of Section 105 of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the 29<sup>th</sup> AGM and hence the Proxy Form, Attendance Slip and route map of the AGM are not annexed to this Notice.
6. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of SEBI Listing Regulations read with MCA Circulars, the Company is providing remote e- Voting facility to its members in respect of the business to be transacted at the 29<sup>th</sup> AGM and facility for those members participating in the 29<sup>th</sup> AGM to cast vote through e-Voting system during the 29<sup>th</sup> AGM. For this purpose, Central Depository Services (India) Limited (CDSL) will be providing facility for voting through remote e-Voting, for participation in the 29<sup>th</sup> AGM through VC/ OAVM facility and e-Voting during the 29<sup>th</sup> AGM.
7. In terms of the MCA Circulars, the Notice calling the AGM and Audited Financial Statement for the Financial Year 2023-24 has been uploaded on the website of the Company i.e. [www.iiflsecurities.com](http://www.iiflsecurities.com). The Notice can also be accessed on the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively. The AGM Notice is also disseminated on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com).
8. In compliance with the MCA Circulars and the Securities and Exchange Board of India ("SEBI") Circular No. SEBI/ HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated May 13, 2022, Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023, Notice of the 29<sup>th</sup> AGM along with the Annual Report for Financial Year 2023-24 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ National Securities Depository Limited and CDSL ("Depositories").

In case any member is desirous of obtaining hard copy of the Annual Report for the financial year 2023-24 and Notice of the 29<sup>th</sup> AGM of the Company, may send request to the Company's email address at [secretarial@iifl.com](mailto:secretarial@iifl.com) mentioning Foilo No./ DP ID and Client ID.



9. Members, whose email address is not registered with the Company or with their respective Depository Participant(s), and who wish to receive the Notice of the 29<sup>th</sup> AGM and the Annual Report for the financial year 2023-24 and all other communication sent by the Company, from time to time, can get their email address registered by following the steps as given below:-
- Members holding shares in physical form may send scan copy of a signed request letter mentioning the folio number, complete address, email address to be registered along with scanned self attested copy of the PAN and any document (such as Driving License, Passport, Bank Statement, AADHAR) supporting the registered address of the Member, by email to the Company's email address at [secretarial@iifl.com](mailto:secretarial@iifl.com) or to Link Intime India Private Limited ("RTA/Linkintime") at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
  - Members holding shares in demat mode may update the email address through their respective Depository Participant(s).
10. Pursuant to Section 91 of the Companies Act, 2013 read with regulation 42 of the SEBI Listing Regulations the Register of Members and the Share Transfer Book of the Company will remain closed from July 30, 2024 to August 05, 2024 (both days inclusive).
11. During the financial year 2023-24, the Company declared and paid an interim dividend of ₹ 3/- per equity share (i.e. 150% of face value of ₹ 2/- per share). The same shall be considered as final dividend. Members are requested to note that, dividends if not encashed and which remains unclaimed for a period of seven (7) consecutive years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, all the shares in respect of which dividend has remained unclaimed for 7 consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. In view of this, Members are requested to claim their unclaimed dividends from the Company, within the stipulated timeline.
12. Statutory Registers, financial statement and all the documents referred to in the Notice and Explanatory Statement will be available for inspection by the Members. Members who wish to inspect or seek any information in relation to the same are requested to write to the Company through e-mail on [secretarial@iifl.com](mailto:secretarial@iifl.com).
13. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021 (subsequently amended by Circular Nos. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/687 dated December 14, 2021, SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 and SEBI/HO/MIRSD/MIRSD-1/P/CIR/2023/181 dated November 17, 2023) has mandated that with effect from April 1, 2024, dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature.
- Further, relevant FAQs published by SEBI on its website can be viewed at the following link: [https://www.sebi.gov.in/sebi\\_data/faqfiles/jan-2024/1704433843359.pdf](https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf)
14. Members may note that, in terms of the SEBI Listing Regulations equity shares of the Company can only be transferred in dematerialised form.
15. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
16. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, mandates, nominations, power of attorney, bank account, etc., to their DPs if the shares are held by them in electronic form and to RTA if the shares are held by them in physical form.
17. Pursuant to Section 72 of the Act, Members are entitled to make a nomination in respect of shares held by them. Members desirous of making a nomination, pursuant to the Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 are requested to send their requests in Form No. SH- 13, to the Registrar and Transfer Agent of the Company. Further, Members desirous of cancelling/varying nomination pursuant to the Rule 19(9) of the Companies (Share Capital and Debentures) Rules, 2014, are requested to send their requests in Form No. SH-14, to the RTA of the Company. These forms will be made available on request.
18. The Company has designated an exclusive e-mail id to redress shareholders' complaints/grievances. In case you have any queries/complaints/grievances, then please write to us at [secretarial@iifl.com](mailto:secretarial@iifl.com).
19. Members can raise questions during the meeting or in advance at [secretarial@iifl.com](mailto:secretarial@iifl.com) or [investor.relations@iifl.com](mailto:investor.relations@iifl.com) in the manner as prescribed in this notice. However, it is requested to raise the queries precisely and in short at the time of meeting to enable to answer the same.
20. The voting rights of the Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date i.e. July 29, 2024.



21. Institutional/Corporate shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of their respective Board or governing body Resolution/Authorization etc., authorizing their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-Voting. The said Resolution/Authorization shall be sent to the Scrutinizer by e-mail at its registered e-mail address to [cssnehalshah@gmail.com](mailto:cssnehalshah@gmail.com) with a copy marked to [secretarial@iifl.com](mailto:secretarial@iifl.com).
22. The resolutions approved/voted by the Members through remote e-voting are deemed to have been passed as if they have been passed at a General Meeting of Members. The date of declaration of results of the e-voting shall be the date on which the resolutions would be deemed to have been passed, if approved by the requisite majority.
23. The Board of Directors have appointed CS Snehal Shah & Associates (Membership No. FCS 6114) and failing him CS Pratik M. Shah, Practicing Company Secretaries as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Consolidated Results of remote e-voting and voting at the 29<sup>th</sup> AGM shall be declared within two working days of the conclusion of 29<sup>th</sup> AGM of the Company. The results declared along with the Scrutiniser's Report shall be placed on the Company's website [www.iiflsecurities.com](http://www.iiflsecurities.com) and on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com) and the same shall also be communicated to BSE Limited and National Stock Exchange of India Limited where the shares of the Company are listed.
24. Statutory Registers and documents referred to in the Notice and Explanatory statement are open for inspection by the Members at the Registered office of the Company on all days (excluding Saturdays and Sundays) between 11.00 a.m. to 1.00 p.m. upto the date of the 29<sup>th</sup> AGM.
25. The information and instructions for shareholders for remote e-voting are as under:

In compliance with the provisions of Regulation 44 of the SEBI Listing Regulations, Sections 108 and 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (as amended), MCA Circulars and the Secretarial Standard on General Meetings, the Company is providing a facility to all its members to enable them to cast their vote on the matters listed in this Notice by electronic means (remote e-voting). The remote e-voting facility is provided by CDSL.

- i. The voting period begins on Wednesday, July 31, 2024 at 9:00 a.m. and ends on Sunday, August 04, 2024 at 5:00 p.m. During this period, shareholders' of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of July 29, 2024, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote during the meeting.
- iii. Pursuant to **SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020**, under Regulation 44 of SEBI Listing Regulations listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.  
  
Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.  
  
In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e- voting process.
- iv. In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.



Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL's Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi/Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon and select New System Myeasi Tab.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service provider's website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e- Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e- Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re- directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e- Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e- Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e- Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL:**

Login Type	Helpdesk Details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cDSLindia.com">helpdesk.evoting@cDSLindia.com</a> or contact at toll free no. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 4886 7000 and 022 2499 7000.

v. Login method for e-Voting and joining virtual meeting for **physical shareholders other than individual shareholders holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

**For Physical Shareholders and other than individual shareholders holding shares in Demat**

PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id/folio number in the Dividend Bank details field.</li> </ul>

- vi. After entering these details appropriately, click on “SUBMIT” tab.
- vii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- viii. For shareholders holding shares in physical form, the details can be used only for e- voting on the resolutions contained in this Notice.
- ix. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- x. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xi. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xii. After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on



“OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

- xiii. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xiv. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xv. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvi. There is also an optional provision to upload Board Resolution and Power of Attorney (POA) if any uploaded, which will be made available to scrutinizer for verification.
- xvii. **Facility for Non – Individual Shareholders and Custodians –Remote Voting**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- A scanned copy of the Board Resolution and POA which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address [cssnehalshah@gmail.com](mailto:cssnehalshah@gmail.com) and [secretarial@iifl.com](mailto:secretarial@iifl.com) respectively, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops/IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance **atleast Seven(7) days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [secretarial@iifl.com](mailto:secretarial@iifl.com) or [investor.relations@iifl.com](mailto:investor.relations@iifl.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance Seven (7) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [secretarial@iifl.com](mailto:secretarial@iifl.com) or [investor.relations@iifl.com](mailto:investor.relations@iifl.com). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES/ MOBILE NO. ARE NOT REGISTERED WITH THE DEPOSITORIES:**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) or [secretarial@iifl.com](mailto:secretarial@iifl.com).
2. For Demat shareholders - Please update your email id & mobile no. with your respective **Depository Participant (DP)**
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective DP which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, CDSL, A Wing, 25<sup>th</sup> Floor, Marathon Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400 013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.

**PROCEDURE FOR REGISTRATION OF E-MAIL ADDRESS AND BANK DETAILS BY SHAREHOLDERS:-**

**a. For Temporary Registration for Demat shareholders:**

The Members of the Company holding Equity Shares of the Company in Demat Form and who have not registered their e-mail addresses may temporarily get their e-mail addresses registered with Link Intime India Private Limited by clicking the link: [https://linkintime.co.in/emailreg/email\\_register.html](https://linkintime.co.in/emailreg/email_register.html) in their web site [www.linkintime.co.in](http://www.linkintime.co.in) at the Investor Services tab by choosing the E mail Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, DPID, Client ID/PAN, mobile number and e-mail id. In case of any query, a member may send an e-mail to RTA at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).

**On submission of the shareholders details an OTP will be received by the shareholder which needs to be entered in the link for verification.**

**b. For Permanent Registration for Demat shareholders:**

It is clarified that for permanent registration of e-mail address, the Members are requested to register their e-mail address, in respect of demat holdings with the respective Depository Participant (DP) by following the procedure prescribed by the DP.

**c. Registration of email id for shareholders holding physical shares:**

The Members of the Company holding Equity Shares of the Company in physical Form and who have not registered their e-mail addresses may get their e-mail addresses registered with Link Intime India Pvt Ltd, by clicking the link: [https://web.linkintime.co.in/EmailReg/Email\\_Register.html](https://web.linkintime.co.in/EmailReg/Email_Register.html) in their website [www.linkintime.co.in](http://www.linkintime.co.in) at the Investor Services tab by choosing the mail/Bank Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, Folio Number, Certificate number, PAN, mobile number and e mail id and also upload the image of share certificate in PDF or JPEG format. (upto 1 MB). In case of any query, a member may send an e-mail to RTA at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).

**On submission of the shareholders details an OTP will be received by the shareholder who needs to be entered in the link for verification.**

**d. Registration of Bank Details for physical shareholders:**

The Members of the Company holding Equity Shares of the Company in physical Form and who have not registered their bank details can get the same registered with Link Intime India Pvt Ltd, by clicking the link: [https://web.linkintime.co.in/EmailReg/Email\\_Register.html](https://web.linkintime.co.in/EmailReg/Email_Register.html) in their web site [www.linkintime.co.in](http://www.linkintime.co.in) at the Investor Services tab by choosing the E mail/Bank Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, Folio Number, Certificate number, PAN, e – mail id along with the copy of the cheque leaf with the first named shareholders name imprinted in the face of the cheque leaf containing bank name and branch, type of account, bank account number, MICR details and IFSC code in PDF or JPEG format. In case of any query, a member may send an e-mail to RTA at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).

**On submission of the shareholders details an OTP will be received by the shareholder which needs to be entered in the link for verification.**



# Annexure to the Notice

Explanatory Statement Pursuant to Section 102 of Companies Act, 2013 to the accompanying notice

## Item No. 3

### To re-appoint Ms. Rekha Gopal Warriar (DIN: 08152356) as an Independent Director of the Company

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Articles of Association of the Company, Ms. Rekha Gopal Warriar (DIN: 08152356) was appointed as an Independent Director on the Board of the Company for a term of five (5) consecutive years with effect from May 08, 2019.

The Board of Directors based on the performance evaluation and considering the rich experience, knowledge and valuable contribution of Ms. Warriar in the deliberations during the Board/Committee meetings, and on recommendation of the Nomination and Remuneration Committee, approved the re-appointment of Ms. Warriar as an Independent Director for a second term of five (5) consecutive years effective from May 08, 2024, vide its resolution passed by circulation on April 30, 2024, subject to the approval of the shareholders and Regulators/Exchanges, as may be required.

Ms. Warriar is independent of the management and possesses appropriate skills, experience, knowledge and capabilities required for the role of Independent Director. She has leadership skills and vast experience in banking and financial industry. She has over 31 years of experience working with the Reserve Bank of India (RBI) in various departments like Foreign Exchange, Financial Stability, Internal Debt Management, Rural Development, etc. Her knowledge and extensive experience of working with a Regulator helps the Company in its corporate governance practices, regulatory matters, as well as, social initiatives. In view of this, the re-appointment of Ms. Rekha Gopal Warriar as an Independent Director is in the interest of the Company.

Ms. Warriar is qualified to be appointed as a Director in terms of Section 164 of the Act and has given her consent relating thereto. The Company has also received declaration from Ms. Warriar that she meets the criteria of independence as prescribed under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations") and that she is not debarred from holding the office of director by virtue of any order from Securities and Exchange Board of India ("SEBI") or any such authority. The Company has, in terms of Section 160(1) of the Act, received notice in writing from a Member, proposing her candidature for re-appointment in the office of Independent Director.

The requisite details and information pursuant to the provisions of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India are provided in the "Annexure" to the Notice.

Ms. Warriar shall be paid remuneration by way of fee for attending the meetings of the Board or Committees thereof as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings and commission within the limits stipulated under Section 197 of the Act.

In accordance with the provisions of Section 149 read with Schedule IV of the Act and other applicable provisions of the Act and in terms of Regulation 25(2A) of the SEBI Listing Regulations, the approval of members is sought for re-appointment of Ms. Rekha Gopal Warriar as an Independent Director of the Company by passing a Special Resolution.

Ms. Rekha Gopal Warriar is interested in the resolution set out at Item No. 3 of the Notice with regard to her re-appointment. Relatives of Ms. Rekha Gopal Warriar may be deemed to be interested in the resolution to the extent of their shareholding, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board accordingly recommends the Special Resolution set out at Item No. 3 of the Notice for approval of the Members.

## Item No. 4

### To re-appoint Mr. Narendra Deshmal Jain (DIN: 01984467) as Whole-time Director of the Company

Pursuant to the provisions of Section 203 of the Companies Act, 2013 ("the Act") Mr. Narendra Deshmal Jain (DIN: 01984467) was appointed as a Whole-Time Director and a Key Managerial Personnel (KMP) of the Company for a period of 5 years w.e.f. May 13, 2019.

The Board of Director at its meeting held on May 10, 2024, considering the rich experience, knowledge and contribution towards the affairs of the Company of Mr. Jain, and on recommendation of the Nomination and Remuneration Committee, approved the re-appointment of Mr. Jain as a Whole-Time Director and a KMP of the Company for a term of 5 consecutive years w.e.f. May 13, 2024, subject to the approval of the shareholders and Regulators/Exchanges, as may be required, on such terms and conditions including remuneration as provided hereunder.

The Company has received the consent to act as a Whole-Time Director and requisite declarations/disclosures from Mr. Jain in relation to his re-appointment as a Whole-Time Director on the Board of the Company. Further, he is not disqualified from being appointed as a Director in terms of Section 164 of the Act and he is not debarred from holding the office of Director by virtue of any order passed by SEBI or any such authority. Mr. Narendra Deshmal Jain satisfies all conditions set out in Part I of Schedule V to the Act as also the conditions set out under Section 196(3) of the Act for being eligible for re-appointment. Further, the Company has received a notice under Section 160 of the Act from a Member signifying his intention to propose the candidature of Mr. Jain as Whole-Time Director of the Company, liable to retire by rotation.

Broad particulars of the terms of appointment and of remuneration payable to Mr. Jain are as under:

- I. Period: 5 years w.e.f. May 13, 2024 with the liberty to either party to terminate the appointment on three months' notice in writing to the other.
- II. Gross Remuneration of ₹ 1.35 Crore p.a. including Basic, HRA, Medical, Education, Meal, Leave Travel Concession, ERA, supplementary allowances, as per the service rules of the Company as applicable from time to time.
- III. The Board/Nomination & Remuneration Committee thereof will review and recommend annual increment/ any remuneration payable to the Whole-time Director during the tenure of his appointment.
- IV. He shall be paid variable pay/performance bonus.
- V. Subject as aforesaid, the Whole-Time Director shall be governed by such other Rules as are applicable to the Senior Executives of the Company from time to time.
- VI. The aggregate of the remuneration and perquisites as aforesaid in any financial year shall not exceed the limit from time to time under Section 197, Section 198 and other applicable provisions of the Act and Rules made thereunder, read with Schedule V of the said Act or any statutory modification(s) or re-enactment thereof for the time being in force, or otherwise as may be permissible at law.
- VII. When in any financial year, the Company has no profits or its profits are inadequate, the remuneration including the perquisites as aforesaid will be paid to Mr. Jain in accordance with the applicable provisions of Schedule V of the Act, and subject to the approval of the Shareholders or Central Government, if required.
- VIII. Mr. Jain shall be liable to retire by rotation.
- IX. He shall perform such duties as shall from time to time be entrusted to him by the Board, subject to superintendence, guidance and control of the Board.
- X. He shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Companies Act, 2013 ("the Act") with regard to duties of directors.
- XI. He shall adhere to the Company's Code of Conduct.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Jain under Section 190 of the Act.

The requisite details and information pursuant to the provisions of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India are provided in the "Annexure" to the Notice.

In accordance with the provisions of Section 196 and 197 read with Schedule V of the Act and other applicable provisions of the Act and in terms of Regulation 17(1C) of the SEBI Listing Regulations, the approval of members is sought for re-appointment of Mr. Jain as a Whole-Time Director and a KMP of the Company by passing a Special Resolution.

Mr. Narendra Deshmal Jain is interested in the resolution set out at Item No. 4 of the Notice with regard to his re-appointment. Relatives of Mr. Jain may be deemed to be interested in the resolution to the extent of their shareholding, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board accordingly recommends the Special Resolution set out at Item No. 4 of the Notice for approval of the Members.

## Item No. 5

### To appoint Mr. Nemkumar H (DIN: 00350448) as Managing Director of the Company

Pursuant to the provisions of Section 196, 197 and 203 of the Companies Act, 2013 ("the Act") and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI Listing Regulations") Mr. Nemkumar H (DIN: 00350448) was appointed as Whole-Time Director and a Key Managerial Personnel (KMP) of the Company for a period of 5 years w.e.f. October 17, 2023.

The tenure of Mr. R. Venkataraman (DIN: 00011919) as Managing Director and KMP expired on May 14, 2024. Mr. Venkataraman decided not to seek renewal of his term as a Managing Director. The Board of Director at its meeting held on May 10, 2024, on recommendation of the Nomination and Remuneration Committee, re-designated and appointed Mr. Nemkumar H (DIN: 00350448) as the Managing Director of the Company for a period of 5 years w.e.f. May 15, 2024, to fill the vacancy caused due to the



expiry of tenure of Mr. R. Venkataraman as Managing Director and KMP of the Company, subject to the approval of the shareholders and Regulators/Exchanges, as may be required. Mr. R. Venkataraman continues to be the Chairman and Non-Executive Director on the Board of the Company.

The Board was of the view that the separation of the posts of the Chairman and Managing Director is better aligned with good corporate governance standards.

The Company has received the consent to act as a Managing Director and requisite declarations/disclosures from Mr. Nemkumar H in relation to his re-designation and appointment as a Managing Director of the Company. Further, Mr. Nemkumar H is not disqualified from being appointed as a Director in terms of Section 164 of the Act and he is not debarred from holding the office of Director by virtue of any order passed by SEBI or any such authority. Mr. Nemkumar H satisfies all conditions set out in Part I of Schedule V to the Act as also the conditions set out under Section 196(3) of the Act for being eligible for appointment. The Company has received a notice under Section 160 of the Act from a Member signifying his intention to propose the candidature of Mr. Nemkumar H as Managing Director of the Company, liable to retire by rotation.

Further, pursuant to Section 197 of the Act, except with the approval of the Company in general meeting, by a special resolution the remuneration payable to any one Managing Director or Whole-time Director or manager shall not exceed five percent of the net profits of the Company.

Broad particulars of the terms of appointment and of remuneration payable to Mr. Nemkumar H are as under:

- I. Period: 5 years w.e.f. May 15, 2024 with the liberty to either party to terminate the appointment on three months' notice in writing to the other.
- II. Gross Fixed Remuneration of ₹ 4.5 Crore p.a. including Basic, HRA, Medical, Education, Meal, Leave Travel Concession, ERA, supplementary allowances, as per the service rules of the Company as applicable from time to time.
- III. The Board/Nomination & Remuneration Committee thereof will review and recommend annual increment/ any remuneration payable to the Managing Director during the tenure of his appointment.

- IV. He shall be paid variable pay/performance bonus.
- V. Subject as aforesaid, the Managing Director shall be governed by such other Rules as are applicable to the Senior Executives of the Company from time to time.
- VI. The aggregate of the remuneration and perquisites as aforesaid in any financial year shall not exceed the limit from time to time under Section 197, Section 198 and other applicable provisions of the Act and Rules made thereunder, read with Schedule V of the said Act or any statutory modification(s) or re-enactment thereof for the time being in force, or otherwise as may be permissible at law.
- VII. When in any financial year, the Company has no profits or its profits are inadequate, the remuneration including the perquisites as aforesaid will be paid to Mr. Nemkumar H in accordance with the applicable provisions of Schedule V of the Act.
- VIII. Mr. Nemkumar H shall be liable to retire by rotation.
- IX. He shall perform such duties as shall from time to time be entrusted to him by the Board, subject to superintendence, guidance and control of the Board.
- X. He shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Companies Act, 2013 ("the Act") with regard to duties of directors.
- XI. He shall adhere to the Company's Code of Conduct.

The aforesaid may be treated as a written memorandum setting out the terms of appointment of Mr. Nemkumar H under Section 190 of the Act.

The approval of members is sought for re-designation and appointment of Mr. Nemkumar H as a Managing Director and a KMP of the Company including remuneration, by passing a Special Resolution.

The requisite details and information pursuant to the provisions of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India are provided in the "Annexure" to the Notice.



Information required under Section II, Part II of Schedule V of the Act is as under;

<b>I. General information:</b>	
(1) Nature of industry	Stockbroking & Allied
(2) Date or expected date of commencement of commercial production	Not Applicable
(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
(4) Financial performance based on given indicators	The details of the financial performance of the Company for the F.Y. 2023- 24 is summarized below: Total Income: ₹ 2,231.29 Crore Profit before tax: ₹ 682.60 Crore Profit after tax: ₹ 513.35 Crore
(5) Foreign investments or collaborations, if any.	Nil as on Consolidated basis
<b>II. Information about the appointee:</b>	
(1) Background details, Recognition or awards, Job profile and his suitability	Mr. Nemkumar H is a founder member of IIFL's Institutional Equities team and joined IIFL in 2007 to scale up Institutional Broking and Investment Banking business. Under his leadership, the Institutional Equities business has scaled up and IIFL Securities is now among the leading firms. Prior to joining IIFL, Mr. Nemkumar spent nearly 10 years at CLSA as an equity analyst covering the Asia Oil & Gas sectors, as Head of India research and as Head of India office. He started his career at BPCL and worked there for 8 years in the corporate treasury and pricing departments.
(2) Past remuneration	₹ 1.37 Crore (w.e.f. October 17, 2023 as Whole-Time Director for FY 2023-24)
(3) Remuneration proposed	As stated in explanatory statement
(4) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration as proposed for Mr. Nemkumar H is comparable to that drawn by the peers in the similar capacity in the industry and is commensurate with the size of the Company and its group and diverse nature of its businesses.
(5) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any.	No pecuniary relationship except shareholding and remuneration as Managing Director of the Company.
<b>III. Other information:</b>	
(1) Reasons of loss or inadequate profits	Presently there is no inadequacy of profits for payment of remuneration to the Directors, however, to enable the continuity in payment of remuneration, it is proposed to seek the approval of members by special resolution.
(2) Steps taken or proposed to be taken for improvement	Not Applicable
(3) Expected increase in productivity and profits in measurable terms	Not Applicable

Mr. Nemkumar H is interested in the resolution set out at Item No. 5 of the Notice with regard to his appointment. Relatives of Mr. Nemkumar H may be deemed to be interested in the resolution to the extent of their shareholding, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board accordingly recommends the Special Resolution set out at Item No. 5 of the Notice for approval of the Members.



## Item No. 6 to 9

### Approval for the material related party transactions

Pursuant to Regulation 23 of the SEBI Listing Regulations, as amended, a transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ₹1000 crore or 10% of the annual consolidated turnover of the Company as per the last audited financial statements, whichever is lower. Further, such material related transactions shall require prior approval of shareholders through ordinary resolution.

The Company may enter into various transactions viz. Inter-Corporate Deposits, purchase/sales/redemption/investment in securities, etc. from time to time, with Related

Party in terms of Regulation 2(1)(zc) of SEBI Listing Regulations, as and when required. All these transactions will be executed at an arm's length basis and in the ordinary course of business of the Company and have been approved by the Audit Committee and the Board of Directors at its meetings.

In view of the above, approval of the shareholders is sought for the material related party transactions to be entered by the Company with the related parties which may exceed the materiality threshold limit as prescribed under the SEBI Listing Regulations, from 29<sup>th</sup> AGM till 30<sup>th</sup> AGM of the Company, for a period not exceeding fifteen months.

The details as required under Regulation 23(4) of the SEBI Listing Regulations read with SEBI Circular bearing reference no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 ("SEBI Circular") are set forth below:

### A) Transactions between the Company with its related parties

#### 1. Name of the related party, nature of relationship, type & value of the proposed transaction:

Name of the Related Party	IIFL Finance Limited <sup>#</sup>	IIFL Home Finance Limited <sup>#</sup>	IIFL Samasta Finance Limited (Formerly Samasta Microfinance Limited) <sup>#</sup>	FIH Mauritius Investments Ltd				
<b>Nature of Relationship</b>	Related Party as per Accounting Standards and SEBI Listing Regulations							
Type of transaction	Value of the proposed Transaction		Value of the proposed Transaction		Value of the proposed Transaction		Value of the proposed Transaction	
	₹ in Cr	% of Company's annual consolidated turnover based on FY 2023-24	₹ in Cr	% of Company's annual consolidated turnover based on FY 2023-24	₹ in Cr	% of Company's annual consolidated turnover based on FY 2023-24	₹ in Cr	% of Company's annual consolidated turnover based on FY 2023-24
<b>Inter-corporate deposits ("ICD")</b>								
<b>ICD taken</b>								
(a) Aggregate ICD taken	1500	67%	1500	67%	1500	67%	-	-
(b) Maximum outstanding (ICD taken)*	700	31%	500	22%	700	31%	-	-
Purchase/sale/redeem/invest in securities	-	-	-	-	-	-	500	22%

\* The ceiling on the amount of transactions specified as above means the transactions remaining outstanding at the end of any day.

# The aforementioned transactions entered/ to be entered, in aggregate with the other transactions shall exceed the materiality threshold limit as prescribed under SEBI Listing Regulations

## 2. Type, Material terms including Tenure, Rate of Interest, repayment, security, other covenants of the Transactions, source of funds, purpose of use of funds and Justification as to why the related party transaction is in the interest of the listed entity

Type of proposed transaction	Tenure	Interest Rate	Security	Repayment	Source of Funds	Purpose of use of Funds	Indebtedness incurred for subscription of securities	Justification as to why the related party transaction is in the interest of the listed entity
1. Inter-corporate deposits taken	From the date of 29 <sup>th</sup> AGM to 30 <sup>th</sup> AGM for a period not exceeding fifteen months	SBI 1 year MCLR + Credit spread of 250 to 350 basis points	Unsecured	Bullet repayment on maturity or payable/receivable on demand	Not Applicable	The funds would be utilised towards meeting its Working Capital, Treasury management and general corporate purpose.	Not Applicable	These transactions are regular business transactions of the Company and carried out at arm's length and in accordance with the applicable laws.
2. Purchase/Sale/ Redemption/ Investment in Securities	From the date of 29 <sup>th</sup> AGM to 30 <sup>th</sup> AGM for a period not exceeding fifteen months	The pricing would be based on the prevailing market rates/conditions or as per the agreement	secured / Unsecured	Not Applicable	From own capital including retained earnings/ Borrowed fund	The funds would be utilised towards meeting its business objectives/ regulatorily permissible activities or any sanctioned purposes.	The Company ensures that the further investment of surplus funds is being made out of the free float of available funds.	These transactions will be carried out as per the prevailing market price/fair value of securities from time to time as per competitive prices.

**With respect to the above matter, the Members are requested to note the following disclosure of interest between the Company with its related parties:**

Sr. No.	Name of the Related Parties of the Company	Nature of Concern or Interest
1	IIFL Finance Limited (IIFL FIN)	Mr. Nirmal Jain and Mr. R. Venkataraman are Executive Directors of IIFL FIN. Mr. Nirmal Jain and Mr. R. Venkataraman are Promoters of IIFL FIN and both holds along with their relatives & persons acting in concert 94,547,490 equity shares i.e. 24.78% in IIFL FIN as on March 31, 2024.
2	IIFL Home Finance Limited (IIFLHFL)	Mr. Nirmal Jain and Mr. R. Venkataraman are Non-Executive Directors of IIFLHFL. Mr. Nirmal Jain and R. Venkataraman are Promoters of IIFL FIN and IIFLHFL is a Wholly Owned Subsidiary of the IIFL FIN.
3	IIFL Samasta Finance Limited (Formerly Samasta Microfinance Limited) (ISFL)	Mr. R. Venkataraman is Non-Executive Director of ISFL. Mr. Nirmal Jain and R. Venkataraman are Promoters of IIFL FIN and ISFL is a Subsidiary of the IIFL FIN.
3	FIH Mauritius Investments Ltd (FIH)	FIH holds more than 10 % equity shares in IIFL Securities Limited as on March 31, 2024.

Except the above Directors, Promoters and their Relatives, none of the Directors, Key Managerial Personnel and their Relatives is, in any way, concerned or interested, financially or otherwise in the Ordinary Resolutions set out at item nos. 6 to 9.

Your Directors recommend the passing of the Ordinary Resolutions set out at Item Nos. 6 to 9 of the Notice, for the approval of the Members.

The Members may please note that in terms of provisions of the SEBI Listing Regulations, no related party/ies shall vote to approve the Ordinary Resolutions set out at Item Nos. 6 to 9 of the Notice whether the entity is a related party to the particular transaction or not.

### Item No. 10

#### Approval for offer or invitation to subscribe to the Non-Convertible Debentures on private placement basis

As per Section 42 of the Companies Act, 2013 ("the Act"), read with the Rules framed there under, a company offering or making an invitation to subscribe to Non-Convertible Debentures (NCDs) on a private placement basis is required to obtain the prior approval of the Members by way of a Special Resolution. Such an approval can be obtained once a year for all the offers and invitations made for such NCDs during the year. In order to augment long-term resources for financing, *inter-alia*, the ongoing expenditure and for business purposes, the Board may, at an appropriate time, offer or invite subscription for secured/unsecured redeemable non-convertible debentures, in one or more series/tranches on private placement, issuable/ redeemable at par.

The approval of the Members is being sought by way of a Special Resolution under Sections 42 and 71 of the Act read with the Rules made there under, to enable the Company to offer or invite subscriptions of NCDs on a private placement



basis, in one or more tranches, during the year, within the overall borrowing limits of the Company, as approved by the Members from time to time.

None of the Directors/Key Managerial Personnel of the Company/their relatives is, in any way, concerned or interested,

financially or otherwise, in the resolution set out at Item No. 10 of the Notice

Your Directors recommend the passing of the Special Resolution set out at Item No. 10 of the Notice, for the approval of the Members.

**Information pertaining to Directors seeking appointment/re-appointment as mentioned under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable Secretarial Standards.**

Particulars	Mr. R. Venkataraman	Mr. Narendra Jain
Age	57 years	53 years
Nationality	Indian	Indian
Date of first appointment on the Board	May 13, 2019	May 07, 2014
Qualifications	Master of Business Administration and Bachelor of technology in Electronics and Electrical Communications	Chartered Accountant and Bachelor's Degree in Commerce
Brief resume including expertise in specific functional areas	Mr. R Venkataraman is the Chairman and Non-Executive Director, as well as, Co-Promoter of the Company. He has contributed immensely to the establishment of various businesses and spearheading key initiatives of the IIFL Group over the past 25 years. He previously held senior managerial positions in ICICI Limited, including ICICI Securities Limited, their investment banking joint venture with JP Morgan of US, and Barclays – BZW. He was also associated with GE Capital Services India Limited in its private equity division. He has a varied experience of more than 32 years in the financial services sector.	Mr. Narendra Jain is a Whole-time Director on the Board of the Company. He has over 29 years of experience in the financial services industry, specifically in areas such as operations, risk management, compliance, process automation and project management. In the past, he was associated with ICICI Brokerage Service Limited, where he worked in areas like operations, risk, compliance and design and development of systems and processes. He was also associated with Hindustan Petroleum Corporation Limited, where he handled indirect taxation and marketing analytics.
Number of shares held in the Company as on March 31, 2024	11184432	135000
Directorships held in other public companies (excluding foreign companies) as on March 31, 2024	<ul style="list-style-type: none"> <li>IIFL Finance Limited.</li> <li>360 One Wam Limited (Formerly known as IIFL Wealth Management Limited).</li> <li>IIFL Home Finance Limited</li> <li>IIFL Samasta Finance Limited.</li> </ul>	<ul style="list-style-type: none"> <li>IIFL Securities Services IFSC Limited.</li> <li>Livlong Protection &amp; Wellness Solutions Limited (Formerly, IIFL Corporate Services Limited).</li> <li>IIFL Management Services Limited.</li> <li>IIFL Securities Alternate Asset Management Services Limited</li> </ul>
Attendance in number of Board eligible during the financial year 2023-24	Seven of Seven	Seven of Seven
Memberships/ Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders Relationship Committee in public limited companies) as on March 31, 2024	<ul style="list-style-type: none"> <li>IIFL Finance Limited – Stakeholders Relationship Committee (Member)</li> <li>360 One Wam Limited (Formerly IIFL Wealth Management Limited) – Stakeholders Relationship Committee (Chairperson)</li> <li>IIFL Home Finance Limited – Stakeholders Relationship Committee (Member)</li> <li>IIFL Samasta Finance Limited – Audit Committee(Member)</li> </ul>	None
Relationships between Directors inter-se	None	None
Past Remuneration details (₹ in million) (FY2023-24)	60.44	12.01
Stock Option (Exercised and allotted in no.)	Nil	30,000 (During FY 2023-24)

Particulars	Mr. Nemkumar H	Ms. Rekha Gopal Warriar
Age	59 years	67 years
Nationality	Indian	Indian
Date of first appointment on the Board	October 17, 2023	May 08, 2019
Qualifications	Chartered Accountant	Master's degree in Applied Mathematics (University of Bombay) and in Public Policy (Princeton University, NJ)
Brief resume including expertise in specific functional areas	Mr. Nemkumar H is the Managing Director of the Company. He is a founder member of IIFL's Institutional Equities team and joined IIFL in 2007 to scale up Institutional Broking and Investment Banking business. Under his leadership, the Institutional Equities business has scaled up and IIFL Securities is now among the leading firms. Prior to joining IIFL, Mr. Nemkumar spent nearly 10 years at CLSA as an equity analyst covering the Asia Oil & Gas sectors, as Head of India research and as Head of India office. He started his career at BPCL and worked there for 8 years in the corporate treasury and pricing departments.	Ms. Rekha Warriar is a Non-Executive Independent Director on the Board of the Company. She has over 31 years of experience working with the Reserve Bank of India (RBI) in various departments like Foreign Exchange, Financial Stability, Internal Debt Management, Rural Development, etc. She has also served as a faculty member in RBI's training colleges and as an Associate Professor at the National Institute of Banking Management, Pune. She retired as a Regional Director (West Bengal and Sikkim), RBI, in July 2017.
Number of shares held in the Company as on March 31, 2024	1980000	Nil
Directorships held in other public companies (excluding foreign companies) as on March 31, 2024	None	<ul style="list-style-type: none"> <li>• 360 One Prime Limited (IIFL Wealth Prime Ltd)</li> <li>• Creditaccess Grameen Limited</li> <li>• IIFL Facilities Services Limited</li> </ul>
Attendance in number of Board eligible during the financial year 2023-24	Four of Four	Five of Seven
Memberships/ Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders Relationship Committee in public limited companies) as on March 31, 2024	None	<ul style="list-style-type: none"> <li>• 360 One Prime Limited (IIFL Wealth Prime Ltd) – Audit Committee (Chairperson)</li> <li>• Creditaccess Grameen Limited – Audit Committee (Member)</li> </ul>
Relationships between Directors inter-se	None	None
Past Remuneration details (₹ in million) (FY2023-24)	13.70 (w.e.f. October 17, 2023 as Whole-Time Director)	1.67
Stock Option (Exercised and allotted in no.)	None	None

**By Order of the Board of Directors**

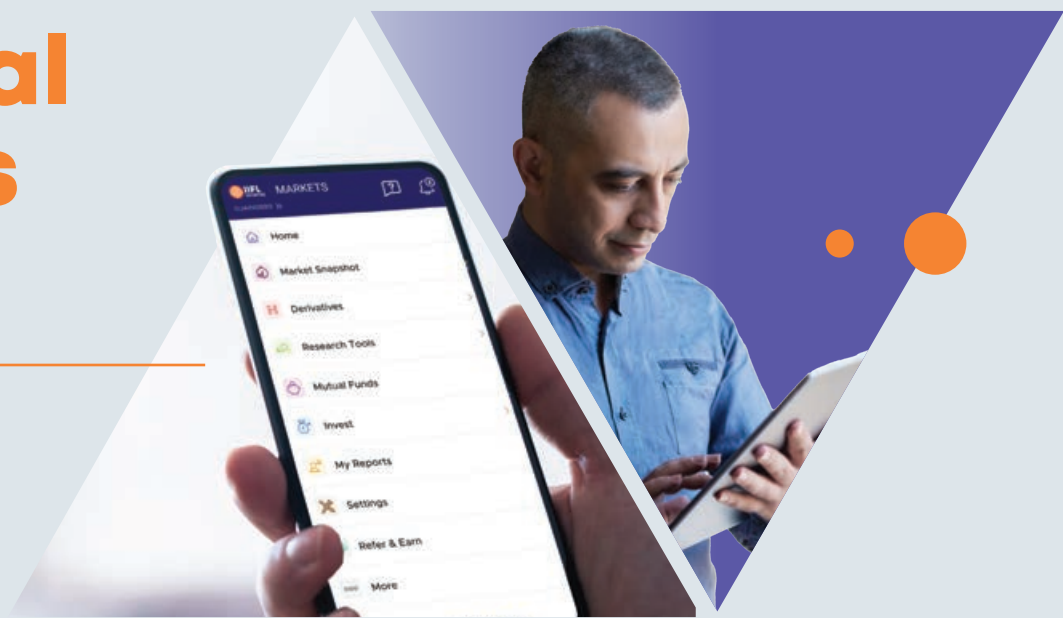
**Meghal Shah**

Company Secretary  
ACS- 53569

Dated: July 02, 2024  
Place: Mumbai

**Regd. Office:**

IIFL House, Sun Infotech Park,  
Road No. 16V, Plot No. B-23, MIDC,  
Thane Industrial Area, Wagle Estate, Thane - 400 604  
Email - [secretarial@iifl.com](mailto:secretarial@iifl.com)



# Investing in Your Financial Success

# Basis of Reporting

## Our Approach to Adoption of <IR>

Integrated Reporting (<IR>) based on the framework of International Integrated Reporting Council (IIRC) has emerged as a global best practice for corporate reporting. We have aligned ourselves to this trend, and FY 2023-24 is our 4th year of integrated reporting. Through <IR>, we intend to provide our stakeholders with an all-inclusive depiction of our value creation process using both qualitative and quantitative information across financial and non-financial resources. We provide insights into our strategy, matters that are material to us, and the challenges and associated risks in achieving our long-term objectives in context of the external operating environment. Certain <IR> related data in this Report may be management estimates.

## Our Approach to Materiality

The Report provides an overview of our business and associated activities that assist us in creating long-term value. The Report also addresses several issues that may have a substantial influence on our Company's potential to create value, as well as measures undertaken to migrate them.

## Reporting Principle

The financial and statutory data presented in this Report comply to the requirements of the Companies Act, 2013 (and the Rules made thereunder), Indian Accounting Standards, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards. The Report is guided by the IIRC's framework.

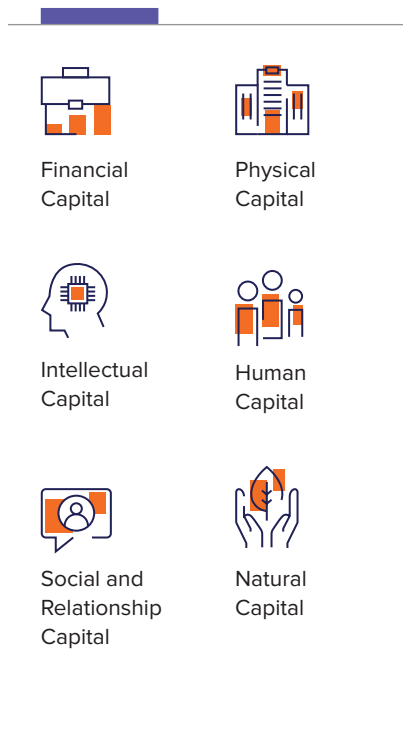
## Reporting Period, Scope and Boundary

The Report covers the key statutory financial information and activities of the Company in FY 2023-24. Comparative figures and notable events of past years have been reported to provide a holistic view to stakeholders. The non-financial information in the integrated report largely covers data on the India operations of IIFL Securities Limited.

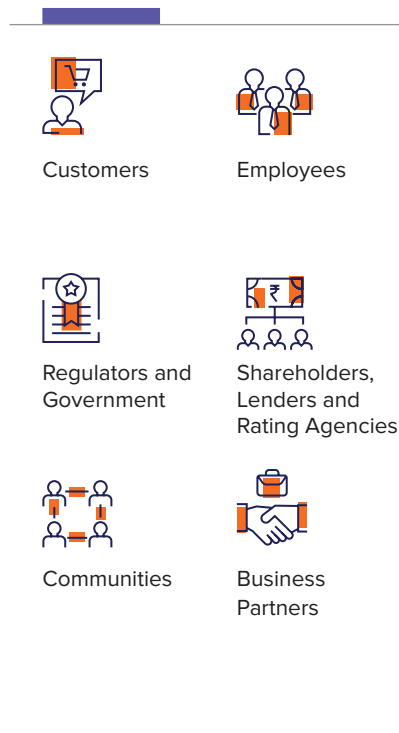
## Responsibility Statement

The content of this report has been reviewed by the senior management of IIFL Securities, and reviewed and approved by the Board of Directors to ensure accuracy, completeness and relevance of the information presented.

## Our Value Creation Approach



## Our Stakeholders



## Forward-Looking Statements

The report contains statements that relate to the Company's future operations and performance. These statements can be identified by the usage of words such as 'believes', 'estimates', 'anticipates', 'expects', 'intends', 'may', 'will', 'plans', 'outlook' and other words of similar meaning in connection with a discussion of future operating or financial performance.

These forward-looking statements are dependent on assumptions, data or methods that may be inaccurate or imprecise and hence are not guarantees of future operating, financial and other results. They constitute our current expectations based on reasonable assumptions. The Company's actual results could materially differ from those projected in any forward-looking statements due to various future events, risks, and uncertainties some of which are beyond our control. The Company does not assume any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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**Our success is intertwined with the financial success of our customers, embodying the theme of this year's report, "Investing in Your Financial Success."**

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**Institutional Broking**

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To view Annual Report 2023-24 Online,  
<https://www.indiaonline.com/securities/financials.php>



# Investing in Your Financial Success

We are a “one-stop solution” catering to all the financial needs of our customers, varied investment preferences and risk appetites. A significant part of our sustained wealth creation journey has been to help individuals achieve their long-term financial goals and invest in their financial success.

Being the custodians of trust and innovative products to diverse wealth portfolios, the very purpose of our existence is to help our customers create long-term wealth, with special focus on the “Affluent Segment”, facilitating them grow their financial assets.

In a fast-changing financial world, we leverage our more than two decades of safe, secure and convenient investment and our wide range and a comprehensive suite of investment solutions across asset classes to satiate our customers’ financial needs and objectives, and to establish long and enduring relationships with each one of them.

Our single-minded objective is to keep winning the trust of our customers and to serve their lifecycle needs – from stock market to investments in other financial products and wealth management – becoming an active and trusted partner in their journey of wealth creation.

With our multi-pronged and hyper-personalised approach, and by drawing upon our accumulated knowledge and in-depth research and decades of experience in the Indian capital markets, we are helping our customers channelise their household savings into the capital market and build long-term wealth.

As a digitally-led and knowledge-driven financial services enterprise with world-class technologies, we are nurturing newer ideas to enable these customers cater to different risk profiles and investment horizons, showcasing our commitment to fostering customer prosperity.

TODAY, WE ARE ONE  
OF INDIA’S PREFERRED  
FINANCIAL SERVICES  
PROVIDERS CREATING  
AN ALL-ENCOMPASSING  
VALUE PROPOSITION  
TO OUR CUSTOMERS.





## A PEEK INTO FY 2023-24 HIGHLIGHTS

**₹22,313 Million**  
Total Revenue

**₹5,121 Million**  
Profit After Tax (TCI)

**₹17.86 Billion**  
Net Worth

**6,000+**  
Partners

**1,486**  
Full-time employees

**100+**  
Branches

**₹1,883 Billion**  
Total Assets Under  
Management and Custody

**₹ 261 Billion**  
Cross-sell AUM

**₹ 108 Billion**  
Mutual Fund Assets Under  
Management

**₹16.73**  
Earnings Per Share

**33%**  
Return on Equity

**59**  
Completed Investment  
Banking Transactions

**200,000**  
Live SIP Transactions

**₹10.95 Billion**  
Gross Margin Trading Facility  
(MTF) book

**4.4**  
Highest rated Investment app

# Chairman's Message

## A Year of Growth and Transformation



Dear Stakeholders,

It is a pleasure to present to you the Integrated Annual Report of IIFL Securities for FY 2023-24. During the year, we continued to fortify our competitive position and emerged as a dominant player in most of our business segments. From online retail trading to tailored solutions for our Private Client Group, from Institutional Equities to Investment Banking; our comprehensive suite of offerings serves as a one-stop solution for all capital market needs of our customers. As their trusted investment partners, we guide them to achieve financial success through different stages of their life cycle.

Our success is intertwined with the financial success of our customers, embodying the theme of this year's report, **"Investing in Your Financial Success"**.



**Financial fitness is not a pipe dream or a state of mind. It is a reality if you are willing to pursue it and embrace it.**

**Will Robinson, Author**

### **Enhancing Governance and Leadership**

To enhance our corporate governance practices, the Board has separated the roles of Chairman and Managing Director. While, I continue as the Chairman, the Board has approved the appointment of Mr. Nemkumar H as the Managing Director. With 17



years at our firm and a distinguished career, including as the Country Head at CLSA, Mr. Nemkumar has been instrumental in scaling our Institutional Equities business, making it a premier destination for domestic and foreign investors. His extensive expertise in capital markets will undoubtedly elevate our Company to new heights.

### Unlocking Vast Opportunities

FY 2023-24 was marked by momentum in the Indian economy maintaining our country's status as the fastest-growing major economy in the world. Key growth drivers included a strong manufacturing sector and increased infrastructure spending. The RBI's wait-and-watch stance on interest rates and close monitoring of inflation trends will be closely watched. Positive indicators such as increased government capex, a rising tax-to-GDP ratio, and strong foreign investment inflows present substantial opportunities.



**A wise man will make more opportunities than he finds.**

Francis Bacon

### Capital Market Performance

Indian capital markets continued their strong run during the year, with a broad-based rally in benchmark indices (Sensex up 25% and Nifty up 29%) and BSE Midcap (up 63%) and Smallcap (up 60%). With structural multi-year drivers such as the financialisation of savings and formalisation of investment management and advisory firmly in place, the future looks promising.

An evolving and proactive regulatory environment, coupled with a thriving technology ecosystem, provides ample opportunity for well-governed organisations to further fortify their stronghold in the sector. The continued low penetration of the financial services sector in India underscores the sector's vast potential for growth.

Primary markets saw a spate of Initial Public Offers (IPOs) in FY 2023-24, raising more than ₹620 Billion (up 19% over FY 2022-23). Retail participation

continued to rise with the addition of around 37 Million demat accounts during the year - the largest ever increase. The total number of demat accounts grew by 11.9% over the preceding year to 151.4 Million. Activity in derivative volumes too remained buoyant, with the monthly notional value of derivatives traded on Indian exchanges doubling to ₹8,737 Trillion in March 2024 over March 2023.



**Money grows on the tree of persistence.**

A Japanese Proverb

### Record performance driven by strategic execution

It was a year of record performance for us, with our net profit reaching an all-time high of ₹5,121 Million up 106% over FY 2022-23. This achievement was powered by healthy growth in all our business segments, marked improvement in the competitive position and strong operating performance of our institutional broking and investment banking franchise. Our performance this year demonstrates the durability of our core strengths: research credentials, technology platforms and our skilled people - the bedrock of our success. Our institutional broking segment provides comprehensive research coverage (273 stocks in 20+ sectors, accounting for 75% of India's market capitalisation). Our non-institutional business is transforming from a traditional execution or transaction-focussed platform into a comprehensive wealth management player with a focus on the affluent segment.



**An organisation's ability to learn, and translate that learning into action rapidly, is the ultimate competitive advantage.**

Jack Welch

### The path forward

For us, at IIFL Securities, performance in the environmental, social and governance (ESG) aspects is crucial. We continuously explore best practices in this domain. During the year, we added one more LEED-certified office in Mumbai. We aim to optimise energy and water consumption while enhancing our waste management practices across all our offices and branches.

Our focus on digitalisation helps us reduce paper consumption across our operations. Additionally, we are committed to providing our employees with a caring, growth-oriented work environment and helping them stay up-to-date with evolving industry dynamics. Our CSR team works relentlessly towards uplifting marginalised and vulnerable sections of society.

During the year, 4.15 lakh people benefitted from our CSR projects. The CSR team also undertakes tree plantation drives regularly to contribute to the fight against climate change. We have voluntarily implemented most of the governance parameters of NSE Prime norms and IAS to further enhance our corporate governance practices.



**We don't have to engage in grand, heroic actions to participate in change. Small acts, when multiplied by millions of people, can transform the world.**

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**Howard Zinn**

### Concluding thoughts

I extend my deepest gratitude to each of you for your continued trust and support in our capabilities. Your faith in our journey remains our greatest strength.

Together, we have overcome numerous challenges and celebrated triumphs. I extend my heartfelt gratitude for your enduring trust and collective spirit.

Our commitment to all stakeholders—customers, employees, investors, regulators, bankers, and partners—guides our actions. As we continue **“Investing in Your Financial Success”**, we look forward to achieving greater milestones together.

Warm regards,

**R. Venkataraman**

Chairman



# Managing Director's Message

Dear Stakeholders,

The year 2023-24 turned out to be a momentous one for your Company. Powered by a strong uptrend in the business cycle, your Company reported its highest ever revenues and profits. The resurgence in business cycle was led by a sharp rise in equity markets and concomitant jump in trading volumes, buoyancy in the capital issuances market and a sustained growth in mutual funds inflows.

During the fiscal year 2023-24, India's market capitalisation increased by nearly 50% to ₹369 Trillion (USD 4.4 Trillion). A confluence of factors were at play. Apart from a sustained rise in domestic flows, India's robust macro-economic stability, improved corporate fundamentals and better than expected earnings growth were the key drivers for the expansion in market valuations.

## A Year of Stellar Performance

For the year ended March 2024, the consolidated total income for the Company grew 63% YoY to ₹22,313 Million. All the business segments of the Company did very well.

Net profits for the year rose to ₹5,121 Million, up 106% YoY. Higher growth in profits was led by better operating leverage across all the businesses segments, more so in the retail broking and distribution businesses. The Institutional equities business also had an exceptional year; the team managed the placement of a number of marquee blocks and IPOs.

## Going beyond financial performance

Our robust technology platforms, mutually-beneficial partnerships with fintech companies and our cutting-edge technology solutions such as Chatbots, and IIFL Help, among others enabled us to maintain our operational excellence. Your Company continued to make large investments in both IT hardware and software not just to enhance its capabilities and customer experience but also to meet emerging security needs. Employee training and improving HR practices is a key focus area and several measures to make the Company a better work place was taken during the year. On the ESG front, we have taken a number of steps to improve our practices and disclosures, and this should help raise our sustainability quotient.



## Looking ahead

The macro-economic and market backdrop remains benign and we remain focused on maximizing our ability to capitalize on the emerging opportunities. Towards this goal, we are expanding our wealth management business, investing a lot more on IT systems and working on multiple initiatives to enhance our cross-sell potential. On the institutional equities side, two key areas of focus would be expanding our research coverage and substantially enhancing our technological capabilities on the trading side.

May I also take this opportunity to thank all our stakeholders for their continued support!

Warm regards,

**Nemkumar H**

Managing Director

# Management speaks



**Mr. Narendra Jain**  
Whole-time Director

We continue to provide best-in-class service and products to our customers as per their aspirations using seamless platforms as well as real-time error-free processes. We have been recognised for our efforts by way of a positive Net promoter score by our customers during the period under review. Our customers can interact with us 24/7 using online technology solutions like IIFL Help and Chatbots and we plan to make the experience more seamless using AI-enabled services during the coming year. All our back office and risk management processes continue to be aligned to the various regulations in force and we have been able to achieve highest level of compliance standards. The successful adoption of Enterprise Risk Management Framework across the Organisation has helped us in the effective management of risks.



**Mr. Nipun Goel**  
Head, Investment Banking

IIFL continues to be among the top franchises in investment banking in fiscal 2024. We have delivered a record fiscal 2024 in terms of revenues and completed deals and have been recipients of multiple awards for some of our completed transactions during the year.

The investment banking division completed 59 transactions including 20 Initial Public Offers, 14 Qualified Institutional Placements, 19 advisory/private placement transactions along with Buyback, Rights Issue and number of Offer for Sale transactions during the year. Our proven track record of quick and efficient execution along with customer-centric approach makes us stand out in a competitive market. We have a robust pipeline and remain confident of continuing this strong momentum in the future.



**Mr. Vasudev Jagannath**  
Head, Institutional Equities

FY 2023-24 has been a landmark year for us, we reported record revenues, boosted by marquee transactions. Our IB team won the IFR award for the best domestic equity house in 2024. Our healthcare analyst was voted as the best by AsiaMoney poll. In such buoyant markets, team retention and build out has been a key priority for us. The move to our new offices and focus on technology investments has been well received by both, our employees and our clients.

**Mr. Prasad Umarale**

Chief Compliance Officer

As a Regulated Entity, we are fully committed to comply with all applicable Laws and Regulatory guidelines issued from time to time. The 'Compliance first' approach along with a team of qualified and dedicated professionals across the board ensures to build processes in a manner to comply with the laws in letter and spirit. In this dynamic and ever reforming capital market industry where changes are constant, we, as an entity, have also grown to match the level of expected compliance.

**Mr. Jose K C**

Chief Technology Officer (Institutional Broking)

At the IIFL Institutional Broking business we've deployed cutting-edge technology for trade execution and post-trade settlement. Our FIX-enabled Institutional Order Management and Execution software platforms cover both Cash and Derivatives segments, incorporating Direct Market Access, Smart Order Routing & ALGO strategies for optimal executions. Our Straight through processing system allows us to efficiently send contracts to both foreign and domestic clients via our integrated Settlement Application Software.

**Mr. Suvajit Ray**

Head, Products &amp; Distribution

Our extensive range of products and services distinguishes us in a crowded market, addressing the diverse investment needs of our broad customer base. This year, we have sharpened our focus on the mass affluent segment and equipping ourselves with tailored products with comprehensive research and expert advisory capabilities to offer bespoke solutions. Our goal is to empower customers to make well-informed investment decisions and achieve their financial goals with ease.



# A One-Stop Solution for all Financial Needs

We are India’s leading full-service and integrated financial services provider offering a wide range of products and services. As a knowledge-driven financial services firm, our key objective is to serve all the financial needs of our customers across the value chain and throughout their lifecycle journey. We are a one-stop solution catering to every requirement of our customers related to managing and growing financial assets.

### A full-service broking firm

We are one of the largest, full-service broking firm providing retail broking services, financial products distribution, institutional broking & research and investment banking services.

### A comprehensive suite of financial products

With a gamut and a full suite and a wide range of products and services via an open architecture model. Our products and services span equity services, financial products distribution, and investment banking.

### Serving all types of customers

We serve all types of customers – the Institutional and Non-Institutional segments. Our customers belong to all

age groups – salaried, self-employed and businesses. We also serve Non-Resident Individuals (NRIs), Foreign Institutional Investors (FII) and Domestic Institutional Investors (DII).

### Legacy of two decades

- ▶ Proven track record in the equity markets
- ▶ Consistently being rated in the top tier in the Investment Banking league

### Strong governance

- ▶ Best-in-class disclosure standards
- ▶ Separate role of Chairman and Managing Director
- ▶ Experienced Board with more than 50% Independent Directors

AFFLUENT

CORPORATES

INSTITUTIONS





## AFFLUENT WEALTH MANAGEMENT SEGMENT – KEY ENABLERS

Strong core capabilities in execution

Deep client engagement with wide network of 730+ Relationship Managers and 6,000+ Partners

Market leading research capabilities

Comprehensive product portfolio covering client needs

Vintaged and growing customer base

### Building lasting relationships

We have developed a strong bond and lasting relationships with every customer, and continue to be their “preferred investment partner” for two-and-a-half decades.

### Our Vision

To be amongst India’s most respected financial services companies.

### Core Values



Fairness



Integrity



Transparency



## KEY AREAS OF OUR OPERATIONS

### Capital market solutions

- ▶ Demat Services
- ▶ Broking

### Corporate advisory solutions

- ▶ IPOs
- ▶ QIPs
- ▶ Rights Issue
- ▶ Private Equity Advisory

### Lending solutions

- ▶ Margin Trade Funding

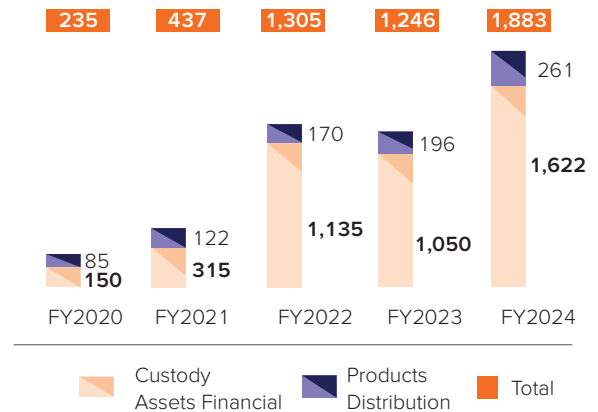
### Distribution solutions

- ▶ Mutual Funds
- ▶ Insurance
- ▶ Alternative Investment Funds
- ▶ PMS
- ▶ Fixed Income

### Research solutions

- ▶ Company Research
- ▶ Industry Research

Assets Under Custody and Management  
(₹ Billion)



## Comprehensive Product Suite

Presence in Retail & Institutional Broking, Investment Banking and Financial Product Distribution

Strong and growing customer franchise

**930+**  
Institutional customers  
(Empanelled clients)

**1,486**  
Employee strength

**FACTS AND FIGURES DEFINING IIFL SECURITIES**

**3 Million+**  
Retail customers

Extensive reach through a brick & click model

**100+ Branches**  
Pan-India to service clients

**Presence through Partners**  
**6,000+** Partners across the country



## WHAT SETS US APART IN THE MARKETPLACE

### A Full-Service Brokerage at the Forefront

- A leading player in Indian equity markets with a proven track record
- Offering a comprehensive suite of product offering to meet varied investment needs

### Robust Governance

- An experienced Board with more than 50% Independent Directors and separate role of Chairman and Managing Director
- Best-in-class disclosure standards

### A Wide and Growing Distribution Network

- Having 6,000+ partners and 100+ branches to service clients pan-India
- Institutional sales teams are based in Mumbai, New York, London, Singapore to cover domestic and global clientele

### Maintaining Superior Financial Performance

- Strong financials and consistent performance with ₹22,313 Million Revenue (up 63% yoy) and ₹5,121 Million PAT (TCI) (up 106% yoy)
- Assets Under Management and Custody: ₹1,883 Billion

### Agile Technological Capabilities

- Robust digital platforms for a seamless digital customer-first experience and best-in-class technology
- A well-established and thriving Phygital Network – with a mix of physical network of branches and digital models
- User-friendly platforms tailored as per trading needs of clientele

# Custodians of Trust and Innovative Products

SERVING DIVERSE WEALTH PORTFOLIOS

## RETAIL BROKING

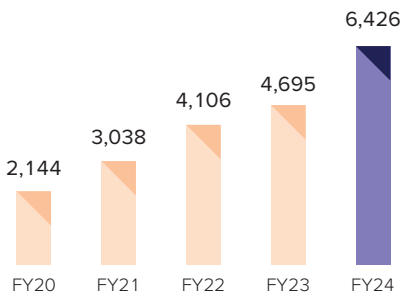
We offer investment and trading solutions to retail and HNI (High Net Worth Individuals) investors through our comprehensive platform and a bouquet of digital properties.

**₹6,426 Million**  
Segmental Revenue

**29%**  
Contribution to Total Revenue



Retail Brokerage Income (₹ Million)



### Our Competitive Advantages

- ▶ Strong research team
- ▶ Diversified and customer-centric products
- ▶ Full-service and multi-channel retail-led platform
- ▶ Widespread network

### Key Operational Highlights of FY 2023-24

- ▶ Customer base of 3+ Million
- ▶ Custody AUM of ₹1,622 Billion
- ▶ 100+ Branches and 6,000+ Partners
- ▶ 11.45 million Downloads of IIFL Markets App

### Products & Services

Investment and trading across asset classes including equities, commodities, derivatives, currency, and margin trading funding, among others.



## FINANCIAL PRODUCTS DISTRIBUTION

We provide tailor-made and wide range of wealth products, serving our retail customers, mass affluent and wealth investors. Given our superior research and strong distribution capabilities, we remain well positioned to grow our Financial Products Distribution segment.



**₹3,869 Million**  
Segmental Revenue

**17%**  
Contribution to Total Revenue

### Products & Services

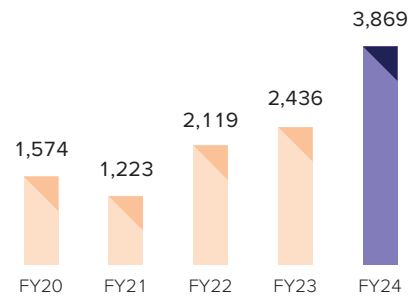
#### Third-party Financial Products Distribution including:

- ▶ Mutual Funds
- ▶ Portfolio Management Services
- ▶ Alternative Investment Funds
- ▶ Fixed Income
- ▶ Insurance
- ▶ Healthcare

### Our Competitive Advantages

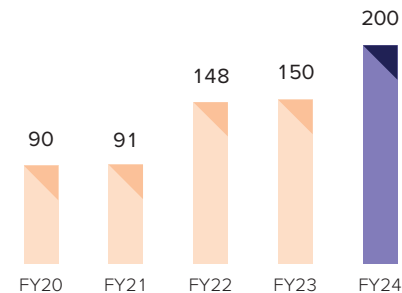
- ▶ Research
- ▶ Wide product portfolio
- ▶ Open architecture model
- ▶ Growing physical and digital reach
- ▶ Understanding of customer behaviour

### Income from Financial Products Distribution\* (₹ Million)



\*Includes Income from Insurance & ancillary business

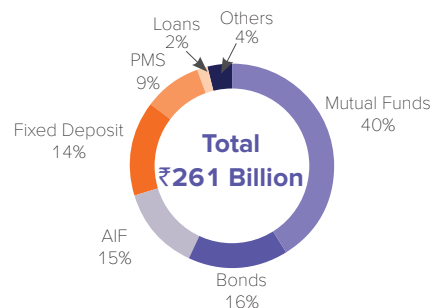
### SIP Transaction Count (000's)



### Key Operational Highlights of FY 2023-24

- ▶ Total Financial Product Distribution AUM: ₹261 Billion
- ▶ Mutual Funds AUM: ₹108 Billion
- ▶ SIP AUM: ₹29 Billion
- ▶ Live SIP Count: 0.2 Million (As of March 31, 2024)
- ▶ Insurance Premium: ₹2,507 Million

### Break-Up of AUM of Financial Product



## Institutional Broking

We offer domestic and international institutional customers brokerage services, and are also empanelled with a large cross-section of institutional customers and have Direct Market Access (DMA) with them. In addition to this, we also work with trade aggregators. Further, we provide solutions like block deals, which gives our customers enough liquidity and facilitates them to trade on Indian stock exchanges based on specific requirements.



We held our flagship Enterprising India Investor Conference in Mumbai from February 13, 2024 to February 16, 2024. Over 165 corporates and 800+ investors participated in this flagship conference.

We also had our international conference in FY 2023-24 at London on November 28, 2023 & November 29, 2023 with 20 corporates and 50+ investors & domestic Caravan conference in Ahmedabad on June 30, 2023 with 20+ corporates and 60+ investors participated in the conference.

### Products & Services

- ▶ Broking services
- ▶ Corporate access
- ▶ Research support

### Our Competitive Advantages

- ▶ Strong research team with excellent domain knowledge
- ▶ Dedicated sales teams based in Mumbai, New York, London and Singapore
- ▶ Proven track record of executing large block placements for financial sponsors, public market funds and promoters

### Key Operational Highlights of FY 2023-24

- ▶ 930+ Domestic and Foreign customers
- ▶ Pedigreed Research Team comprising 40+ Analysts
- ▶ 273 stocks under coverage

**₹3,726 Million**  
Segmental Revenue

**17%**  
Contribution to Total Revenue



## Investment Banking

We are one of India's leading investment banking firms with deep customer focus and solid execution capabilities. With a robust deal pipeline, we have, and continue to manage multiple transactions across different products.

With superior research, strong distribution capabilities, solid understanding of corporates & markets and a dedicated team, we are well positioned to cater to banking needs of corporates, and investors alike.



**₹2,245 Million**  
Segmental Revenue

**10%**

Contribution to  
Total Revenue

### • Products & Services

- ▶ Initial Public Offerings
- ▶ Qualified Institutional Placement
- ▶ Rights Issues
- ▶ Preferential Placement
- ▶ Follow-on Public Offer
- ▶ Share Buybacks
- ▶ Tender Offers and Delisting
- ▶ Advisory Services (Private equity advisors)
- ▶ Mergers & Acquisitions

### Our Competitive Advantages

- ▶ Client focus
- ▶ Deep sector knowledge
- ▶ Customised solutions
- ▶ Strong execution capabilities
- ▶ Growing distribution reach

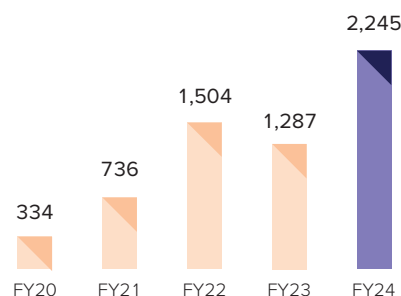
### Key Operational Highlights of FY 2023-24

Completed 59 transactions across Capital Markets, Debt Advisory and Private Equity:

- ▶ 20 IPOs
- ▶ 14 QIPs
- ▶ 19 Advisory/Private Placement Transactions

Several of our IPOs, private equity and other transactions are currently in different stages of execution.

### Revenue from Investment Banking (₹ Million)





## KEY TRANSACTIONS IN FY 2023-24

<p>₹10,250 Mn</p> <p>Avalon Technologies</p> <p>IPO + Pre IPO April 2023 BRLM</p>	<p>₹32,000 Mn</p> <p>Nexus Select Trust</p> <p>IPO May 2023 BRLM</p>	<p>₹43,264 Mn</p> <p>Mankind Pharma</p> <p>IPO May 2023 BRLM</p>	<p>₹ 2,905Mn</p> <p>Indifi Technologies</p> <p>Private Equity June 2023 Sole Advisor</p>	<p>₹ 23,054 Mn</p> <p>Brookfield REIT</p> <p>QIP July 2023 BRLM</p>	<p>₹6,272 Mn</p> <p>ideaForge Technology</p> <p>Pre-IPO + IPO July 2023 BRLM</p>
<p>₹8,066 Mn</p> <p>Yatharth Hospital</p> <p>IPO + Pre-IPO July 2023 BRLM</p>	<p>FundsIndia</p> <p>Funds India</p> <p>M&amp;A August 2023 BRLM</p>	<p>₹50,000Mn</p> <p>Union Bank</p> <p>QIP August '23 BRLM</p>	<p>₹ 7,750 Mn</p> <p>Yatra Online</p> <p>IPO September 2023 BRLM</p>	<p>₹ 6,614 Mn</p> <p>Zaggle Pre- paid Ocean Services</p> <p>IPO+ Pre IPO September 2023 BRLM</p>	<p>₹ 6,400 Mn</p> <p>Updater Services Limited</p> <p>IPO September 2023 BRLM</p>
<p>₹ 3,500 Mn</p> <p>Power Mech Projects</p> <p>QIP October 2023 Sole BRLM</p>	<p>₹ 40,000 Mn</p> <p>Cholamandalam Investment &amp; Finance QIP</p> <p>QIP October 2023 BRLM</p>	<p>₹ 10,000 Mn</p> <p>Apar Industries</p> <p>QIP November 2023 BRLM</p>	<p>₹ 5,000 Mn</p> <p>Thomas Cook (India) Ltd</p> <p>OFS November 2023 Sole Broker</p>	<p>₹ 10,000 Mn</p> <p>Ramkrishna Forgings</p> <p>QIP November 2023 BRLM</p>	<p>₹ 8,339 Mn</p> <p>ASK Automotive Limited</p> <p>IPO November 2023 BRLM</p>
<p>₹ 6,000 Mn</p> <p>RateGain Travel Technologies Ltd</p> <p>QIP November 2023 BRLM</p>	<p>₹4,892 Mn</p> <p>Protean eGov Technologies</p> <p>IPO November 2023 BRLM</p>	<p>₹ 19,000 Mn</p> <p>Cello World</p> <p>IPO November 2023 BRLM</p>	<p>₹40,000 Mn</p> <p>Indian Bank Limited</p> <p>QIP December 2023 BRLM</p>	<p>₹12,000 Mn</p> <p>DOMS Industries Limited IPO</p> <p>QIP December 2023 BRLM</p>	<p>₹ 45,000 Mn</p> <p>Bank of India Limited</p> <p>QIP December 2023 BRLM</p>
<p>₹14,000 Mn</p> <p>Kaynes Tech India Ltd</p> <p>QIP December 2023 BRLM</p>	<p>₹29,045 Mn</p> <p>NSE</p> <p>Secondary Private Placements of Equity shares</p> <p>FY2024</p>	<p>₹ 2,000 Mn</p> <p>Capacit'e Infraprojects Ltd</p> <p>QIP January 2024 BRLM</p>	<p>₹ 17,074 Mn</p> <p>Medi Assist Healthcare Services Limited</p> <p>IPO + Pre-IPO January 2024 BRLM</p>	<p>₹ 3,000 Mn</p> <p>Axiscades Tech. Ltd</p> <p>QIP January 2024 BRLM</p>	<p>₹ 2,000 Mn</p> <p>eMudhra Limited</p> <p>QIP January 2024 BRLM</p>
<p>₹30,000 Mn</p> <p>Union Bank</p> <p>QIP February 2024 BRLM</p>	<p>₹11,510 Mn</p> <p>South Indian Bank</p> <p>Rights Issue March 2024 Sole Advisor</p>	<p>₹4,236 Mn</p> <p>R K Swamy Ltd.</p> <p>IPO March 2024 BRLM</p>	<p>₹2,816 Mn</p> <p>Aditya Vision Limited</p> <p>Preferential Issue March 2024 Sole Advisor</p>	<p>₹ 750 Mn</p> <p>Vistaar Financial Services</p> <p>Private Placement Debt March 2024 Sole Advisor</p>	<p>₹25,000 Mn</p> <p>Bharat Highways INVT</p> <p>IPO March 2024 BRLM</p>



# Phyigital Landscape for A Personalised Financial Journey

We are at the forefront of innovation with a technological backbone that is next-gen and future-ready. Our phyigital approach combines the convenience of technology with the personal touch of human guidance, empowering customers at every step of their financial journey.



At IIFL Securities, we distinguish ourselves by blending our hi-tech and high-touch intensity model, providing the best convergence of physical and digital engagement with the customers. With an immersive and engaging phyigital (physical + digital) network and touchpoints, we keep pace with innovation and evolving customer expectations.

Through a strong phyigital network, we cater to a wide spectrum of investors with varied backgrounds and financial needs, enabling a holistic financial journey and reaching out a diverse customer base. We integrate our physical expertise with digital platforms, providing customers with a seamless and personalised financial experience.

## Presence across regions

**100+**  
Branches

**6,000+**  
Partners

**11.45 Million**  
Downloads

**4.4**  
App rating



### Wealth management services

As Tier 2 & Tier 3 cities are taking the centrestage in India, a plethora of affluent wealth management opportunities opening up. IIFL Securities is leveraging the opportunity to offer its customers a wide range of financial services, including equity and derivatives trading, commodities trading, mutual funds, IPOs, insurance, AIF, PMS and Bonds etc.

### Branch expansion strategy

Known for our strong research capabilities and technological innovation, our branch expansion strategy is characterised by a combination of market insights, technology integration, client-centricity, and a strong commitment to customer satisfaction. This is aimed at achieving growth across all cities and towns in India's dynamic brokerage industry.

### The 'Phygital' Model

The primary aim of IIFL Securities is to support its clients in making smart investment decisions and to help them track their portfolio with ease. For our 'Phygital' expansion, we have a dedicated team of relationship managers in place, backed by accurate research and cutting-edge technology to help them guide their customers.

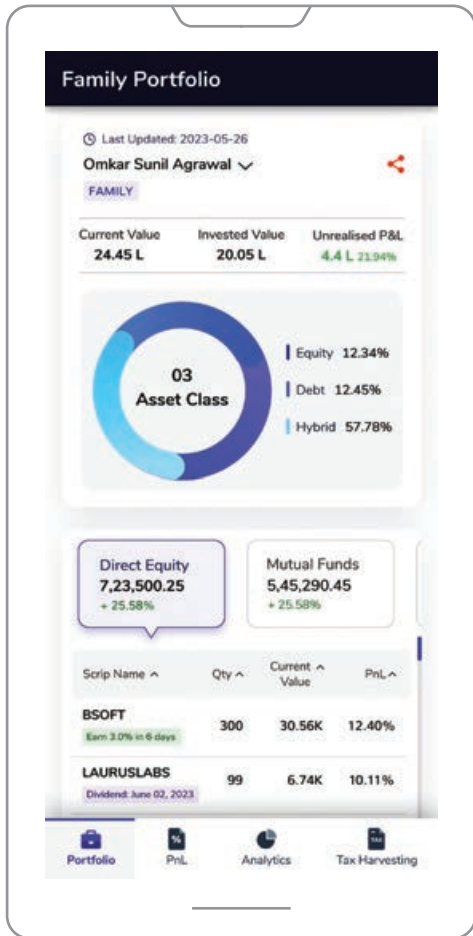
### Innovative Client-RM Interaction

We have revolutionised the Client-RM experience with the launch of InvestEdge, leveraging Generative AI to enhance interaction and service quality. InvestEdge serves as a centralised hub for market intelligence, enriched by extensive research and individualised Investment Policy Contracts (IPCs), ensuring a highly personalised client journey.

#### Key features include

**Single-Click Portfolio Reviews:** RMs can quickly review portfolios, saving time and improving meeting preparation.

**Proposal Creation:** Instant creation of proposals tailored to client needs.



### Comprehensive Family Portfolio Solutions

We have introduced Family Portfolio, a feature designed to provide clients with high-quality PDF reports and rich portfolio analytics.

#### This addition offers

**Actionable Insights:** Detailed analytics & insights to help both trading & wealth clients to make informed decisions.

**Multi-Platform Access:** Clients can view their family portfolios across all our platforms, ensuring convenience.

**Wealth-Only Client Portfolios:** Access to detailed P&L reports across different segments, enhancing transparency & financial management. The same is accessible to Wealth managers & partners to enable them to make informed decisions for their clients.

### Platform Transition and Empowerment

Our strategic platform transition has been crucial in enhancing our service delivery for wealth clients. This move has enabled us to equip our partners and RMs with advanced tools, ensuring superior service and personalised financial advice.

#### Key Highlights include:

##### AAA Platform Adoption

The adoption of AAA, our partners and RM platform, has been a significant milestone. This platform enhances our capabilities in risk assessment, financial planning, and model portfolio management, empowering RMs to provide better financial guidance.

These new product launches and feature enhancements reflect our ongoing commitment to innovation and client satisfaction, ensuring that we remain at the forefront of the wealth management industry.



# Cultivating Intellectual Investment for Advancement

IIFL Securities is well established for its market-leading research capabilities. With decades of market knowledge and cutting-edge research, we enable our customers make wise investment decisions and facilitate wealth creation.

Our single-minded focus is to help our customers protect and grow their wealth by making use of our accumulated capital market knowledge, our diversified mix of products and services.

We are supported by a team of 40 experienced and pedigreed Research Analysts in our Institutional Broking Research Team.

We offer research-driven recommendations with comprehensive coverage of 273 companies belonging to 20+ sectors in the Indian capital market. These stocks account for over 75% of India’s market capitalisation. Through our in-depth research, we have received top-tier rankings from most of the large foreign and domestic institutional investors.

## Diverse sectoral research coverage

**273**  
No. of Stocks covered

### Break-up of market capitalisation of stocks covered

<b>14</b> Below US\$500 Mn	<b>32</b> Between US\$500 Mn and US\$1 Bn	<b>70</b> Between US\$1 Bn and US\$3 Bn
<b>33</b> Between US\$3 Bn and US\$5 Bn	<b>47</b> Between US\$5 Bn and US\$10 Bn	<b>77</b> Above US\$10 Bn



**Mr. G. V. Giri**  
Head, Research

IIFL’s unique combination of depth of research and width of coverage places it at a significant advantage with respect to competition. We also have an unparalleled track record of generating alpha for our clients, based on the performance of our house top stock ideas. These factors have combined in enabling us to reach top tier rankings in almost all our major clients. We are investing in significantly increasing our coverage, and this should lead to further improvement in client rankings.



## FOCAL DOMAINS FOR FOSTERING TECHNOLOGICAL GROWTH AT IIFL SECURITIES

### Driving forces of innovation

At IIFL Securities, innovation is at the core of our tech-strategy. Our digital platforms and mobile apps provide a seamless user experience, empowering clients to manage their investments effortlessly. We leverage open APIs for easy integration with third-party services, enhancing flexibility and scalability. Our microservices architecture ensures robust and adaptable systems. By adopting cloud-native technologies and containerization, we achieve rapid deployment and efficient resource management. Our distributed teams of domain experts and tech specialists foster a diverse and innovative environment. These technology-driven approaches help us stay ahead in the wealth management industry.

# 1

### Enhancing Transaction Platforms

Our primary focus is on making our transaction platforms more robust to ensure reliability and efficiency. This includes Upgraded Mutual Fund (MF) Platform. Our MF investments platform has achieved remarkable performance improvements with order success rates at 99.4%. This significant milestone demonstrates our dedication to providing reliable and efficient investment solutions.

# 2

### Rapid Prototyping for Wealth Solutions

We are committed to rapid prototyping to identify and develop wealth solutions for high-affluent clients. The key initiatives undertaken in this include:

- ▶ **RM Platform Enhancements:** Our Relationship Manager (RM) platform, AAA, has been enhanced with multiple new features, and we are monitoring its adoption and effectiveness.
- ▶ **Real-Time Reporting Tools:** We have replaced legacy reporting platforms with modern, real time reporting tools. Our new real-time KPI dashboard provides real-time insights for our partners and RMs, facilitating better decision-making and improved client outcomes. Additionally, we have revamped our support and query resolution systems to enhance turnaround times and better meet the needs of our wealth clients.



**Mr. Aditya Sisodia**

Chief Technology Officer (Retail Broking)

FY24 has been transformative for us, marked by significant achievements in our technology initiatives. Our commitment to cutting-edge technologies, providing enhanced product offerings and optimized our internal processes, leading to greater efficiency and agility continues. Key highlights of the year include the successful initiation of several new projects around trading services and investment products. Looking ahead, we remain steadfast in our commitment to innovation and technological leadership.

### AI/ML/Data analytics and API integration

In addition to our centralised market intelligence hub, we have undertaken initiative to integrate AI/ML and data analytics into our platform to enhance customer experience and operational efficiency through AI-Driven customer service.

**Interactive Bots:** We have implemented AI-driven bots across various communication channels, including voice, email, WhatsApp, and chat. These bots are designed to handle basic customer queries instantly, significantly reducing response time and allowing our customer service agents to focus on more complex issues. This not only improves the efficiency of our support team, but also enhances customer satisfaction by providing quick and accurate responses.

## FORTIFYING DIGITAL FRAMEWORKS TO ENSURE DATA SECURITY AND CLIENT PROTECTION

At IIFL Securities, our approach to Information & Cyber security follows Defense in Depth Methodology. Accordingly, Cybersecurity measures are implemented at various layers to prevent Cyber Security attacks and data breaches. Our comprehensive Information & Cyber Security framework is supported by ISO standards and regulatory requirements.

The Organisation's certification under ISO 27001 and ISO 22301 standards, boasts a comprehensive suite of security controls and programmes meticulously designed to fortify our digital defences. At the heart of our security infrastructure lies a robust arsenal of technologies including Next-Generation Firewalls (NGFW) and Web Application Firewalls (WAF), ensuring granular control over network traffic and safeguarding against a plethora of cyber threats. Endpoint Detection and Response (EDR) solutions stand guard over our devices, facilitating real-time monitoring, investigation, and remediation of security incidents.

Privileged Access Management (PAM) protocols enforce stringent access controls, mitigating insider threats and ensuring the principle of least privilege is upheld across critical systems. Our Vulnerability Assessment and Penetration Testing (VAPT) programme continually scrutinises our systems and applications, identifying and remedying vulnerabilities before they can be exploited by malicious actors. Breach Attack Simulations are conducted to test our incident response capabilities and uncover vulnerabilities and enhance our readiness and resilience.

The Organisation conducts regular user awareness programmes and phishing simulations, to educate employees on cybersecurity best practices. Brand monitoring and dark web monitoring safeguards our reputation and sensitive information. Our Email Gateway Security, including DMARC, acts as a safeguard against phishing and spoofing attacks. Also, the adoption of Brand Indicators for Message Identification (BIMI) enhances the authenticity of our email communications, mitigating the risk of phishing and spoofing attacks. The Organisation has fortified its resilience with a Cyber Insurance Policy, providing financial protection and support in the event of a security breach or cyber incident.

Security Operations Center (SOC) stands as a vigilant guard, monitoring and responding to security events in real-time, ensuring swift detection and mitigation of threats. Cloud Security Posture Management further strengthens digital perimeter, ensuring the secure configuration and compliance of cloud environments.





Our robust Information & Cyber Security programme involves implementing controls based on three pillars: people, processes and technology and sustenance of the same. This three-pronged approach along with Defense in depth methodology has helped our Organisation to prevent against organised security attacks and common internal threats. Our goal is to ensure the safety and privacy of critical data of the customers, as well as, the Organisation by strengthening our processes, systems and tools thereby effectively mitigating various cyber security risks.



**Mr. Shanker Ramrakhiani,**  
Chief Information Security Officer (CISO)

### Synergising Cybersecurity with Risk Mitigation

## CYBERSECURITY STRIDES: HIGHLIGHTS OF FY 2023-24

Successfully sustained ISO27001 Certification for Information Security Management System (ISMS)

Implemented Cloud Security Posture Management (CSPM) Solution for enhanced Cloud Security

Implemented Breach Attack Simulation (BAS) Solution to proactively identify and address security gaps

Implemented Secure Code Review Tool for enhanced application security

Implemented Brand Indicators for Message Identification (BIMI) Solution for enhancing Email Security

Subscribed to International Cyber Global Threat Intelligence services

Achieved ISO22301 Certification for Business Continuity Management System (BCMS)

Implemented 24x7 Security Operations Centre (SOC) Services for monitoring of systems and applications for robust Security Incident detection and immediate response



# Opportunities for Growth

India stood out as a bright spot in the capital market activity in FY24. A strong domestic economy, rising corporate earnings and favourable fundamentals, and an increasing number of IPOs from a range of sectors pushed total market capitalisation. Regulatory reforms altered India's economic environment, boosting its stability and appeal to investors.

During the year, India witnessed improved capital flows boosting private investment. Firm GDP, manageable inflation, political stability at the central government, and the central bank's stance on monetary policy contributed to have painted a brighter picture for the Indian stock markets. Given the abysmally low penetration in India's financial services sector, be it credit, wealth management or broking, we are leveraging the growing opportunity by focussing on operational excellence and consolidating our market position.

## A fast-growing economy

India's performance on the economic front in 2023 appears better when viewed from a global perspective. Despite external shocks and geopolitical issues, India's economy demonstrated great resilience and continued to perform on the back of growing demand, moderate inflation, stable interest rate regime and robust foreign exchange reserves.

India has emerged as the world's fastest-growing major economy, much ahead of China. It recorded a GDP (gross domestic) product expansion of 8.2% in FY 2023-24, crossing the 8% mark and higher than 7.0% growth recorded in FY 2022-23.

### Key factors driving growth:

- ▶ Increasing economic diversity
- ▶ Favourable demographic trends
- ▶ Economic and capital market policies

With a 6.8% GDP growth projected by the International Monetary Fund (IMF) in FY 2024-25, on the back of strong demand and a rising working-age population, it remains on track to become the world's third-largest economy by 2027, surpassing Japan and Germany.

## 8.2%

Growth rate of India's GDP in FY24

## 6.8%

IMF's FY25 projection for India's GDP

## Increasing participation from Retail Investors

Robust participation by retail investors has been a key factor behind the unprecedented surge in Indian equities in recent years. A growing equity market prompted several firms to raise funds through the IPO route and capitalise in the growing demand from retail investors. Retail investor participation not only broadened the investor base, it also provided a strong foundation to the market and contributed to market resilience and stability.

### Key highlights

- ▶ Demat accounts touched a record high with 32 Million new accounts opened in FY24, crossing the 150-Million mark and touching record total of 154 Million, with the number of active clients increasing by 41.8 Million
- ▶ Systematic investment plans touched an all-time high of ₹19,270 Crore in March 2024, leading to strong equity inflows, and with number of SIP accounts touching a new high of 8.70 Crore

## Stock broking business on an uptrend

India's stock broking industry plays a vital role in facilitating capital formation and providing investment opportunities to a diverse range of investors. It has a promising future driven by key factors including the growing financial literacy in India, increasing awareness on investment opportunities, rising disposable incomes, availability of value-added services, and with technological advancements enabling more efficient

and user-friendly digital trading platforms. The industry is expected to grow at a CAGR of around 15-20% over the next few years. Expansion of broking firms in the untapped markets and under-served segments, including rural areas and Tier 2/3 cities, also led to a rapid upsurge in India's stock broking industry, and prompted several brokerage firms to engage in wealth management.



## An under-penetrated, yet growing, Securities Market

Traditionally, Indians have favoured bank deposits for savings owing to perceived safety and stability, showing less interest in the stock market due to its perceived volatility and complexity. However, recent trends indicate a shift with young investors beginning to invest in stock markets and diversifying their portfolios beyond traditional assets, also encouraged by the resilience of the Indian equity capital market despite challenges posed by geopolitical tensions.

### Key highlights

- ▶ Increased awareness of importance of starting investments early and staying invested for the long-term influenced investment decisions
- ▶ Financial literacy ensured individuals understood the market and generated long-term wealth, and helped Gen-Z make smarter investment choices

## Growing opportunities in Wealth Management

Wealth management is seen growing faster with huge growth in the overall landscape of servicing financial savings in India. Rapid growth projected in Ultra High Net-worth Individuals (HNI) and High Net-worth Individuals (UHN) are expected to grow at a faster pace vis-à-vis the overall financial household wealth in India in the next few years. Investments in this asset

class have grown at a higher rate vis-à-vis deposit growth in the country. In addition, tax filers with higher gross income, growth in high-ticket financial assets such as AIF and PMS, under-penetrated professional advice for managing wealth assets, and increase in penetration of financial assets are some key drivers for that offer vast opportunities for future growth in Wealth Management.

## Rising pace of Digitalisation

Digitalisation is revolutionising the capital markets and changing the way people invest. Proliferation in digital platforms has been a key driver as it enables convenient on-the-go transactions, ease of access of information and transactions through the app is empowering investors and making investing accessible anytime, anywhere, while integration of new research

and trading tools, investment strategies and market analytics using AI provides critical insights helpful in decision-making.

### Key Benefits

- ▶ Transformed end-user experience
- ▶ Exponential efficiency gains
- ▶ Harnessing the power of data
- ▶ Optimisation in operational costs

## Increase in disposable income

India's per capita disposable income is projected to have increased to ₹2.14 lakh in 2023-24, growing by 8% vis-à-vis 13% growth in the previous year. Per capita monthly household expenditure in India has more than doubled in the last decade. Consumer spending witnessed a positive outlook, offering stable growth as consumer confidence recovered, buoyed by a positive economic growth. India's middle-to-high-income households' average annual disposable incomes is projected to rise further.

### Key highlights

- ▶ 13.6% of total households had an annual disposable income of over US\$10,000 in 2023
- ▶ Strong household spending to spur India's rise to 3rd largest consumer market
- ▶ Disposable income is forecasted to grow by 14.6% by 2027, with 25.8% of households exceeding US\$10,000

## Strong regulatory framework

FY24 was an eventful period for the Indian financial market as the capital market regulator SEBI continued its pace of reforms to meet the growing needs of the economy. Indian stock markets shifting to a shorter settlement cycle or T+1 regime for large stocks; listing timeline of IPOs being reduced from T+6 to T+3; and elimination of long-term capital gains tax from debt mutual funds are a few such changes.

### Key highlights

- ▶ Driven by positive regulation, tightened scrutiny, improved transparency, and expanded market access, Indian investors are increasing participation
- ▶ With India poised for substantial growth in the next decade, enhanced liquidity from quicker settlement cycles is seen further boosting market participation and increasing penetration

# Our Integrated Business Model

## INPUTS



### Financial Capital

₹17,864 Million

Equity Capital and Reserves

₹11,538 Million

Outstanding Debt



### Physical Capital

100+ branches

6,000+ Partners



### Intellectual Capital

40 Research Analysts

107 Institutional equities team

₹61.53 Million

Investment in Technology Infrastructure

Strong Brand Value and Parentage of IIFL Group

Trading Platform



### Human Capital

1,486 Employees

23% Female Employees

14,888 Hours of training provided

9.92 Average training hours per employee

10,422 Aggregate training hours

in e-Learning platform

36 Average age of employees



### Social and Relationship Capital

₹54 million

Amount Spent on CSR initiatives

3 million+

Retail Customers

930+ Institutional Client Base

730+ Relationship Managers (RMs)



### Natural Capital

Focus on effectively consuming key natural resources of water and electricity

6,946.42 GJ Electricity Consumption

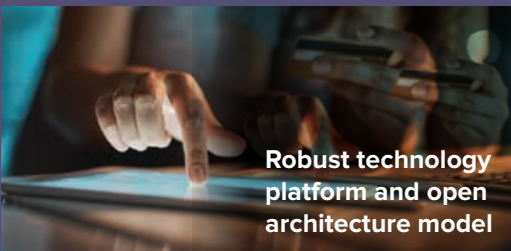
## KEY PROCESSES AND OUR VALUE CREATION PROCESS



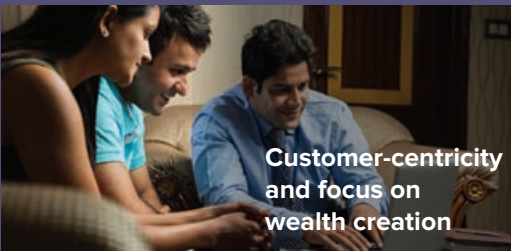


Our scalable business model reflects a collaborative and integrated approach towards value creation. Our customer-centric business model is aimed at maximising value creation for all our stakeholders amidst a dynamic and competitive macro-economic environment. The input and output of each capital is targeted at effective delivery of our services and for generating value for all stakeholders.

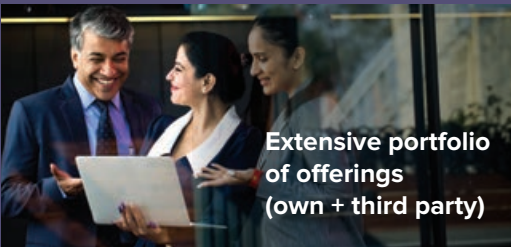
## UNDERPINNED BY



**Robust technology platform and open architecture model**



**Customer-centricity and focus on wealth creation**



**Extensive portfolio of offerings (own + third party)**



**Extensive distribution network**

### Evaluating the impact of Materiality Issues

→ [Read more on page 38](#)

### Corporate Governance and Risk Management

→ [Read more on page 58](#)

## OUTCOMES

### Financial Capital

₹**22,313** Million **₹16.73** Earnings  
**Total Revenue** Per Share (EPS)  
 ₹**5,121** Million **33%** Return on  
 Profit After Tax (TCI) Equity (ROE)  
 ₹**78,747** Million **₹3.0** Per Share  
 Total Assets Dividend Payout



### Physical Capital

**3** Million customers served  
**71%** yoy Increase in Average Daily Turnover  
 ₹**1,883** Billion AUM



### Intellectual Capital

**273** Stocks covered for research  
 Stocks under coverage account for over 75% of India's market capitalisation

- Family Portfolio
- Portfolio Analytics
- GenAI-backed Platform for Portfolio Review and Rebalancing
- AAA transformed for RMs
  - KPI dashboard
  - Financial Planning Module

- New Ticketing System
- Dashboard revamp
- Integrated lead management with CRM
- Business opportunities module
- Replacing legacy reporting systems

**11.45** Million Downloads  
**4.4** App Rating



### Human Capital

Great Place to Work Certified  
**100%** Employees trained during the year



### Social and Relationship Capital

**2,550** Beneficiaries from Sakhiyon Ki Baadi  
**4.06** lakh students engaged  
**13,401** teachers up-skilled  
**5,910** Government schools through Smart Shaala programme in Rajasthan  
**100+** Lives saved (victims of road accident) from development of emergency services

**132** youths from Kupwara (Aspirational District) Kashmir, trained under 'Retail Sales Associate' skill development programme



### Natural Capital

LEED certified building/office - One office in Mumbai and Gurugram  
**760,612** Units converted to Green Energy  
**416.60** KL Water Harvested  
**3.62** Tons e-Waste Handled



# Strategic Priorities Underpinning Our Progress

SO1

## Focus on experience and ecosystems

### FOCUS AREAS

#### S1.1

Focus on affluent segment for broking and wealth management and developing deep advisory-based relationships with customers

#### S1.2

Identifying growth opportunities and leveraging existing research capabilities

#### S1.3

Cross-selling risk-based solutions

#### S1.4

Our revised value proposition for the affluent customers

### KPIs

- ▶ Revenue from affluent segment
- ▶ AUM from the affluent segment

### KEY CAPITALS INVOLVED



SO2

## Further scale-up of market-leading Institutional Broking practice

### FOCUS AREAS

#### S2.1

Expanding market share by increasing reach with sponsors, leveraging existing strong block placement capabilities and continuous investment in tech upgrades

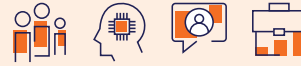
#### S2.2

Widening research coverage to 350+ stocks and further improving research rankings

### KPIs

- ▶ Expanding balance sheet efficiency
- ▶ Improving cost metrics

### KEY CAPITALS INVOLVED



SO3

## Continue to expand Investment Banking franchise

### FOCUS AREAS

#### S3.1

Be a 'Banker of choice' for the Indian entrepreneurial ecosystem by continuing to focus on both mid and large-sized transactions

#### S3.2

Further expand the advisory practice by expanding sector coverage and offering cutting-edge advice to clients

#### S3.3

Continue to focus on repeat business which has been a hallmark of the investment banking strategy

### KPIs

- ▶ Reduce cost to income as operating leverage plays out

### KEY CAPITALS INVOLVED



SO4

## Platforms and Systems

### FOCUS AREAS

#### S4.1

To create a device-agnostic platform that serves the user's lifecycle

#### S4.2

To enable product personalisation to meet user needs

### KPIs

- ▶ Number of app downloads
- ▶ App ranking
- ▶ No. of customers using more than 1 Product

### KEY CAPITALS INVOLVED





SO5

### Strong research base

#### FOCUS AREAS

##### S5.1

To provide research-driven advisory assistance to customers

##### S5.2

To continue having excellent research credentials with strong market knowledge base

#### KPIs

- ▶ Stocks covered
- ▶ Market capitalisation of stocks covered
- ▶ No. of research analysts

#### KEY CAPITALS INVOLVED



SO6

### Rich engagement and analytics

#### FOCUS AREAS

##### S6.1

To get a global view of customer behaviour and data

##### S6.2

To nudge product decisions based on Analytics

#### KPIs

- ▶ Investments made in data analytics
- ▶ Customer engagement

#### KEY CAPITALS INVOLVED



SO7

### Attract and retain the best talent

#### FOCUS AREAS

##### S7.1

Identification of roles, responsibilities and skillset of sales and support staff

##### S7.2

Recruitment, training, hiring and modification in the incentive structure

##### S7.3

Digital capabilities and technology investments for employees

#### KPIs

- ▶ Employee retention rates
- ▶ Employee training hours

#### KEY CAPITALS INVOLVED



SO8

### Grow responsibly

#### FOCUS AREAS

##### S8.1

To identify and adopt superior ESG practices and serve all stakeholders in the best way

##### S8.2

To create a strong foundation for effective management of ESG matters and to integrate them into our business strategies

##### S8.3

To undertake every measure possible to focus on responsible use of resources through energy and water conservation and to minimise our carbon footprint

#### KPIs

- ▶ Environmental footprint of business
- ▶ Corporate governance practices
- ▶ Regulatory compliance

#### KEY CAPITALS INVOLVED



# Forging Ahead with **Financial Fortitude**

IIFL Securities witnessed strong growth in all business segments, with the Institutional Broking and Investment Banking franchise significantly improving their competitive position with stellar operating performance and operational efficiencies.



## Material Issues

Board and corporate governance

Ethics and code of conduct

## SDGs served



**By capitalising on our technology, we help our customers take better and informed investment decisions.**

India stood its place as a fast-growing economy amid growing geopolitical tensions. Key drivers for economic growth were strong domestic demand and favourable demographics. Given the favourable capital markets, IIFL Securities continued its stance of delivering sustainable and profitable growth in all its business segments and delivered strongly across key metrics. Being operationally efficient significantly improve its competitive positioning and helped capitalise on the growing opportunity in the capital market landscape.



I am pleased to share that the FY24 has been a remarkable one for IIFL Securities Limited, marked by highest ever net profit. We have witnessed robust growth across all our business segments. This broad-based performance reflects our strong market presence and the trust our clients place in us. A strong balance and robust liquidity position has provided us with the resilience to navigate through dynamic market conditions and regulatory changes thereby ensuring we are well positioned to meet the evolving needs of our stakeholders. We believe in financial transparency and strong corporate governance, maintaining the highest standards in all our financial reporting practices.



**Mr. Ronak Gandhi**  
Chief Financial Officer

### Consistent performance

During the year, Revenue from operations increased to ₹22,313 Million, in comparison with ₹13,704 Million in the previous fiscal year of FY23 up 63% yoy. Profit After Tax (TCI) stood at ₹5,121 Million – reporting all-time high profitability and growing by 106% YoY, driven by growth in all business segments. We have diversified and granularised our revenue sources in all businesses, and also maintained our strong focus on operating efficiencies, and helped reduce costs. Our performance underscores the capability and bolster our association with all the stakeholders.

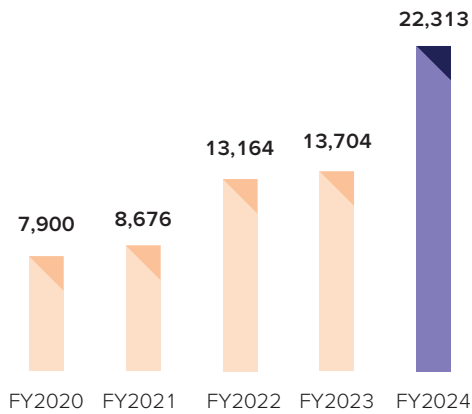
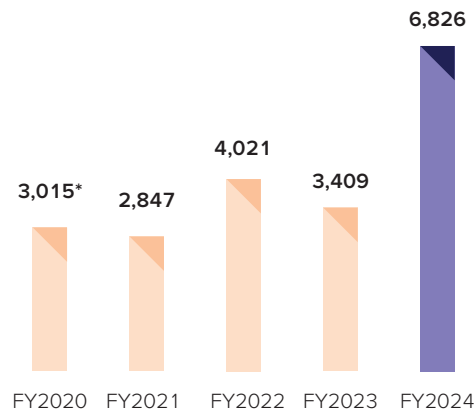
### Towards future growth

The outlook for Indian capital market related businesses continues to be positive over the medium to long term. This is primarily owing to low penetration of financial products, increased financialisation of savings, technology development and an evolved regulatory regime.

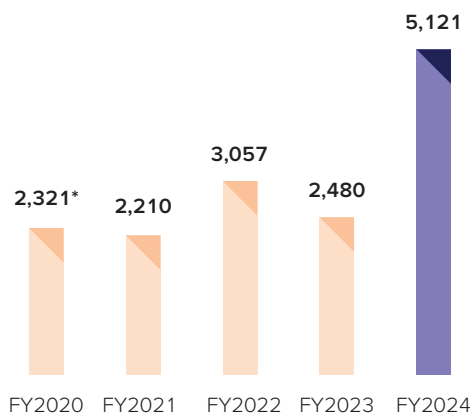
With sustained momentum expected in India's economic growth, IIFL Securities is confident of witnessing secular growth, going ahead. The government's emphasis on capital expenditure, increased foreign investment, robust capacity utilisation in manufacturing, double-digit credit growth, and moderation in commodity prices are estimated to continue providing support to manufacturing and investment-related activities.

The below numbers highlight our progress on several key business metrics and demonstrate our growth, inspired by a goal of investing in the financial success of our customers and servicing all their financial needs.

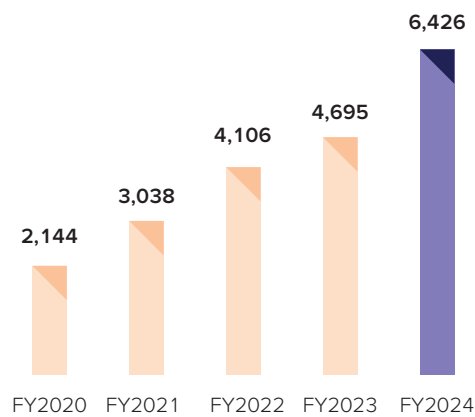
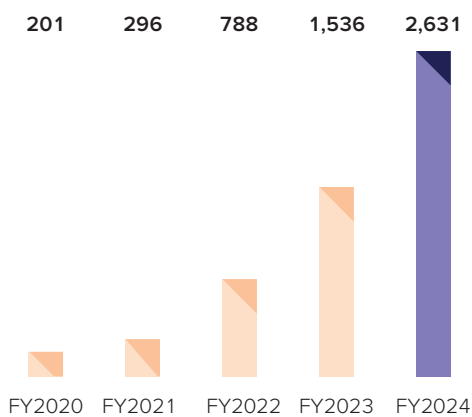
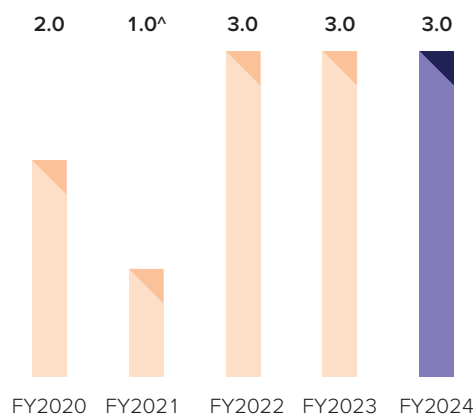


**Total Revenue**  
 (₹ Million)

**PBT**  
 (₹ Million)


\*Including exceptional items

**PAT (TCI)**  
 (₹ Million)


\*Including exceptional items

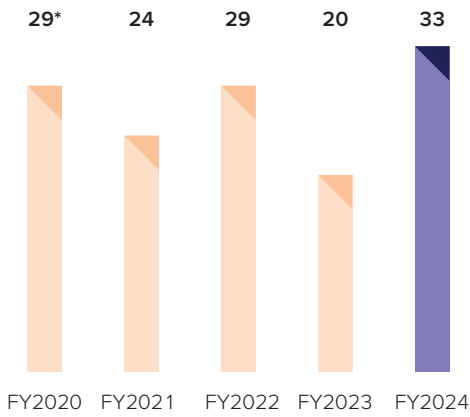
**Retail Brokerage Income**  
 (₹ Million)

**Average Daily Turnover**  
 (₹ Billion)

**Dividend per share**


Dividend per share (₹)

^Additionally, the Company had also paid ₹1,058 Million (incl. tax) to buy back 17 Million shares

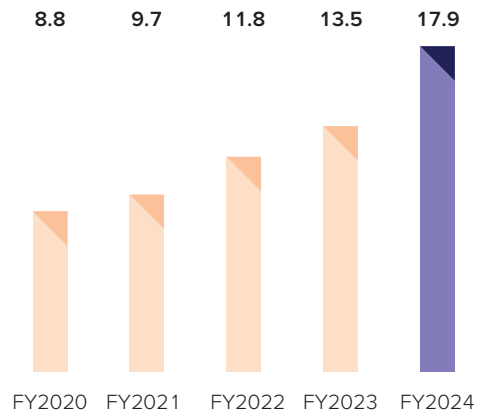


### Return on Equity (%)

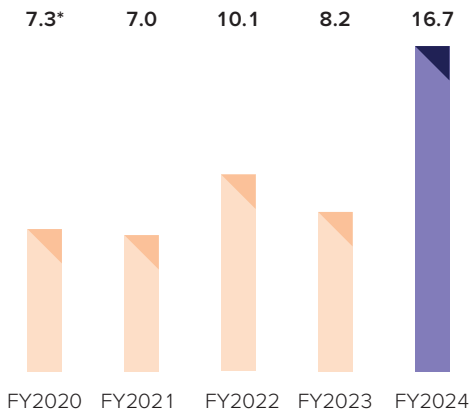


\*Including exceptional items

### Net Worth (₹ Billion)

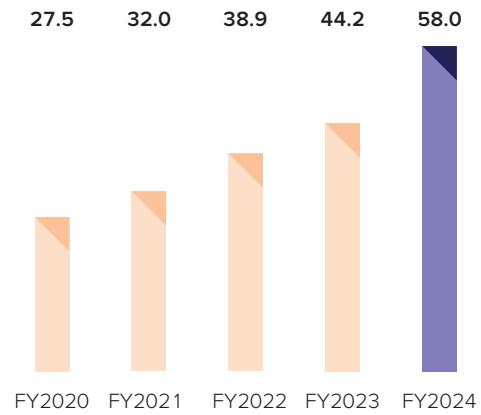


### Earnings Per Share (₹)

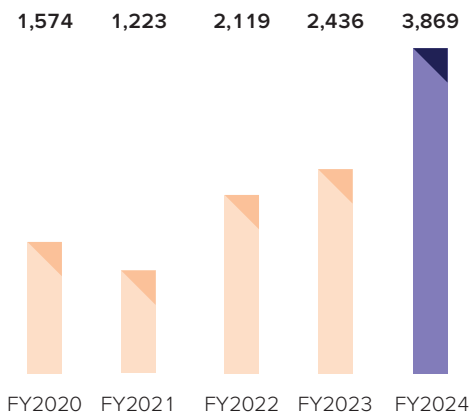


\*Including exceptional items

### Book Value Per Share (₹)

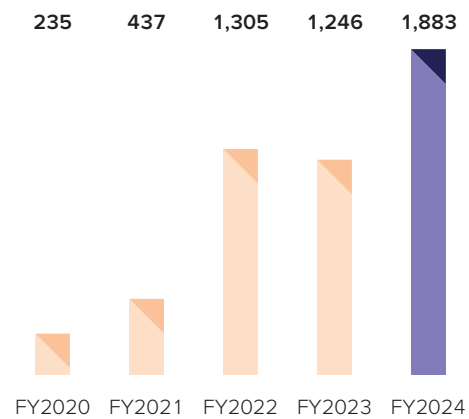


### Financial products distribution income# (₹ Million)



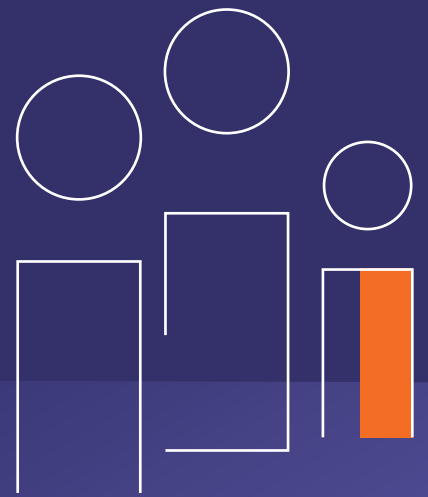
#Includes Income from Insurance and ancillary business

### Assets Under Management (₹ Billion)



# ESG Overview

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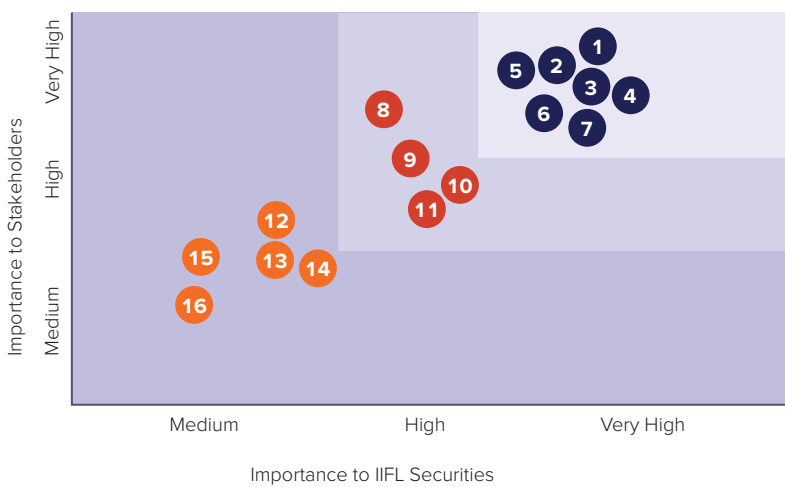
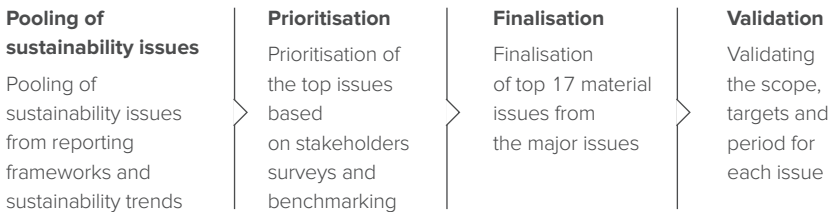


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# Addressing Material Matters

## Materiality assessment at IIFL Securities

### Four-step materiality analysis process



### Material issues for IIFL Securities

#### Very High

1. Regulatory compliance
2. Risk management
3. Board and corporate governance
4. Data security and privacy
5. Products and services quality
6. Customer relationship management
7. Talent attraction and retention

#### High

8. Ethics and code of conduct
9. Community relations
10. Energy management
11. Climate change strategy

#### Medium

12. Employee health and safety
13. Diversity and inclusion
14. Water management
15. Waste management
16. Human rights

Material topic	Associated disclosures	Description	Key stakeholders involved	Key capitals involved	SP	SDGs involved
<b>Regulatory compliance</b>	GRI 419: Socioeconomic Compliance	Being a financial services company, we are subject to several regulations. We have put in place a dedicated team of qualified professionals to ensure timely and effective compliance with all regulations applicable to our Company. Proper compliance with regulations helps us further strengthen our relationships with key stakeholders, in addition to fortifying our brand strength.			S7	
<b>Risk management</b>	GRI 102: General Disclosures SASB	In a constantly evolving and dynamic world, the importance of risk management has increased manifold. We follow prudent risk management practices. We are exposed to several financial and non-financial risks and opportunities. Therefore, risk management is aimed at optimising the risk-return equation. We have also started analysing ESG risks as part of our enterprise risk management framework.			S7	



Material topic	Associated disclosures	Description	Key stakeholders involved	Key capitals involved	SP	SDGs involved
<b>Board and Corporate Governance</b>	GRI 102: Ethics and integrity, governance GRI 205: Anticorruption GRI 206: Anticompetitive behaviour MSCI DJSI	It is our constant endeavour to keep enhancing our corporate governance and business practices, by benchmarking against best practices of domestic and global peers.  Independent Directors form over half of our Board of Directors, enabling superior guidance and monitoring.			S7	
<b>Data security and privacy</b>	GRI 418: Customer Privacy MSCI	Large part of our business is conducted online and we have confidential and sensitive information of our customers. Thus, it is highly important for us to maintain high standards of security and protection, avoiding misuse of data.  To this end, we follow a well-defined policy on data security and privacy. We have embraced a data-centric security strategy.			S1 S2 S4	 
<b>Products and services quality</b>	GRI 417: Marketing and Labelling	We are committed to providing best-in-class products and services to our customers.  Our focus is on ensuring enhanced consumer communication and awareness is undertaken.  We integrate trainings and awareness programmes in our business activities.			S1 S2 S3 S4 S5	
<b>Customer relationship management</b>	GRI 416: Customer Health and Safety  GRI 417: Marketing and Labelling  GRI 418: Customer Privacy	Our aim is to serve superior customer experiences, create value for customers and build customer loyalty.  To this end, we have adopted all-encompassing customer relationship practices. These include customer satisfaction surveys and studies, customer grievance redressal mechanism, upgradation of products basis the survey results, etc.			S1 S2 S5	 
<b>Talent attraction and retention</b>	GRI 401: Employment GRI 404: Training and education DJSI	Our people are central to our growth as well as survival.  We follow robust practices on recruitment, trainings, incentives and benefits, performance development, etc.  Our holistic approach is crucial in retention of talented employees.			S6 S7	  

Material topic	Associated disclosures	Description	Key stakeholders involved	Key capitals involved	SP	SDGs involved
<b>Ethics and Code of Conduct</b>	GRI 102: Ethics and integrity SASB DJSI	<p>The values of fairness, integrity and transparency are deeply embedded in our ways of working.</p> <p>We have well defined code of conduct which streamline our processes efficiently.</p> <p>We have specific policies to curb money laundering, insider trading and encourage whistle blowing at the Company.</p>	   	  	S7	
<b>Community relations</b>	GRI 413: Local Communities	<p>We work continuously to ensure growth and development of the communities we operate in.</p> <p>IIFL Foundation focusses on the areas of health, education, livelihood and poverty alleviation for this purpose.</p>		 	S7	    
<b>Energy management</b>	GRI 302: Energy	<p>Being in the financial services sector, our energy consumption is lesser than manufacturing companies.</p> <p>However, we are aware of the pressing need for conserving nature and natural resources.</p> <p>Hence, we keep exploring and adopting practices and mechanisms to optimise energy management across our branches and offices.</p>	  	  	S7	
<b>Climate change strategy</b>	GRI 302: Energy GRI 305: Emissions DJSI	<p>Climate change is the harshest truth facing the world today.</p> <p>While risks of climate change are well known, it also provides opportunities for efficiency, innovation, and growth.</p> <p>Our climate change mitigation strategy is two-pronged. One is to reduce the carbon footprint of our operations across all locations. And second is to promote responsible investments and so on.</p>	   	  	S7	
<b>Employee health and safety</b>	GRI 403: Occupational health and safety DJSI	<p>Being a financial services company, there are no occupational health hazards faced by our employees.</p> <p>However, we believe it is extremely important to promote employees to maintain their emotional, mental and physical well-being.</p> <p>To this end, we have several initiatives in places including sessions with health experts, medical benefits, etc.</p>		 	S6 S7	



Material topic	Associated disclosures	Description	Key stakeholders involved	Key capitals involved	SP	SDGs involved
<b>Diversity and Inclusion</b>	GRI 405: Diversity and equal opportunity SASB	We strongly advocate for a diverse and inclusive workforce. By embracing individuals from various backgrounds, cultures, and skill sets, we believe in harnessing the power of unique perspectives and ideas. This approach not only fosters all-round development but also drives efficiency across the entire organisation.			S6 S7	 
<b>Water management</b>	GRI 303: Water and effluents	While our direct environment footprint is negligible, we are exploring ways and means to enhance efficient consumption of water across our locations.	  	 	S7	
<b>Waste management</b>	GRI 306: Waste	We are exploring best practices for segregation, recycling and reusing wastes at our location. Disposal of e-waste is another focus area for us.	  	 	S7	
<b>Human rights</b>	GRI 412: Human Rights Assessment	Our commitment lies in embracing the best people practices and ensuring the utmost compliance with human rights laws that apply to us. We are continuously evaluating ways and means to further enhance our practices in this area, reflecting our dedication to creating a fair, inclusive, and respectful workplace for all.	 	 	S7	

● SP - Strategic priorities



Financial Capital



Human Capital



Physical Capital



Social and Relationship Capital



Intellectual Capital



Natural Capital



Customers



Business partners & vendors



Employees



Rating agencies and lenders



Regulatory bodies



Shareholders and investors



Communities





ENVIRONMENTAL

# Nurturing the Environment

IIFL Securities is committed to minimising its environmental footprint by implementing best practices. We are continuously evaluating ways of reducing our energy and water consumption and our greenhouse gas emissions.

**Material Issues**

- ▶ Energy management
- ▶ Climate change strategy
- ▶ Water management
- ▶ Waste management

**SDGs served**



**6,946.42 GJ**  
Energy consumed

**6,963.57 KL**  
Water consumed

**1,320.86 tCO<sub>2</sub>e**  
CO<sub>2</sub> Eq Scope 2 Emissions

**3.62 MT**  
e-Waste generated

**5.6 GJ**  
Renewable energy utilised

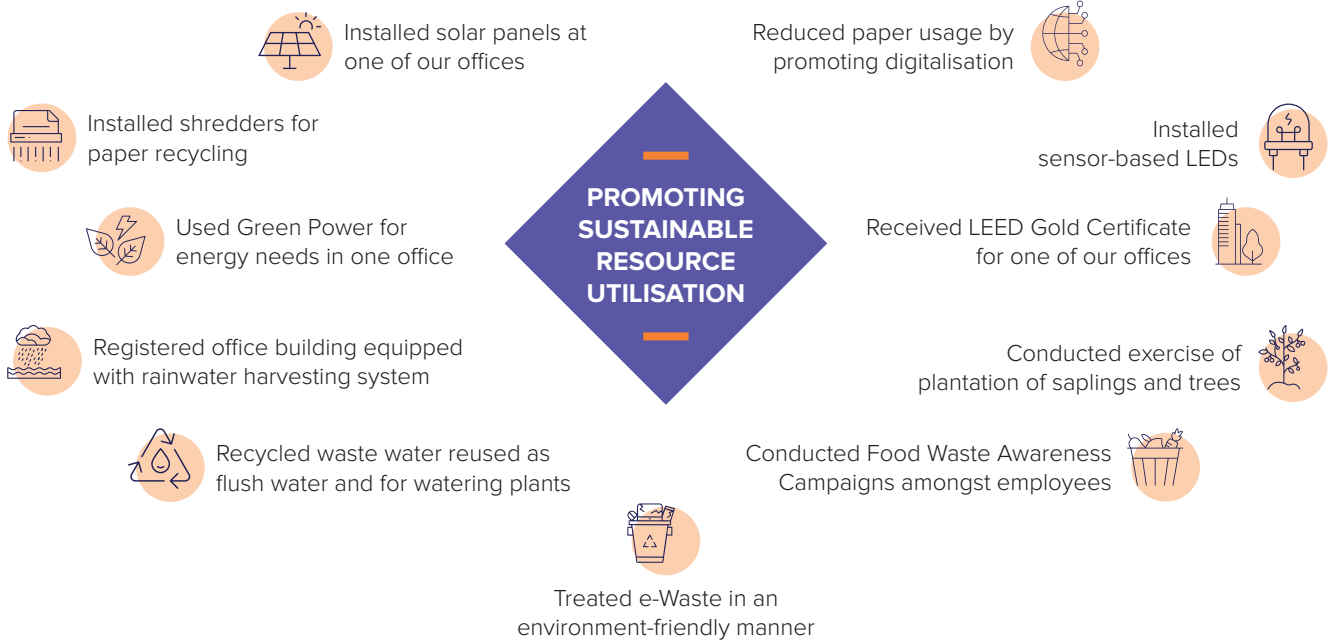
**6,940.82 GJ**  
Energy consumed from non-renewable resources

**10,000**  
Trees planted

**Solar Panels**  
Installed at one office

**LED lights**  
Installed at all offices

Being a financial services company, our focus on the environment is driven largely by what we consume and how we recycle. Environmental protection is a key focus area within our business strategies. We aim at minimising our environmental impact through various measures adopted at our physical premises and within our business activities. We have implemented end-to-end digital delivery channels within each aspect of our business to reduce carbon emissions.



## ENVIRONMENT PROTECTION INITIATIVES

### Waste Management

Efficient waste management has been our key focus area to improve our operational efficiency and to minimise our impact on the environment. We believe in Reduce, Reuse and Recycle, and remain committed to reducing waste through effective recycling and reuse strategies. Office waste such as e-waste, paper and plastic make up a majority of our waste output.

#### Initiatives on Waste Management

##### Paper waste

Over the last few years, we have been taking conscious efforts to reduce the usage of paper across our operations, such as access-based printing and default printing on both sides of the paper. We also issue digital contract notes and enable paperless onboarding of customers.

##### e-Waste

Our e-waste comprises desktop sets, laptops, monitors, printers, scanners and tablets. We have put defined procedures in place to dispose e-waste through authorised e-waste vendors and recyclers.

### Paper consumption

We also circulate advisories to our employees to adopt digital/online mediums and reduce paper consumption. We have installed paper shredder machines across our larger offices, and we also engage with vendors for safe disposal of waste paper.

### Use of plastic

There are no single-use plastics being used across any of our branches and offices across the country. We continue to explore feasibility of adopting such measures in other offices and branches.

### Water Management

We have installed Rain Water Harvesting System at the Registered office of the Company and recycled waste water is reused as flush water and for watering plants.



## SOCIAL

# Nurturing Relationships for Sustainable Growth

Understanding and being responsive to the interests and needs of all our stakeholders is critical to delivering on our strategic imperatives. An effective customer value proposition is the basis for all value generated and shared. We also engage with local communities and demonstrate our commitment to finding beneficial solutions.

### Material Issues

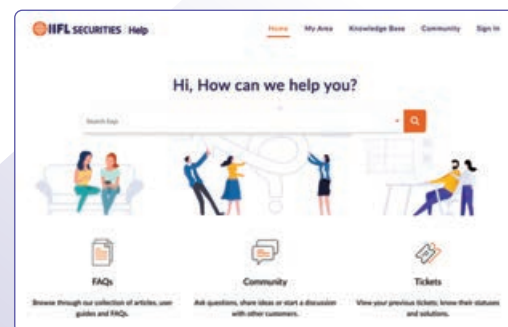
- ▶ Products and services quality
- ▶ Customer relationship management
- ▶ Talent attraction and retention
- ▶ Community relations

### SDGs served



## CUSTOMERS

### Customer Experience



**IIFL HELP  
CHATBOT 'ASK IIFL'  
WHATSAPP**





## Investor Education Campaigns

We conduct several conferences and webinars regularly for our HNI clients and Partners to highlight and educate about the benefits of our wide range of products and services. We also enlighten them about the current market scenarios and the key trends to be followed. We organised 50+ physical events for HNI clients and Partners. In addition, we also conducted 80+ webinars for our clients, employees and partners.

**Reached out to 10,000+ clients and partners via physical and online medium**

## Building trust with customers

We have innovated unique yet very useful developments in our Organisation to enhance customer experience through digitisation by Self Service Tools and the Omni Channel. We have created a model using analytical tool with a combination of parameters to proactively capture frauds/disputes before the client raise a dispute. The clients are being approached upfront, to ensure there is no dispute, which helps analyse and redress client issues immediately, and creates trust and satisfaction.

## Self-Help Tools for Customers

In order to receive prompt service 24/7 on a real-time basis, the below self-help tools have been made available:

### IIFL HELP

- ▶ FAQ-based portal integrated with IIFL Mobile App and Web with Call-to-Action feature
- ▶ All new updates with regard to platforms, products, features and announcements posted here
- ▶ Our clients have an ease of access to information through IIFL help. It handles customer queries swiftly thereby mitigating the need of calls or emails & at the same time requires minimal manual intervention
- ▶ Client can raise a query, and progress can be easily tracked from the Dashboard

### WHATSAPP

An interactive interface via WhatsApp integrated with IIFL Securities systems is provided to our existing as well as prospective clients. All that a user needs to do is type a 'Hi' to the number '9892691696' and select from the desired menu from below:

- ▶ Apply for IPOs
- ▶ Market today-Buzzing Stocks information & Check Volume Toppers
- ▶ Provide various Reports on-Profit & Loss Report, Delayed Payments Report, Trade Listing Report, STT Report, Contract Note Report, DP Holding Report, Ledger report, MF Portfolio Report
- ▶ Main Menu- My Account related information, Update Profile Details, Learning Center, Invest in MF's, Refer and Earn and IIFL Help

## Digital Support for Customers

Client can approach us through various channels – e-mail, call, WhatsApp, ASK IIFL (Chatbot). The clients are also provided with details of grievance e-mail IDs for trading and DP. The escalation matrix is made available on our website and on the IIFL Mobile App. Customers are also provided with links of SCORES, SMART ODR at our online portal and websites for awareness and escalations. Status of the written complaint can be tracked from the IIFL Mobile App.

### Communicating with our customers

A monthly communication is sent to all the customers on "Important Do's and Don'ts" related to their trading account. Advisory email on investor alertness is also shared with clients on a weekly basis.

### CHATBOT-ASK IIFL

This integrated interface with IIFL systems provides round-the-clock service, immediate responses, and minimal manual intervention, empowering customers with autonomy in accessing research, account, and process-related information. It ensures efficient client support and enhances user satisfaction through streamlined operations and quick access to essential data.

During the year, we entered into multiple alliances with industry leaders:

- ▶ IIFL Securities partnered with the consulting firm McKinsey to identify & unlock several avenues to serve its customers well
- ▶ Tradebox is a basket of carefully grouped recommendations and is available for derivative instruments including NIFTY and BANKNIFTY
- ▶ Apxor provides a tour of various features of IIFL Markets app for new customers
- ▶ IIFL Securities partnered up with Beyond IRR which is a comprehensive solution designed to streamline client interactions & deliver personalized and impactful experiences at every stage of the client journey.
- ▶ To help customers on succession planning, IIFL Securities partnered with Willjini, a platform providing online Will Writing Services
- ▶ Partnered with 1Silverbullet for online FD solicitation

# COMMUNITIES

IIFL Securities strives to promote inclusive growth and build sustainable programmes that help the communities to improve their capacities and capabilities to enhance their lives. The Organisation fulfils its Corporate Social Responsibility (CSR) through India Infoline Foundation (“IIFL Foundation”), a wholly-owned subsidiary of IIFL Securities. IIFL Foundation – through its CSR initiatives addresses 5 thematic areas – Health, Education & Environment, Livelihood and Poverty Alleviation (HELP).

### Sakhiyon ki Baadi, Rajasthan

With an aim of improving female literacy rate in Rajasthan, India Infoline Foundation’s (“IIFL Foundation”) ‘Sakhiyon ki Baadi’ initiative promotes foundational literacy and numeracy (FLN) skills among girls belonging to the marginalised and vulnerable communities. The programme has 85 learning centres operating in four districts of Rajasthan, and engaged with 2,550 girls, native to indigenous tribal communities (Scheduled tribes). The programme helped in skill development and enabled livelihood to over 85 women from marginalised communities.

An independent study showcased that those associated with the programme (as teachers/staff) displayed improved self-esteem and decision-making skills. On the other hand, it helped parents become more aware on the importance of education for children.

The programme is working on delivering UN’s Sustainable Development Goal 4 – Quality Education. It specially emphasises on providing universal, quality primary and secondary education to children; eliminating gender disparities; offering equal education and vocational training opportunities to the vulnerable sections; and promoting literacy and numeracy among youth and adults.

**85 Centres**

**Working in  
4 districts  
of Rajasthan**

**Benefiting  
2,550 girl  
beneficiaries**



**We have started leaving our children back in the village for studying, while we migrate to cities for a few months in a year.**

**Kumal Lal (Parent),**  
Sayara block, Udaipur

### Miyawaki Plantation, Maharashtra

IIFL Foundation created a green and inclusive space for the community. It developed a public space of over 2,500 square metres within the city of Mumbai by using the unique afforestation method of Miyawaki plantation, named after Japanese botanist Akira Miyawaki. Nearly 10,400 different types of indigenous and native saplings, most suited to the ecosystem, have been planted within every square metre. This is aimed at planting these 100% organic, wild, fast-growing and self-sustainable, to build a dense forest in smaller urban spaces. We developed this garden with support from Brihanmumbai Municipal Corporation (BMC) and a notable environmentalist.



This self-sustaining project will improve soil and water quality and bio-diversity due to pollination and reduction in soil erosion. It will also assist in building a natural habitat for conservation of bees and birds, and is highly beneficial for carbon sequestration. Accessible to community members for regularly exercising, medication, walking and relaxing, the developed space has resulted in a positive impact on their mental health and well-being.

**10,400** Saplings and Trees of indigenous species planted using Miyawaki technique

The Company believes that Employee Engagement with community is beneficial as it enhances corporate social responsibility, strengthens brand reputation, and fosters a sense of purpose amongst employees. Accordingly, the employees were encouraged and they participated in the plantation drive.

During the financial year, on an average 80% of beneficiaries of our CSR activities were from marginalised & disadvantaged groups.

This is a part of our GROW mandate which stands for – Greening our environment, Retaining the ecosystem, Oxygen for all and Water percolation. The initiative provides numerous benefits such as improved aesthetics, recreational opportunities, environmental awareness, and fostering a sense of community.



**Ms. Madhu Jain**  
Director, IIFL Foundation



### Retail Sales Associate Training Programme, Jammu & Kashmir

IIFL Foundation implemented a skill development project at Kupwara, an aspirational district in Kashmir, which is focussed on imparting training to youths by empowering them with necessary skillsets to pursue a successful career in the Retail sector. This project has made significant strides in reducing the skill gap in Kupwara, and has benefited 132 young individuals. Kupwara is one of the remotest districts in India, where availability of resources such as safe drinking water, roads and electricity is scarce. It is a border district surrounded with Pakistan-occupied Kashmir (POK).

The programme comprises of classroom sessions and is supplemented with visits to the marketplace to equip participants with relevant job skills. Upon completion of the course, participants appear for an examination and the successful candidates are awarded a certification from the Retailers Association’s Skill Council of India (RASCI), which is the apex skill development council for India’s retail industry.

Indian Army Officers, who monitor and support the programme, encourage the youth to pursue the training with commitment and dedication. The programme also serves as a catalyst for community empowerment and national development. By providing practical training and job placements assistance, it equips the youth with

tools for self-sufficiency and fosters a sense of pride and purpose. Moreover, by engaging with governmental and military entities, it reinforces the fabric of nation-building, promoting synergy and collaboration toward progress.

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**132 Youth upskilled from the aspirational district**

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### Smart Shaala, Rajasthan

IIFL Foundation partnered with Sampark Foundation’s Smart Shaala programme to make a significant impact across five aspirational districts in Rajasthan, which include Baran, Dholpur, Jaisalmer, Karauli and Sirahi. The programme marks as a long-term commitment to improve the academic learning outcome of students and academic up-skilling of teachers at government schools.

Through the programme, we are engaged with 5,910 government schools, reaching out to more than 13,000 teachers, and positively impacted 4.06 lakh children. The programme is being implemented in partnership with the state government and is approved by NITI Aayog.





The Smart Shaala programme is frugal, tech-driven and has a lot of innovative components that make learning interesting for students. The carefully curated tech-based learning material includes an audio device covering topics in English and Math and a BOT-enabled mobile app that works without the internet. The students also receive subject based activity kits to further promote interactive learning.

**5 Aspirational Districts**

**13,401 Engagement with Teachers**  
(Direct Beneficiaries)

**5,910 Engagement with Government Schools**

**4.06 lakh Engagement with Students**  
(Direct Beneficiaries)

### Infrastructural Development at School, Tamil Nadu

IIFL Foundation extended its support for infrastructural development at a Girls School conducted a charitable women's welfare organisation at Tiruchi, Tamil Nadu, benefitting nearly 2,000 individuals from lower income groups. This school has significant importance in educating girls, as it was established in the year 1948, post India's independence and was subsequently upgraded to High School in 1965 and further Higher Secondary School in 1978. The school has been instrumental in empowering girls from marginalised communities by providing them access to education and hostel facilities.

**2,000+ Girl Beneficiaries each year**

### Customised Ambulance for Highway Casualties, Maharashtra

IIFL Foundation donated a custom-made ambulance to Bhaktivedanta Hospital & Research Institute, Mira Road. It is equipped with life-saving medical equipment, and is designed to carry 4 casualties, especially to save the lives road accident victims on the western express highway in Thane, Maharashtra. It provides services to victims without any charge. The initiative was flagged off by Shri Prakash Gaikwad, Deputy Commissioner of Police, who has appreciated IIFL Foundation's efforts and extended support from Police Department to ensure speedy response to save lives.







SOCIAL

# Empowering Minds. Investing In People.

At IIFL Securities, we envision a vibrant, purpose and performance driven, fair and inclusive work culture that is governed by our values. One of our key assets is human capital in a highly competitive and dynamic landscape. We are working to create a pipeline of high-calibre talent that is future-ready and takes forward the IIFL value system.

**Material Issues**

- ▶ Talent attraction and retention
- ▶ Employee health and safety
- ▶ Human rights
- ▶ Diversity and Inclusion

**SDGs served**



IIFL Securities is deeply committed to fostering a workplace culture that values diversity and inclusion, ensuring that every employee feels respected and empowered. We recognise and embrace diverse backgrounds, experiences, and aspirations of our workforce, acknowledging the unique contributions of each individual.

Our commitment to nurturing human capital is reflected in our multifaceted approach towards engagement, our strive for openness in communication, wellbeing, and the overall employee experience. As on March 31, 2024, our Company had a workforce of 1,486 employees.

**Key Highlights of FY24**

**Great Place to Work Survey**

Achieved Pride score of 87 and a Trust Index score of 84.

**Gender Diversity**

Achieved 23% gender diversity

**Training Manhours**

Recorded 14,888 hours of training

**Employee Assistance Platform**

36% of employees accessed the platform.

**Attrition Rate**

Maintained attrition at 38%

**Gender-wise training hours for learning**

Males: 10,996 training hours  
Females: 3,892 training hours



## KEY HUMAN CAPITAL-RELATED INITIATIVES

### Talent Development

At IIFL Securities, we attribute our success and market leadership largely to the skills and knowledge of our talented workforce. We understand the importance of a constant developmental process for employees and associates, and maintain constant focus on capability development so that we can deliver in line with our business strategy.

- ▶ Our learning culture includes continuous, purposeful programmes aimed at developing employees to their full potential through various skill enhancement workshops and product /technical sessions, based on evolving business requirements.

### Upskilling our talent:

- ▶ In our endeavour to upskill our talent pool, we have introduced role-based certification programmes to hone their skills at various levels.

We understand that a thorough understanding of our products and platforms is imperative in sales. Furthermore, a series of initiatives have been aligned to meet the training needs.

### Leadership Development Initiative: Competency Mapping Framework

With a view to enable our leaders to successfully align their team's KSA (Knowledge, Skill and Abilities) with organisational priorities, resulting in business improvement and efficiency, a detailed competency mapping exercise identifying critical competencies across all the functions has been carried out.

### E-Learning through Learning Management system "Moneyversity"

At IIFL Securities, we aim to enhance the learner experience with a mission of anytime, anywhere learning. Keeping this in mind, several self-paced learning modules, capsular programmes, and bite-sized learning, aimed to educate our employees on compliance courses and other role-based functional skills were curated and deployed.

### Continuous Learning and Development

We are committed to the professional growth and development of our employees. To enhance their skills and knowledge, we organise webinars, workshops, and seminars on various topics, including communication skills, unconscious bias, collaborative leadership, and financial literacy.

### Training and Development

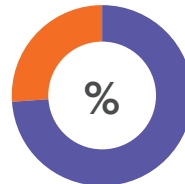
**14,888**

Aggregate training hours of Instructor-Led Training and VILT sessions (Including classrooms, virtual training and e-learning platform)

**10,422**

Aggregate training hours through e-learning platform "Moneyversity"

Women participation in training



Males **74** Females **26**

Trainings conducted during Orientation:

- Company orientation
- Business and role induction
- Cultural orientation- Organisation Policies and Code of Conduct

**₹5.15 Lakh**

Amount spent on learning and development



## Talent Acquisition

### Enhancing Recruitment Process

Enhancing the recruitment process to attract top talent and improving the onboarding experience for new hires to ensure a smooth transition into the Organisation, is an endeavour that we always strive for. We have a robust Graduate and Management Trainee Campus Programme to induct fresh and young talent in the Organisation.

### Employer Brand

As our business evolves, we attract talent that augments success. From an employer brand perspective, we communicate how we are growing in terms of our people and work environment. To strengthen our external image, we leverage social media to reach out to potential customers. We have built a strong presence with over 37,000+ followers on LinkedIn and 69,000+ followers on Instagram.

## Talent Retention

### Internal Mobility

Our internal mobility processes are embedded into our professional recruitment practices to support staff in building their careers within the Organisation. The Company has a defined Internal Job posting policy that provides opportunities for employees to move across functions and locations. This is to broaden their skills and knowledge and have a holistic understanding of the business. We enable our employees to change roles both within and across divisions and for enhancement of their career. 15 positions were filled by the Internal Candidates during the year.

### Professional Development

We actively encourage and nominate our employees to participate in national-level conferences, to foster their professional growth and development.



## REWARD AND RECOGNITION

The Company has a robust reward and recognition programme, which are held quarterly and annually. The quarterly i<sup>3</sup> awards for sales and support functions emphasise our commitment to fostering a culture of innovation, stakeholder management and cost-efficiency. The annual awards further extend this appreciation, reinforcing the culture we aim to build.

Apart from these, there are sales recognition forums facilitating team-wise recognitions to celebrate different milestones achieved by employees. The Company also celebrates monthly excellence awards to recognise top performers.

The digital iCLAP platform is a comprehensive hub for internal recognition and collaboration. We encourage peer-to-peer recognition on the platform, which also serves as a central destination for hobby clubs, Employee Resource Groups (ERGs), and rewards. This fosters a strong sense of community and belonging among our employees.



### Employee Well-Being

At IIFL Securities, we strive for a caring work environment that protects the health of our employees. We aim to create a workplace where employees can be safe and happy so that they can perform at their best and thrive in their careers.

The Company provides for fair working hours to its employees in compliance with the applicable labour laws.

### Child Care Assistance

The Organisation assists working parents, for instance in providing childcare near workplaces in our major hubs and contributing to the cost of childcare.

### Health and Wellness Initiatives

Promoting employee well-being is integral to our engagement strategy. Towards this we have organised health check-ups, blood donation drives, yoga sessions, mental health awareness workshops, PCOS awareness workshops and free eye check-ups for our employees. Additionally, we conducted Happiness Bootcamps and Daan Utsav events to promote holistic well-being. Also, for our women employees, we organised free gynaecologist consultations and financial literacy sessions in our endeavours to boost physical as well as financial health for them.

### Physical and Emotional Support Systems

The Company prioritises physical, mental, and emotional well-being of the employees and provides necessary support systems and resources required to nurture a healthy work environment. We are proud to report that our Employee Assistance Platform sees significant utilisation, with an impressive 36% of employees actively accessing its resources.

### Family-Focussed Activities

We understand the importance family plays in our employees' lives and successfully organised events like 'Bring Your Kids to Work Day' to strengthen the bond between children and their parents' at workplace. Additionally, we organised activities like 'Letter to Family,' encouraging employees to express gratitude and love to their loved ones.

### Librarywala: Cultivating a Reading Culture

In an age of hustle and hectic lifestyle, we forget to read books like our earlier generations did. To instil this native habit amongst our employees, we introduced the subscription reading and book renting platform for our employees. Librarywala is our initiative to foster the reading culture amongst our employees. This online service offers access to a diverse collection of books in both physical and digital formats completely free of charge, thus enriching their knowledge and promoting personal development.

### Festivity Celebrations

As an organisation, we unite in celebrating festivals with enthusiasm to foster unity in diversity on various occasions. From Independence Day, Republic Day to Diwali, Navratri, Thanksgiving, Christmas, and more, we celebrate these festivities across branches, embracing the vibrancy of our diverse cultural goals. We also prioritise observing important days such as National Girl Child Day, Women's Day, Father's Day, and Mother's Day.

### iCLAP

In addition, we have an intranet platform extensively used for information dissemination and communication. Employees can access company news, announcements, and various engagement initiatives, all in one place.



Every year, the Company sponsors few of its employees to participate in the marathons. The purpose of participation is to raise funds for a cause and the funds raised are used by NGOs for supporting the cause.



### Reputation Building Efforts

As a testimony, we are proud to have been recognised as the ‘Great Place to Work’, a testament to our unwavering commitment to employee satisfaction and well-being. Moreover, our consistently high employee engagement scores serve as tangible rewards of the positive impact of our people initiatives. As we reflect on our achievements, we remain steadfast in our commitment to nurturing employee engagement and fostering a culture of excellence. Our employees are at the heart of everything we do, and our HR vision is to continue to invest in their growth, development, and overall satisfaction. Together, we aim to build a brighter future for our Organisation and ensure sustained success in the years to come.

### GPTW Scores - TrustIndex 84

#### Specific scores -

Credibility: **85**

Respect: **84**

Fairness: **82**

Pride: **87**

Camaraderie: **83**

### Diversity and Inclusion

#### Diversity, Equity, and Inclusion (DE&I) Programmes

Diversity, Equity, and Inclusion (DE&I) stand as foundational pillars within our Human Resource culture. We consistently measure ourselves against pertinent benchmarks, striving to cultivate a workplace that is not only better, but also more open, diverse, and inclusive. Our approach to workforce diversity takes into account various factors, including gender, educational backgrounds, abilities, and skills.

We also have a Diversity and Inclusion Policy to provide a workplace free from discrimination for employees. In alignment with the Rights of Persons with Disabilities Act, 2016, we have implemented a Policy for Equal Employment Opportunities, ensuring accessibility and inclusivity for Persons with Disabilities (PWD).

#### Flexible Work Arrangements

We offer our employees the opportunity to utilise both formal and informal flexible work arrangements, particularly for pregnant women in the later stages of their pregnancy and during medical emergencies.





### Women in Network

The Women in Network forum is a vibrant platform empowering female employees to excel and thrive. This initiative inspires them to harness their full potential as catalysts for change, navigating today's dynamic work environment with confidence and expertise. We believe that fostering diversity and inclusivity enhances innovation, collaboration, and overall performance across our Organisation.

### Employee Resource Groups (ERGs)

We have established Employee Resource Groups (ERGs) to promote collaboration and understanding among employees with shared backgrounds and interests, fostering a sense of belonging and support.

### Employee Benefits

#### Comprehensive Benefits

We provide a range of benefits to help our employees manage professional and personal commitments and achieve a sustainable work-life balance. The benefits provided to the employees include accident insurance, health insurance, parental benefits, provident fund and gratuity. Details of these benefits are available in employee-specific policies on our HR digital platforms.

### Parental Leave Policy

Our parental leave policy ensures that all employees receive comprehensive support and ample time off to care for their newborns, promoting a healthy work-life balance. The Company's congenial parental care policies have ensured that the return-to-work rate is 100% for our permanent employees.

### Feedback Culture and Enhancement

#### Pulse Check & Listening Culture

We have introduced Amber, an artificial intelligence-based interactive chatbot, for real-time employee feedback. Amber reaches out to employees at various touchpoints in their journey at IIFL Securities, engages with them, and gathers their feedback. This enables us to address any concerns promptly and ensures continuous improvement in our employee engagement efforts. In the event of any disengagement concerns raised by the employees, Amber immediately flags these issues to the HR team and the business heads.

Our dedicated team of "Employee Happiness Champions" addresses these concerns on priority to ensure a supportive and engaging work environment. The insights gathered from our Employee Engagement surveys, Pulse surveys, and GPTW surveys have been instrumental in helping us design new and improve existing practices to better cater to our employee's needs and preferences.



## Upholding Human Rights Commitments & Safety Assurance Measures

### Human Rights

We have implemented a comprehensive Human Rights Policy to define the ethical behaviour expected from employees and to ensure that their human rights are protected and respected. This Policy encompasses several key areas, including the prohibition of child or forced labour, the promotion of human dignity, the assurance of equal opportunity, the provision of fair compensation, and the emphasis on diversity, equity, and inclusion. Additionally, we recognise and uphold employees' rights for harassment-free workplace and a healthy and safe working environment.

### Grievance Policy

We have established a Grievance Redressal Policy to address employee concerns promptly and effectively. This policy provides a clear framework for employees to raise complaints related to their well-being and workplace policies. To ensure accessibility and ease of use, the Company has designated a specific email id where employees can submit their grievances. All complaints are handled with utmost confidentiality, ensuring that each concern is thoroughly investigated and appropriately resolved.

By maintaining this Policy, IIFL Securities reaffirms its commitment to fostering a positive and respectful workplace environment where all employees' concerns are addressed with priority and care.

At IIFL Securities, we are committed to building a diverse workforce based on trust, employee well-being and mutual respect, paving the way for a great workplace for all.

We have cultivated a strong listening culture, ensuring that we are attuned to the needs and feedback of our employees. This is crucial as we undergo our transformation into the wealth space, where adapting our systems and processes is paramount.

Our recognition as a Great Place to Work is a testament to the pride our employees take in our organisational culture and leadership. This achievement underscores our commitment to fostering an environment where talent management and competency building of our employees are key priorities.



**Ms. Geetha Menon**

Head, Human Resources

We are dedicated to developing high-performing teams, continuously enhancing and building competencies that align with our strategic goals. By doing so, we ensure that IIFL Securities continues to be a place where employees feel valued and are inspired to excel and contribute to our collective success.





GOVERNANCE

# Progressing with Good Governance

IIFL Securities is characterised by a culture of ethical, transparent and responsible business practices. Its robust governance philosophy sets the foundation for the Company to live its values at every level.



At IIFL Securities, we believe that strong corporate governance is fundamental for steering ethical conduct and maintaining trust among stakeholders. It serves as a cornerstone for transparency, accountability, and sound decision-making processes. Our commitment to robust governance not only protects shareholder interests but also enhances long-term sustainability and organisational resilience. Further, voluntary implementation of additional corporate governance practices and limited assurance initiatives demonstrates our proactive approach to adapting and excelling in a dynamic business environment.



**Ms. Meghal Shah**  
Company Secretary

Following are the key drivers of our Corporate Governance Framework:

**Effective Leadership**

Our strong governance is based on the effective leadership by the Board of Directors, consisting of majority of Independent Directors. Our Board consists of individuals from diverse background with an appropriate mix of knowledge, skills and experience in the areas of finance, accounting, technology, governance and risk management to provide effective oversight on the functioning of the Company.

**Board Constitution**



**4** Independent Directors



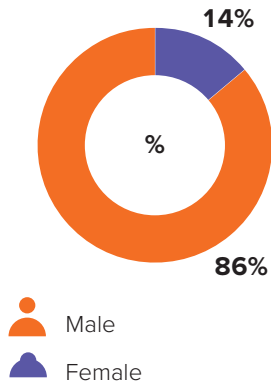
**1** Non-Executive Non-Independent Director



**Executive Directors**  
1 Managing Director  
1 Whole-time Director



## Board Diversity



## Board Committees

The Board had constituted designated committees with well-defined scope for improving board effectiveness and efficiency in areas where more focussed, specialised and technical discussions are required. A majority of our Board Committees include Independent Directors, and are also normally chaired by an Independent Director. The core management team is responsible for effective implementation of the decisions of the Board/Board Committees across all functions.

Our Company places significant emphasis on continuous knowledge enhancement at the Board level as it helps the Directors to stay informed about industry best practices, regulatory requirements, emerging risks, fostering good governance and strategic decision-making.

During FY24, the Company had arranged a formal Board Training Programme in collaboration with Institutional Investor Advisory Services ("IIAS") covering various aspects such as Trends in Corporate Governance, Related Party Transactions, Technology and Cyber Security and Overview on Environmental, Social and Governance.

## Board Age Range

**1** < 50 Age      **5** 50 to 60 Age      **1** > 60 Age

**7**

Total number of Board Meetings held during the year

**100%**

Attendance in Board Meetings Excluding 1 Board Member who did not attend 2 meetings)

## Transparency and Disclosure

Transparent communication helps stakeholders make informed decisions and hold management accountable. Our Company is committed to fair disclosure of information to its stakeholders and has adopted a Code of practices and procedures for fair disclosure of Unpublished Price Sensitive Information.

## Policy Framework

We have various policies in place which form the base of our strong corporate governance. These policies are reviewed and updated periodically. There is a designated senior official/department responsible for the implementation of the policies. Also, our Company undertakes various awareness and training programmes for all employees to ensure compliance with various policies. Details of the awareness and training programmes form a part of our Business Responsibility and Sustainability Report.



## Grievance Redressal Mechanism

Our Company has in place Grievance Redressal Policy/mechanism for all stakeholders to raise their concerns/grievances and for effective redressal thereon.



**GOVERNANCE**

# Risk Management Framework

Risk Management is essential for minimising losses, optimising resource allocation and enhancing decision-making in business. It protects reputation, ensure regulatory compliances and identifies opportunities for growth and sustainability. The Company recognises the importance of risk management and continually enhances its practices to improve resilience.

**Enterprise Risk Management Framework**

Our Company has a well-defined Enterprise Risk Management (ERM) Framework aligned with the business of the Company. The Company has integrated ERM into its processes, people and technology by embedding risk management practices into various business processes, fostering a risk-aware culture through comprehensive training and utilising technology solutions for efficient risk identification and monitoring. This holistic approach enables the Company to proactively address risks, make informed decisions and enhance resilience in a rapidly changing business environment for long-term sustainability.





## Our risk management system features a ‘three lines of defence’ approach:

### First Line of Defence - Business Units

These are primary owners of risk and controls related to the functioning of their business unit/department. They operate within the risk management framework and risk tolerance limit. They provide inputs for risk management activities by identifying risk and designing effective controls to mitigate such risks.

### Second Line of Defence - Risk and Compliance

The second line of defence provides a crucial layer of protection for the Organisation by providing oversight and monitoring of the risk management activities of the first line of defence. Majorly they assess and identify risks affecting the business and ensure effective implementation of risk management strategy of the Company. They co-ordinate with all departments within the Company and conduct risk awareness programmes to ensure that all stakeholders understand and participate in the risk management efforts.













### Third Line of Defence - Internal Auditors

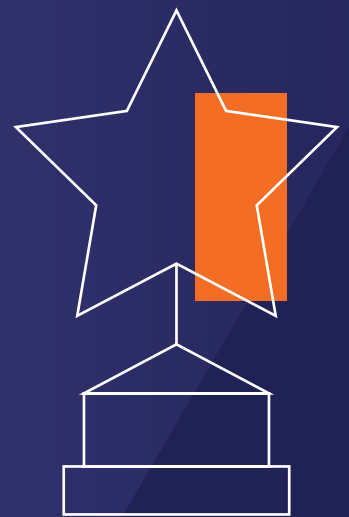
It provides assurance to the Board/ Committees that the Organisation’s risk management processes are working as intended and that risks are being effectively identified, assessed, and managed. This involves evaluation of risk management process, reporting of the key risks and recommending improvements to the current policies and procedures for effective risk management.

**The Company is exposed to various risks that are either inherent to the business or to changes in external environment.**



Some of the risks to which the Company is exposed along with its mitigation measures are provided below:

Risk	Description	Mitigation Measures	Key Capitals Involved
 <p><b>Regulatory Risk</b></p>	<p>Regulatory risk involves potential negative consequences arising from changes in regulations or non-compliance with applicable laws.</p>	<p>The Company stays updated with the regulatory changes and ensures compliance of all applicable laws/regulations. The Company engages with the regulators on regular basis to build strong relationship.</p>	
 <p><b>Operational Risk</b></p>	<p>Operational risk involves potential financial losses and reputational damage arising from internal failures in processes, systems, and human factors.</p>	<p>The Company implements robust internal controls, conducts regular risk assessments, and invests in technology and resources to bolster cyber security, prevent fraud and cyber-attacks.</p>	
 <p><b>Technology Risk</b></p>	<p>Technology risk encompasses potential negative consequences arising from issues with technology infrastructure, data security, and cyber threats, which can lead to financial losses and reputational damage.</p>	<p>The Company invests in technology and cyber security measures, conducts regular risk assessments, and maintains business continuity plans.</p>	
 <p><b>Credit Risk</b></p>	<p>Risks arising on receivables from customers and clearing house of stock exchanges.</p>	<p>Receivables from clearing houses is low risk because of low probability of them defaulting. Also, such receivables are short-term in nature related to securities settlement. Receivables from customers primarily comprise collateralised receivables relating to securities transactions and have low credit risk, because of the value of the collateral received and their short-term nature.</p>	
 <p><b>ESG Risk</b></p>	<p>ESG risk refers to the negative impacts that Environmental, Social, and Governance factors can have on a company's reputation and financial performance and also includes People Risk.</p>	<p>The Company periodically engages with all its stakeholders and addresses environmental concerns through eco-friendly technologies and promotes social well-being through fair labour practices and community development, and ensures ethical business practices and enhanced governance standards.</p>	
 <p><b>Liquidity Risk</b></p>	<p>Risk arising on account of our capital market related business.</p>	<p>Continual monitoring of asset-liability gaps across maturity buckets to assess the liquidity requirements.</p>	



# Board of Directors



## Mr. R. Venkataraman

Chairman & Non-Executive Director

Mr. R Venkataraman is the Chairman and Non-Executive Director, as well as, Co-Promoter of the Company. He holds Post Graduate Diploma in Management from the Indian Institute of Management (IIM), Bangalore, and a Bachelor's degree in Electronics and Electrical Communications Engineering from IIT Kharagpur. He has contributed immensely to the establishment of various businesses and spearheading key initiatives of the IIFL Group over the past 25 years. He previously held senior managerial positions in ICICI Limited, including ICICI Securities Limited, their investment banking joint venture with JP Morgan of US, and Barclays – BZW. He also worked with GE Capital Services India Limited in its private equity division. He has a varied experience of more than 32 years in the financial services sector.



## Mr. Nemkumar H

Managing Director

Mr. Nemkumar H is the Managing Director of the Company. He is a rank holder Chartered Accountant and a founder member of IIFL's Institutional Equities team and joined IIFL in 2007 to scale up Institutional Broking and Investment Banking business. Under his leadership, the Institutional Equities business has scaled up and IIFL Securities is now among the leading firms. Prior to joining IIFL, Mr. Nemkumar spent nearly 10 years at CLSA as an equity analyst covering the Asia Oil & Gas sectors, as Head of India research and as Head of India office. He started his career at BPCL and worked there for 8 years in the corporate treasury and pricing departments.

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## Mr. Narendra Jain

Whole-Time Director

Mr. Narendra Jain is a Whole-Time Director on the Board of the Company. He is a rank holder Chartered Accountant and holds a Bachelor's degree in Commerce from the University of Mumbai. He has over 29 years of experience in the financial services industry, specifically in areas such as operations, risk management, compliance, process automation and project management. In the past, he was associated with ICICI Brokerage Service Limited, where he worked in areas like operations, risk, compliance and design and development of systems and processes. He was also associated with Hindustan Petroleum Corporation Limited, where he handled indirect taxation and marketing analytics.

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## Ms. Rekha Warriar

Independent Director

Ms. Rekha Warriar is a Non-Executive Independent Director on the Board of the Company. She holds a Master's degree in Applied Mathematics (University of Bombay) and in Public Policy (Princeton University, NJ). She has over 31 years of experience working with the Reserve Bank of India (RBI) in various departments like Foreign Exchange, Financial Stability, Internal Debt Management, Rural Development, etc. She has also served as a faculty member in RBI's training colleges and as an Associate Professor at the National Institute of Banking Management, Pune. She retired as a Regional Director (West Bengal and Sikkim), RBI, in July 2017.

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### Mr. Shamik Das Sharma

Independent Director

Mr. Shamik Das Sharma is a Non-Executive Independent Director on the Board of the Company. He has done a Masters in Science (M.S.) with a specialization in Computer Science from the University of Maryland, College Park, USA, and a B. Tech in Computer Science and Engineering from Indian Institute of Technology (IIT), Kharagpur. He has an experience of more than 23 years as a Computer Scientist and more than 13 years of experience as Vice President and CXO roles at various private companies. He is one of India's leading Product and Technology experts. He has over two decades of experience crafting technical products, taking them to market, building strong teams, and instituting a tech-oriented culture in organizations. As a founder, senior executive and investor, he has worked with small and large companies across diverse domains in the Bay Area and Bangalore. He is currently the Senior Vice-President of Atlassian and previously held roles as General Manager at Curefit, and CTO/CPO at Myntra.



### Mr. Anand Bathiya

Independent Director

Mr. Anand Bathiya is a Non-Executive Independent Director on the Board of the Company and a Chartered Accountant by profession. Holding Bachelors in Law and in Commerce, he is a qualified Registered Valuer along with holding diplomas in Securities Law and Information Systems. With two decades of experience in domains of business consulting, finance, growth, governance, transactions and tax, he has enabled multiple businesses build efficiencies and remain competitive. Mr. Bathiya is regularly engaged in advising businesses in negotiating, structuring, performing due diligence and executing domestic and international Mergers & Acquisitions (M&A), having advised more than 300 M&A transactions. He advises businesses in capital market initiatives like IPOs, QIPs, rights issues, open offers, international listings, etc. along with advising private equity funds, venture capital funds, family offices in formation, fund documentation, diligence and investment transaction execution. Currently, he is a Partner with Bathiya & Associates LLP, having in the past worked with world leading professional services firms. He has been appointed as President of Bombay Chartered Accountants' Society for year 2024-25.



### Mr. V. Krishnan

Independent Director

Mr. V. Krishnan is a Non-Executive Independent Director on the Board of the Company and is a seasoned financial services professional with a diverse experience of 35 years in operations, technology, operational risk, information security, compliance, and internal control. He has worked in multiple areas of financial services like Custodial Services, Asset Management Companies, IT Services, Exchange and International Banks, holding senior positions in various international and domestic organizations like Barclays, Deutsche Bank, JP Morgan, L&T, MCX, etc. His diverse experience is backed by professional qualifications in Accounting, Law, Information Security, Internal Audit, Fraud, Anti Money Laundering, and Operations Resilience amongst others. Mr. Krishnan leads Kris Consulting, a unique boutique advisory, assurance and training firm, that focuses primarily on Governance, Risk & Compliance, Process Re-engineering and Internal Audit.

#### Committees

- Finance Committee ● Risk Management Committee ● Stakeholders' Relationship Committee ● ESG Committee ● Information Technology Committee ● Cyber Security Committee ● Audit Committee ● Corporate Social Responsibility Committee ● Independent Directors' Committee ● Nomination and Remuneration Committee

Ⓒ Chairperson

Ⓓ Member



# Awards & Accolades

★ Received 'Best Stock Broking Company of the Year Award' at NBFC Leadership Awards 2023

★ Received 'Best Digital Transformation Initiative Award' at NBFC Leadership Awards 2023

★ Received CX Transformation Award at Masters of CX Conference

★ Received recognition from Bombay Stock Exchange for 'Stupendous Volume Growth in Sensex Options'

★ Termed as Best Investment Product provider – IIFL Securities at Asian Leadership Awards

★ Mr. Ronak Gandhi, CFO, IIFL Securities, ranked as 'CFO of the Year' at Asian Leadership Awards

★ Recognised by National Stock Exchange of India (NSE) for being an 'active contributor' in multiple segments

★ Recognised for being Top Performer in BSE F&O segment

★ Received 'India Equity House' recognition from IFR Asia Magazine

★ Received AAA Sustainable Finance Award for Best IPO (Mankind Pharma-₹43.26 Billion)

★ Received AAA Sustainable Finance Award for 'Most Innovative Deal' [(Cholamandalam Investment and Finance Company-₹40 Billion combined (equity + compulsory convertible debenture) QIP)]

★ Received AAA Sustainable Finance Award for 'Best Reit' (Nexus Select Trust-₹32 Billion)

★ Received 'Best Digital Transformation Initiative - Stock Broking' award at BFSI Leadership Awards in NBFC and Fintech Company Category

★ Received "Best Digital Transformation Initiative - Stock Broking" award at BFSI INNOVATION Confex and Awards





# Corporate Information

## BOARD OF DIRECTORS

### Mr. R. Venkataraman

Chairman and Non-Executive Director

### Mr. Nemkumar H

Managing Director

### Mr. Narendra Deshmal Jain

Whole-Time Director

### Ms. Rekha Gopal Warriar

Independent Director

### Mr. Shamik Das Sharma

Independent Director

### Mr. Anand Shailesh Bathiya

Independent Director

### Mr. V. Krishnan

Independent Director

## KEY MANAGERIAL PERSONNEL

### Mr. Ronak Gandhi

Chief Financial Officer

### Ms. Meghal Shah

Company Secretary

### Mr. Shanker Ramrakhiani

Chief Information Security Officer

## MANDATORY BOARD COMMITTEES

- ▶ Audit Committee
- ▶ Nomination and Remuneration Committee
- ▶ Stakeholders' Relationship Committee
- ▶ Corporate Social Responsibility Committee
- ▶ Risk Management Committee
- ▶ Information Technology Committee
- ▶ Cyber Security Committee

## STATUTORY AUDITOR

### V. Sankar Aiyar & Co.

Chartered Accountants

## REGISTRAR AND SHARE TRANSFER AGENT

### Link Intime India Private Limited

C-101, 247 Park, 1st Floor,  
L. B. S. Marg, Vikhroli (West),  
Mumbai – 400 083

## REGISTERED OFFICE

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

## CORPORATE OFFICE

Ground Floor, Hubtown Solaris,  
N. S. Phadke Marg, Vijay Nagar, Andheri  
East, Mumbai – 400 069

## LIST OF CORPORATE BANKERS

ICICI Bank Limited  
HDFC Bank Limited  
YES Bank Limited  
DBS Bank Limited  
State Bank of India  
Ratnakar Bank Limited  
Indian Bank Limited  
IDFC First Bank Limited

# Directors' Report

Dear Stakeholders,

The Directors are pleased to present the Twenty-Ninth Annual Report of IIFL Securities Limited (**'the Company' or 'Our Company' or 'IIFL Securities'**) along with the audited financial statements for the Financial Year (FY) ended March 31, 2024.

## 1. Company Overview

IIFL Securities is one of the largest independent full-service broking house providing diversified financial services and product distribution and is also a SEBI registered Merchant Banker.

The Company's retail brokerage and financial product distribution businesses comprises equity, commodities and currency broking, depository participant services, distribution of mutual funds, bonds, fixed income products, portfolio management services (PMS), alternative investment funds (AIF) and other investment products. The Company also offers in-depth insight on asset allocation, market dynamics, wealth management and investment strategies to grow and protect customers wealth. These services and offerings do not just enable customers to access the Indian financial capital markets but also provide an integrated interface that allows them to track various portfolio parameters, including the performance of their investments.

## 2. Financial summary and highlights

A summary of the Company's financial performance for FY ended March 31, 2024, is as under:

(₹ in million)

Particulars	Standalone		Consolidated	
	FY 24	FY 23	FY 24	FY 23
Gross Income	19,661	12,690	22,313	13,704
Profit/(Loss) before Depreciation and Tax	7,996	4,265	7,964	4,077
Depreciation	(1,072)	(600)	(1,138)	(668)
Profit/(Loss) before tax	6,924	3,665	6,826	3,409
Provision for Tax	1,578	831	1,693	911
Non-controlling interest	-	-	10	(3)
Profit/(Loss) after Tax	5,345	2,834	5,123	2,502
Balance brought forward from previous year	8,873	6,953	10,403	8,816
Appropriation towards dividend paid	(923)	(915)	(923)	(915)
Surplus carried forward	13,295	8,873	14,604	10,403
Earnings per share on equity shares of ₹ 2 each				
Basic (in ₹)	17.46	9.31	16.73	8.22
Diluted (in ₹)	17.11	9.24	16.40	8.16

The Company's mobile trading app 'IIFL Markets' is rated 4.4 on Android and iOS and had over 1.18 million downloads in FY24. Continuous upgrades and enhancements makes this app the top choice of most customers. The app is preferred by most investors given its superior features, quick transactions and best-in-class user experience.

The Company forms one of the major institutional broking franchises in India with robust research capabilities. The research team covers **273** stocks across 20+ sectors and market caps. As of March 31, 2024, the combined market cap of stocks under our coverage was about USD **3.2** trillion.

The Company also provides Investment Banking services to corporate and institutional clients and has evolved as a leading domestic Investment Banker in recent years, engaging in multiple transactions across capital markets and private placement/advisory including significant number of Initial Public Offerings (IPOs) and Qualified Institutional Placements (QIPs).

IIFL Securities is well-placed as a prominent name in the industry backed by end-to-end technology platforms, experienced management and vast network of branches across the country. With complete investment planning and quality offerings, the Company continuously strives to deliver more value to its customers.



### 3. Review of the operations and business and the state of Company affairs

During the year under review, there was no change in the nature of business of the Company.

Our Company's consolidated revenue was ₹ 22,313 million as against ₹ 13,704 million in FY23, an increase of 63% YoY. The Company earned a net profit after tax (TCI) of ₹ 5,121 million versus ₹ 2,480 million in FY23, increased by 106% on YoY basis.

#### I. Broking and Distribution

During the year, the average daily turnover was ₹ 2,631 billion, up 71% YoY. Brokerage income stood at ₹ 10,152 million, up 58% on a YoY basis.

Our distribution segment including AIF, PMS, Mutual Funds, Insurance etc., gained good traction during the year. AIF and PMS AUM stood at ₹ 39 billion & ₹ 24 billion and increased 23% and 52% respectively on YoY basis. Further, Mutual Fund AUM stood at ₹ 108 billion, an increase by 53% on YoY basis. These segments hold immense promise over the long term growth of the business.

#### II. Investment Banking

This business had shown exemplary performance in FY24, delivering revenues of ₹ 2,245 million driven by consistent mandate wins, coupled with high quality and speedy execution. The investment banking division completed 59 transactions including 20 Initial Public Offers, 14 Qualified Institutional Placements, 19 advisory/private placement transactions along with Buyback, Rights Issue and number of Offer for Sale transactions during the year. The Company has also filed several offer documents for upcoming IPOs and is currently engaged in a number of private equity and other capital market transactions which are in various stages of execution.

Our Company continues to focus on being a 'Banker of choice' for the Indian entrepreneurial ecosystem by continuing to focus on both mid and large sized transactions. As always, superior client focus, unbiased advice and consistent performance continue to result in high repeat business – a hallmark of our Company's strategy.

IIFL Securities continues to expand the investment banking team to capitalise on opportunities across Equity Capital Market (ECM) and advisory practice.

### 4. Dividend and Reserves

Pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), our Company has formulated the

Dividend Distribution Policy which is available on the website of the Company at [https://www.indiainfoline.com/securities/reports/Dividend\\_Distribution\\_Policy.pdf](https://www.indiainfoline.com/securities/reports/Dividend_Distribution_Policy.pdf)

The Board of Directors at their meeting held on March 01, 2024, declared an interim dividend of ₹ 3 per equity share (i.e. 150% of the face value of ₹ 2 per share) in accordance with the Dividend Distribution Policy of the Company. This led to an outgo of ₹ 923.11 million. The same is considered as final.

During the year under review, the Company has transferred an amount of ₹ 4 million to the General Reserve maintained by the Company.

### 5. Investor Education and Protection Fund ('IEPF')

A detailed disclosure with regard to the IEPF related activities undertaken by our Company during the year under review forms part of the Report on Corporate Governance.

### 6. Commercial Paper

During the FY24, the Company issued Commercial Papers ('CPs') for margin trading facility.

### 7. Particulars of loans, guarantees or investments by the Company

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act are given in the notes to financial statements forming part of this Integrated Annual Report.

### 8. Material changes and commitments affecting the financial position of the Company

There have been no material changes and commitments which affect the financial position of the Company that have occurred between the end of the financial year to which the financial statements relate and the date of this Report which could have an impact on our Company's operation or its status in the future.

### 9. Share Capital

As on March 31, 2024, the issued, subscribed and paid-up equity share capital of the Company stood at ₹ 615,733,058 (comprising 307,866,529 equity shares of ₹ 2/- each).

During the year under review, the total paid up equity share capital of the Company increased from ₹ 611,057,932/- to ₹ 615,733,058/- pursuant to allotment of 23,37,563 equity shares of ₹ 2/- each under IIFL Securities Limited Employee Stock Option Scheme - 2018 to the eligible employees of the Company and the said equity shares rank pari passu with the existing equity shares from the date of allotment.

Further, the Company neither issued equity shares with differential rights as to dividend, voting or otherwise nor any sweat equity shares during the year..

#### Employees Stock Option Scheme (ESOS)

During the year under review, the Company had in force the following Employees Stock Option Schemes, prepared in terms of the provisions of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021:

- 1) IIFL Securities Limited Employee Stock Option Scheme 2018 ("IIFL ESOS Scheme-2018").
- 2) IIFL Securities Employee Stock Option 2019 - Demerger Scheme ("ISL Demerger Scheme").

There was no material change in the IIFL ESOS Scheme – 2018 and the ISL Demerger Scheme and the same is in compliance with the Securities and Exchange Board of India (Share based Employee Benefits and Sweat Equity) Regulations, 2021 ("SBEBSE Regulations").

During FY24, the Nomination and Remuneration Committee of the Board of Directors of the Company, pursuant to the IIFL ESOS Scheme-2018, granted 50,00,000 stock options to the identified employees of the Company, each Option being convertible into one Fully Paid-up Equity Share.

As on March 31, 2024, 619350 options lapsed under the IIFL ESOS Scheme -2018 and the same have been added back to the pool and are available for further grant. The aggregate number of stock options outstanding as on March 31, 2024 under the IIFL ESOS Scheme - 2018 stood at 11230396. Further, as on March 31, 2024, Nil options lapsed under the ISL Demerger Scheme and the aggregate number of stock options outstanding stood at 12000.

The disclosures relating to ESOPs required to be made under the provisions of the Act and the rules made thereunder and SBEBSE Regulations are provided on the website of the Company at [www.iiflsecurities.com](http://www.iiflsecurities.com) and the same is available for inspection by the members at the registered office of the Company. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary at [secretarial@iifl.com](mailto:secretarial@iifl.com), whereupon a copy will be provided.

The relevant disclosures in terms of IND AS 102, relating to share-based payment forms part of note 33 of the notes to the Standalone Financial Statements and note 42 of the notes to the Consolidated Financial Statements of the Company

## 10. Scheme of Arrangement

As part of re-organisation of business, the Board of Directors had approved a Scheme of Arrangement for transfer of IIFL Securities Online Retail Trading Business (as defined in the Scheme of Arrangement) to the Spaisa Capital Limited ("Resulting Company"), so as to consolidate the said business under one single entity (i.e. the Resulting Company).

Considering the base of customers, valuation and market conditions had changed substantially post approval of the Scheme by the Board in December 2022, the Board, in the interest of the Company and its stakeholders, decided to withdraw and re-evaluate the Scheme.

## 11. Corporate Social Responsibility (CSR)

In accordance with the provisions of Section 135 of the Act and rules made thereunder, our Company has adopted a CSR policy indicating the CSR activities that will be undertaken by the Company and its subsidiaries. The CSR Policy is available on our website at [https://www.indiainfoline.com/securities/reports/IIFL\\_Securities\\_CSR\\_Policy.pdf](https://www.indiainfoline.com/securities/reports/IIFL_Securities_CSR_Policy.pdf)

India Infoline Foundation (hereafter referred to as "IIFL Foundation"), a Section-8 Company under the Act and a wholly owned subsidiary of the Company, acts as the principal arm to undertake CSR initiatives on behalf of the Company and its subsidiaries. As per Rule 4(2) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, IIFL Foundation has registered itself with the Central Government by filing the form CSR 1 with the Registrar of Companies.

IIFL Foundation through its CSR initiatives addresses 5 thematic areas – **Health, Education & Environment, Livelihood** and **Poverty Alleviation (HELP)**. During the year, our Company through IIFL Foundation has undertaken various CSR initiatives which contribute to meet UN's Sustainable Development Goals (SDGs) – No Poverty (SDG 1), Good Health & Well-being (SDG 3), Quality Education (SDG 4), Gender Equality (SDG 5) and Reduced Inequalities (SDG 10).

The details of the initiatives undertaken by the Company forms part of this Integrated Annual Report. The CSR programs undertaken by the Company through IIFL Foundation positively impacted over 4.15 lakh lives, with a special emphasis to empower the marginalised and disadvantaged.

In compliance with Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted Corporate Social Responsibility ('CSR') Committee and statutory disclosures with respect to the CSR Committee and Annual Report on CSR Activities is attached as **Annexure-1** and forms an integral part of this Report.



## 12. Nomination and Remuneration Policy

The Board of Directors, on recommendation of Nomination and Remuneration Committee, have framed the Nomination and Remuneration Policy which provides the criteria for determining qualifications and positive attributes for appointment of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel and recommend their remuneration to the Board of Directors.

The Nomination and Remuneration Policy is attached as **Annexure-2** to this Report and is also available on the website of the Company at [https://www.indiaonline.com/securities/reports/IIFL\\_Securities\\_Nomination\\_and\\_Remuneration\\_Policy.pdf](https://www.indiaonline.com/securities/reports/IIFL_Securities_Nomination_and_Remuneration_Policy.pdf).

## 13. Human Resources Management

IIFL Securities recognize that employees are most valuable assets. The Company is dedicated to fostering a workplace environment where every individual can thrive. Through the commitment to quality hiring practices and comprehensive retention and engagement strategies, the Company ensure that the team members are integral contributors to the success of the Company.

IIFL Securities focus on employee development goes beyond professional growth; it extends to nurturing a conducive and healthy workplace culture.

### Prevention of Sexual Harassment (POSH)

The Company is committed to promote a work environment that is conducive to the professional growth of its women employees and encourages equality of opportunity. IIFL Securities aims to adopt zero tolerance attitude against any kind of sexual harassment or discrimination. Providing a safe working environment for women, free from sexual harassment and discrimination is among the key priorities of the Company.

In compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the Company has formulated and implemented a Policy on Prevention of Sexual Harassment at Workplace which aims to provide protection against sexual harassment to women at the workplace and prevent and redress complaints of sexual harassment and matters connected therewith and incidental thereto. The said Policy is available on the website of the Company at <https://www.indiaonline.com/securities/corporate-governance.php>.

Furthermore, the Company has constituted an Internal Complaints Committee (ICC) to consider and resolve all sexual harassment complaints reported under the said Policy. The ICC has been constituted as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and the Committee includes external member's with relevant experience for

handling complaints under the said Policy. The Policy includes the scope, complaint and redressal mechanism along with contact details of the Committee members for raising any grievance/complaint under the said Policy. The Company provides for mandatory online training on POSH for all employees, including new joinee.

The details of sexual harassment complaints that were filed, disposed of and pending during the financial year are provided in the Business Responsibility and Sustainability Report forming part of this Integrated Annual Report.

### Particulars of employees

The Company had 1486 employees as of March 31, 2024.

The disclosures required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure – 3** and forms an integral part of this Report.

Further, a statement showing the names and other particulars of employees drawing remuneration in excess of the limits as set out in the Rule 5(2) and 5(3) of the aforesaid rules, is maintained and forms part of this Report. However, in terms of first proviso to Section 136(1) of the Act, the Annual Report and Accounts are being sent to the members and others entitled thereto, excluding the aforesaid information. The aforesaid information is available for inspection by the members. Any member interested in obtaining a copy thereof, may write to the Company Secretary at [secretarial@iifl.com](mailto:secretarial@iifl.com).

## 14. Subsidiary, Associates and Joint Venture Companies

As on March 31, 2024, the Company has twelve subsidiaries (including step-down subsidiary) and has no associate and joint venture companies. The following are the subsidiaries located in India and overseas:

Sr. No.	Name of the domestic subsidiary
1	IIFL Facilities Services Limited*
2	IIFL Management Services Limited*
3	Livlong Insurance Brokers Limited (Formerly IIFL Insurance Brokers Limited)*
4	Livlong Protection and Wellness Solutions Limited (Formerly IIFL Corporate Services Limited)
5	India Infoline Foundation* (Section 8 Company)
6	Shreyans Foundations LLP (Step down subsidiary company)
7	Meenakshi Towers LLP
8	IIFL Securities Services IFSC Limited*
9	IIFL Commodities Limited*

Sr. No.	Name of the domestic subsidiary
10	IIFL Securities Alternate Asset Management Limited*
Name of the foreign/overseas subsidiary	
11	IIFL Wealth (UK) Limited*
12	IIFL Capital Inc.*

\*Wholly-owned subsidiary

During FY24, no company has become or ceased to be subsidiary, joint venture or associate of the Company except incorporation of a wholly owned subsidiary of the Company in the name of "IIFL Securities Alternate Asset Management Limited", to act as Investment Manger to AIF and providing PMS. The said company is yet to commence its business.

IIFL Facilities Services Limited is a material subsidiary of the Company as per Regulation 16 of SEBI Listing Regulations. The Board of Directors of the Company have approved a Policy for determining material subsidiaries which is in line with the SEBI Listing Regulations as amended from time to time. The Policy is available on the Company's website at <https://www.indiainfoline.com/securities/corporate-governance.php>.

In accordance with Section 136(1) of the Act, the financial statements including consolidated financial statements and all other documents required to be attached thereto and audited annual accounts of subsidiary companies are available on the Company's website at <https://www.indiainfoline.com/securities/financials.php>. These documents/details will also be available for inspection by any member of the Company at its registered office and at the registered offices of the respective subsidiaries, except on Saturdays, Sundays and Public Holidays.

## 15. Financial performance of the major subsidiaries of the Company

The performance in brief of the major subsidiaries companies is given hereunder:

### Domestic subsidiaries

#### I. IIFL Facilities Services Limited ("IFSL")

IFSL is engaged into providing office and related infrastructure and facility services catering mainly to group companies and outsiders and allied services. During FY24, the total income and total comprehensive income / (loss) of IFSL stood at ₹ 566 million and (₹ 62) million as compared to ₹ 727 million and ₹ 263 million in FY23, respectively.

#### II. Livlong Insurance Brokers Limited (formally 'IIFL Insurance Brokers Limited') ("LIBL")

LIBL is registered with Insurance Regulatory Development Authority as Direct Broker for providing insurance broking services. During the FY24, the total income and total comprehensive income of LIBL stood at ₹ 1,154 million and ₹ 169 million as compared to ₹ 714 million and ₹ 264 million in FY23, respectively.

#### III. Livlong Protection and Wellness Solutions Limited (Formerly 'IIFL Corporate Services Limited') ("LPWSL")

LPWSL is mainly into solving healthcare need of customers by leveraging technologies. During FY24, the total income and total comprehensive income/(loss) of LPWSL stood at ₹ 1,433 million and ₹ 115 million as compared to ₹ 267 million and (₹104) million in FY23, respectively.

#### IV. IIFL Management Services Limited ("IMSL")

IMSL is mainly into providing property advisory, consultancy and allied services and also into the business of providing office and related infrastructure, Manager to Alternate Investment Funds and facility services catering mainly to the group company. During FY24, the total income and total comprehensive income/(loss) of IMSL stood at ₹ 121 million and (₹ 112) million as compared to ₹ 465 million and (₹ 259) million in FY23, respectively.

### Foreign/overseas subsidiaries

#### V. IIFL Capital Inc.

IIFL Capital Inc. is engaged in the business of Advisor and Financial Services. During FY24, the total income and total comprehensive income of IIFL Capital Inc. stood at ₹ 213 million and ₹ 13 million as compared to ₹ 136 million and ₹ 14 million in FY23, respectively.

## CONSOLIDATED FINANCIAL STATEMENTS

Our Company has, in accordance with Section 129(3) of the Act, prepared the annual consolidated financial statements, consolidating its financials with its subsidiary companies. The annual audited consolidated financial statements have been prepared in accordance with the relevant Indian Accounting Standards issued by the Institute of Chartered Accountants of India.

Pursuant to Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of Subsidiaries Companies is given in Form AOC-1 as 'Annexure A' of the Consolidated Financial Statements and forms an integral part of this Report.



## 16. Integrated Annual Report

In compliance with SEBI circular dated 6th February, 2017, the Company has voluntarily published the Integrated Annual Report, which includes both financial and non-financial information and is based on the International Integrated Reporting Framework. This Report covers aspects such as organisation's strategy, governance framework, performance and prospects of value creation based on the six forms of capitals viz. financial capital, physical capital, intellectual capital, human capital, social & relationship capital and natural capital.

## 17. Management Discussion and Analysis Report

In accordance with Regulation 34 of the SEBI Listing Regulations, the Management Discussion and Analysis Report forms part of this Integrated Annual Report.

## 18. Business Responsibility and Sustainability Report

In accordance with Regulation 34(2)(f) of the SEBI Listing Regulations, the Business Responsibility and Sustainability Report (BRSR), covering disclosures on the Company's performance on Environment, Social and Governance parameters for FY24, forms part of this Integrated Annual report. BRSR includes reporting on the nine principles of the National Guidelines on Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs.

The Company has voluntarily obtained limited assurance of the BRSR core principles as prescribed by SEBI for FY24. The report of Lodha & Co. on limited assurance is annexed with the BRSR Report forming part of this Integrated Annual Report.

## 19. Environment Social & Governance (ESG)

ESG factors are important for fostering sustainable practices, meeting stakeholders' expectations and mitigating risks. These factors represent a holistic approach to evaluating a company's impact on society, the environment and corporate governance practices. IIFL Securities aims to become a sustainable organization by keeping ESG at its core and continue to positively impact people, planet and profit.

Towards this, the Company has an ESG Policy approved by the Board of Directors which provides the role and responsibilities of the Board of Directors/ Board Committees, ESG Committee and the ESG team towards achieving the objectives of being a sustainable organization. The Policy enshrines the ESG focus area for the Company which includes Environment, Corporate Governance, Customers, Employee, Corporate Social Responsibility and Information and Cyber Security Framework. Based on the ESG focus areas, Key Performance Indicators (KPIs) have been identified and quarterly updates are taken from respective stakeholders. The ESG Policy is available on the website of the

Company at [https://www.indiaonline.com/securities/reports/ESG\\_Policy.pdf](https://www.indiaonline.com/securities/reports/ESG_Policy.pdf)

The Company has also framed various policies against the nine principles as per National Guidelines on Responsible Business Conduct (NGRBC). Further, the Company has ESG Risk register in place which helps in identification and management of environmental, social and governance risks.

The Company has integrated ESG Profile on ESG World Platform to enhance visibility and credibility in the realm of sustainability and responsible corporate governance and to foster stakeholder trust. The same can be accessed at [here](#).

The Company has also carried out gap analysis alongside the ESG rating agencies' criteria in order to identify areas where the Organization can improve ESG practices and disclosures. This will help the Company to build investor confidence through transparent and enhanced disclosures.

## 20. Directors and Key Managerial Personnel (KMP)

### Directors

Our Company has a well-diversified Board comprising of Directors from various backgrounds and having broad range of experience, in the areas of finance, accounting, technology, governance, risk management among others. Their combined experience and expertise enables the Company to ensure effective corporate governance on one hand, and to take future-ready business decisions on the other. The Board provides leadership, strategic guidance and discharges its fiduciary duties of safeguarding the interest of the Company and its stakeholders.

The composition of the Board of Directors of the Company is in accordance with the provisions of Section 149 of the Act and Regulation 17 of the SEBI Listing Regulations, with an appropriate combination of Executive, Non-Executive and Independent Directors (including one independent woman director).

All the Independent Directors of the Company have given declarations that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1) (b) of SEBI Listing Regulations. In terms of requirements of the SEBI Listing Regulations, the Board has identified core skills, expertise and competencies of the Directors in the context of the Company's businesses for effective functioning which are detailed in the Report on Corporate Governance forming part of this Integrated Annual Report.

Further, in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of



Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs.

The complete list of Directors of the Company has been provided in the Report on Corporate Governance forming part of this Integrated Annual Report.

#### **Changes in the composition of the Board of Directors**

Mr. Nemkumar H (DIN: 00350448) was appointed as Additional Director on the Board of the Company w.e.f. October 17, 2023. Further, he was appointed as the Whole-Time Director of the Company for a period of five years w.e.f. October 17, 2023, and the said appointment was approved by the shareholders of the Company through postal ballot on January 06, 2024.

Ms. Rekha Warriar (DIN: 08152356) was re-appointed as Non-Executive Independent Director on the Board of the Company for a second term of five consecutive years w.e.f. May 08, 2024. Further, Mr. Narendra Jain (DIN: 01984467) was re-appointed as a Whole-Time Director and Key Managerial Personnel of the Company for a period of five years w.e.f. May 13, 2024. The said re-appointments were subject to approval of shareholders of the Company and Regulator/Exchange(s), as may be required.

The tenure of Mr. R. Venkataraman (DIN: 00011919) as Managing Director and Key Managerial Personnel of the Company expired on May 14, 2024. Mr. Venkataraman did not seek renewal of his term as Managing Director. Accordingly, the Board of Directors of the Company, based on recommendation of the Nomination and Remuneration Committee, appointed Mr. Nemkumar H (DIN: 00350448), Whole Time Director of the Company, as the Managing Director and Key Managerial Personnel of the Company for a period of 5 (five) years w.e.f. May 15, 2024, subject to requisite regulatory and shareholders' approval.

Mr. R. Venkataraman continues to be the Chairman & Non-Executive Director on the Board of the Company. The Board is of the view that the separation of the posts of Chairman and Managing Director is better aligned with good corporate governance standards.

The Board recommends proposal of the above mentioned appointment/re-appointment for the consideration of the Members of the Company at the forthcoming AGM and same has been mentioned in the Notice convening the AGM. A brief profile of Mr. Nemkumar H, Ms. Rekha Warriar and Mr. Narendra Jain has also been provided therein.

**Statement regarding opinion of the Board with regard to integrity, expertise and experience (including the proficiency) of the Independent Director appointed during the year**

During the year there was no new appointment of Independent Director on the Board of the Company.

#### **Retirement by rotation**

In accordance with the provisions of Section 152 of the Act and the Company's Articles of Association, Mr. R. Venkataraman (DIN: 00011919), Non-Executive Director is liable to retire by rotation at the forthcoming Annual General Meeting (AGM) and being eligible, has offered himself for re-appointment. The Board recommends the proposal of his re-appointment for the consideration of the Members of the Company at the forthcoming AGM and same has been mentioned in the Notice convening the AGM. A brief profile of Mr. R. Venkataraman has also been provided therein.

#### **Changes in Key Managerial Personnels (KMPs)**

Mr. Shanker Ramrakhiani - Chief Information Security Officer was identified as a KMP of the Company w.e.f. May 01, 2023 pursuant to SEBI Circular SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/24 dated February 06, 2023.

Mr. Nemkumar H (DIN: 00350448) was appointed as Whole-Time Director and KMP of the Company, for a period of five years w.e.f. October 17, 2023.

The tenure of Mr. R. Venkataraman as a Managing Director and KMP of the Company expired on May 14, 2024. Consequently, Mr. Nemkumar H was appointed as Managing Director and KMP w.e.f. May 15, 2024.

As on the date of this report Mr. Nemkumar H - Managing Director, Mr. Narendra Jain - Whole-Time Director, Mr. Ronak Gandhi- Chief Financial Officer, Ms. Meghal Shah- Company Secretary & Compliance Officer and Mr. Shanker Ramrakhiani - Chief Information Security Officer are KMPs of the Company in terms of the provisions of the Act and rules made thereunder and the SEBI Listing Regulations..

## **21. Meetings of Board/Committee**

The Board/Committee meetings are pre-scheduled and the agenda and minutes of the Board/Committee meetings are circulated within timeline to ensure meaningful participation. Only in the case of special and urgent business, should the need arise, the Board's approval is taken by passing resolutions through circulation, as permitted by law, which are noted in the subsequent Board/Committee meeting. In certain special circumstances, the meetings of the Board are called at a shorter notice to deliberate on business items which require urgent attention of the Board. The Company has complied with secretarial standards issued by the Institute of Company Secretaries of India on Board meetings.

The Board met 7 times during the year under review and have accepted all recommendations made to it by various Committees.



The details of the number of meetings of the Board held during the FY24 and the attendance of Directors thereat forms part of the Report on Corporate Governance forming part of this Integrated Annual Report.

## 22. Committee of the Board

The Board of Directors as on March 31, 2024 had the following Committees:

- a) Audit Committee
- b) Nomination and Remuneration Committee
- c) Stakeholders' Relationship Committee
- d) Corporate Social Responsibility Committee
- e) Risk Management Committee
- f) Finance Committee
- g) Independent Director's Committee
- h) ESG Committee
- i) Information Technology Committee
- j) Cyber Security Committee

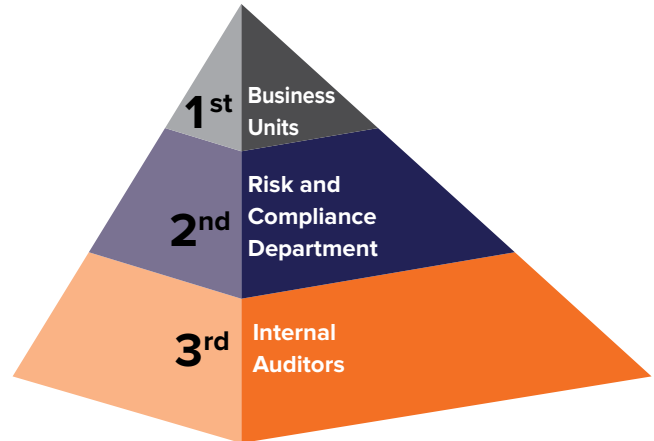
The details of the Committees of the Board along with their composition, number of meetings held and attendance thereat are provided in the Report on Corporate Governance forming part of this Integrated Annual Report.

## 23. Risk management

Risk Management is important to define, assess and track business threats and obstacles throughout the organisation. Towards this, our Company has adequate measures in place and has adopted a comprehensive Enterprise Risk Management ("ERM") Policy duly approved by Risk Management Committee and the Board of Directors which encompasses identification, analysis, mitigation and control of various type of risks for achieving its key business objectives.

The Company's ERM Policy is aligned to the Committee of Sponsoring Organizations of the Treadway Commission (COSO) 2017 ERM Framework and has adopted the practices of ISO 31000 Risk Management Standard, integrated with Organization's strategy and business objectives. The ERM Policy comprises risk such as Strategic risk, Market risk, Financial risk, Fraud risk, Legal risk, Regulatory risk, Operational risk, Reputational risk, ESG risk, Technology risk, Cyber/Information risk, Third party risk.

Our Company has adopted the 'Three lines of defense' as part of the risk governance structure. The following diagram illustrates it.



### Three Lines of Defence

#### Risk governance structure and key roles & responsibilities

A strong risk governance structure can help ensure that an organization is able to identify, assess, and respond to risk effectively. The structure is also intended to provide an effective system of checks and balances to ensure that the risk management practices are in compliance with the regulations and industry standards.

The risk governance structure at IIFL Securities is as provided hereunder:



#### Roles and Responsibilities of key stakeholders constituting the Risk Governance Structure are as under:

**Role of Board of Directors:** The Board of Directors is responsible for monitoring and overseeing the implementation of the risk management policy and practices.

**Role of Risk Management Committee (RMC):** RMC is responsible for formulation of the detailed risk management policy. It ensures that appropriate methodology, processes and systems are in place to monitor and evaluate risk associated with the business of the Company. It monitors and oversees implementation of the risk management policy, including evaluating the adequacy of risk management systems. The appointment, removal, and terms of remuneration of the Chief Risk Officer is subject to review by RMC. The details of

composition and meetings of RMC is covered under the Corporate Governance Report forming part of this Report.

**Role of Chief Risk Officer (CRO):** CRO is responsible for the overseeing the risk management activities. CRO periodically reviews the ERM Policy, monitors and oversees its implementation, process for systematic identification and assessment of all the risks and update RMC on the risks identified and the assessment and mitigation controls relating thereto. CRO conducts internal meetings with the Risk Owners/Functional Heads on ERM initiative and updates the management on the progress/status of the same on a quarterly basis.

**Role of Risk Management Department:** The Risk Management Department is responsible for development and maintenance of overall risk management infrastructure. It facilitates implementation of the ERM policy and collates and reviews risk assessment prepared by the CRO/Functional heads. It also maintains and update the risk register and creates awareness on the risk management process/ practices for the identified stakeholders periodically. Further, it reports risk and risk management measures to RMC. The Risk Management Department is responsible for ensuring compliance with regulations and continuously improving the risk management process.

**Role of Risk Owners and Functional Heads:** Each Risk owner/Functional head is responsible for their respective risk i.e., risk identification, mitigation, implementation of the controls and any other matter relating thereto and update the Risk Management Department on the same. Further, Risk owner/Functional Head prepares a Risk Report advising on the results and residual risks and recommending further action.

#### Incident Management

The Company has a process to track and monitor the incidents occurred which covers its root cause analysis, and taking corrective and preventive measures thereon, thereby helping the Company to have a control over repetitiveness of the incidents. The Incident Report is also presented before the Risk Management Committee for its review.

## 24. Qualified Stock Brokers (QSBs)

In order to further strengthen the compliance and monitoring requirements of the stock brokers through mandating enhanced obligations and responsibilities on stockbrokers, SEBI, vide circular no. SEBI/HO/MIRSD-PoD-1/P/CIR/2023/24 dated February 06, 2023 stated various parameters including size/ scale of operations, impact on investors and securities market, governance and service standards and amount of clients' funds handled for designating a stockbroker as QSB, on an annual basis.

IIFL Securities has been designated as a QSB during FY24 in terms of various SEBI circulars issued in this regard, thereby entailing enhanced responsibilities, adherence to regulatory standard and upholding investor trust.

## 25. Annual evaluation of the Board

Our Company believes that the process of performance evaluation at the Board level is pivotal to its Board engagement and effectiveness. The Company has a Performance Evaluation Policy duly approved by the Nomination and Remuneration Committee specifying the criteria and process for effective evaluation of Board, its Committees and individual Directors pursuant to the provisions of the Act and Regulation 17 and Part D of Schedule II to the SEBI Listing Regulations. The details of the Board evaluation criteria and process are provided in the Report on Corporate Governance forming part of this Integrated Annual Report.

## 26. Internal financial controls

Our Company has maintained adequate internal financial controls over financial reporting, which are constantly assessed and strengthened with new/ revised standard operating procedures. The internal financial controls procedure adopted by the Company are adequate for safeguarding its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and the timely preparation of reliable financial information. Such internal financial controls over financial reporting were operating effectively during the year.

Further, the Statutory Auditors have confirmed that the internal financial control systems over financial reporting are adequate and the same is annexed with the Independent Auditor's Report.

## 27. Quality initiatives and process improvements

Our Company continues to sustain its commitment to the highest levels of quality, superior service management, robust information security practices and mature business continuity management. Our Company successfully completed ISO 27001:2013 (ISMS) Surveillance audit with no non-conformities.

The Company has sustained compliance with respect to various applicable laws and regulations in terms of technology, business continuity management and information and cyber security from various Regulators.

The technology used in the Company comprises industry standard business applications and robust IT infrastructure. These capabilities are used to manage business operations, are scalable, improve overall productivity & efficiency, and provide seamless and world class experience to the customers.



Further, the Company has strengthened its information and cyber security mechanisms and other risk measures to mitigate potential threats, risks and challenges. The Company has cyber insurance cover to protect from financial losses.

Our Company has enhanced cyber security program by implementing latest tools and technologies at various layers. This has helped Company to mitigate risk of latest security threats.

The Company believes in skill development, hence various e-learning modules on technology and other business areas have been enabled for employees through online training.

## 28. Contracts and arrangements with Related Parties

The Company has a policy on Related Party Transactions ("RPT Policy"), which has been approved by the Board of Directors and amended from time to time. The Policy provides for identification of RPTs, necessary approvals by the Audit Committee/Board/Shareholders, reporting and disclosure requirements in compliance with the Act and provisions of the SEBI Listing Regulations. The said Policy may be accessed on the website of the Company at <https://www.indiaonline.com/securities/reports/Related1205211.pdf>.

The Audit Committee approves all the RPTs in compliance with the provisions of the Act and SEBI Listing Regulations. Omnibus approval is obtained on a yearly basis for transactions which are repetitive in nature. The details of all RPTs are placed before the Audit Committee for review and noting on a quarterly basis.

All contracts executed by the Company during the financial year, with related parties, were on arm's length basis and in the ordinary course of business. All such Related Party Transactions were entered into in accordance with the RPT Policy of the Company.

During FY24, the Company has entered into material contract/arrangement/transaction with related parties within the maximum limit approved by the Members of the Company. As there is no outstanding balance as at March 31, 2024, the disclosure in Form AOC-2 as prescribed under the Act has not been made. You may refer to note no. 36 and note no. 43 to the Standalone Financial Statements and Consolidated Financial Statements respectively, for the related party disclosures.

The Company has also engaged an independent Chartered Accountant firm for reviewing and confirming that the related party transactions entered into by the Company are in compliance with the provisions of the Act and Rules made thereunder and the SEBI Listing Regulations and a certificate to that effect is placed before the Audit Committee on quarterly basis.

## 29. Statutory Auditors and their Report

Pursuant to the provisions of Section 139 of the Act, read with the Companies (Audit and Auditors) Rules, 2014, M/s V Sankar Aiyar & Co., Chartered Accountants, Mumbai (Firm Registration Number: 109208W), were appointed as the Statutory Auditors of the Company for a second term of five years, from the conclusion of the 27<sup>th</sup> AGM till the 32<sup>nd</sup> AGM of the Company, at such remuneration as mutually agreed and approved by the Board.

During the year, the Statutory Auditors have confirmed that they satisfy the independence criteria required under the Act and the Code of Ethics issued by the Institute of Chartered Accountants of India.

The Statutory Auditors' Report forms part of this Integrated Annual Report. There were no qualifications, reservations, adverse remarks or disclaimers in the Report of the Statutory Auditors of the Company.

## 30. Secretarial Audit and their Report

Pursuant to the provisions of Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s Nilesh Shah and Associates, Company Secretaries in Practice for conducting the Secretarial Audit for FY24. The Secretarial Audit Report of the Company is annexed as **Annexure - 4**. The Secretarial Auditor has not expressed any qualification, reservation, adverse remark in their Secretarial Audit Report for the year under review. The Secretarial Auditor has mentioned the following events in their Report.

- a) In the matter of various inspections conducted during 2011-2014 and 2015-2017, pursuant to SEBI circular no. SMD/SED/CIR/93/23321 dated November 18, 1993, it was held by the Whole Time Member of SEBI vide its order dated 19<sup>th</sup> June, 2023 that the Company has violated provisions of Clauses A(1), A(2) and A(5) of Code of Conduct as specified under Schedule II read with Regulation 9(f) of the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992 and prohibited the Company from onboarding new clients for two years in respect of its business as stock broker.
- b) During the FY 24, two designated persons of the Company had entered into contra trade in the securities of the Company in violation to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015.

### Management response:

- a) The matter pertains to two separate inspections carried out by SEBI for different periods viz. 2011- 2014 and 2015-2017 to verify the compliance relating to the monitoring of clients' funds. Although the inspection was for the past period,

SEBI applied the new methodology prescribed vide SEBI Circular on enhanced supervision dated September 26, 2016 regarding monitoring of clients' funds calculation retrospectively. In this regard SEBI already passed two separate Adjudication Orders dated May 20, 2022 and May 30, 2022 levying a penalty of ₹ 10,000,000/- each on the Company.

In respect of the present matter, the Company filed an Appeal before the Securities Appellate on June 20, 2023. The matter was posted for hearing on interim relief on June 27, 2023 wherein the SAT granted a stay for the operation of the order dated June 19, 2023 till the disposal of the Appeal and tagged all the 3 pending matters together for disposal. SAT vide order dated 07<sup>th</sup> December, 2023, set aside the order of Whole Time Member of SEBI restraining the Company from on boarding new clients and also the penalty of ₹ 2 Crores as levied by Adjudicating Officer was reduced to ₹ 20 lakhs. The Company has complied with the aforesaid Order. In furtherance to the above, SEBI had preferred an appeal against the said SAT Order before the Supreme Court and the same is pending.

- b) The Company conducts periodic webinars for creating awareness on the compliances under Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. Also, the Company has a mandatory compliance module on compliances under the said Regulation for all the employees.

With regard to the contra trade, it may be noted that the same were executed by the employees inadvertently. On becoming aware of the same the Compliance Officer issued Warning Letter to the concerned employees. Further, Audit Committee directed that the profit earned and the penalty imposed on the respective employee be disgorged in the IPEF. The same has been complied.

Further, pursuant to Regulation 24A of the SEBI Listing Regulations, the Secretarial Audit Report of material unlisted subsidiary of the Company i.e. IIFL Facilities Services Limited for FY24 is annexed as **Annexure- 5**.

### 31. Maintenance of cost records

The maintenance of cost records, for the services rendered by the Company, is not applicable pursuant to Section 148(1) of the Act read with Rule 3 of the Companies (Cost Records and Audit) Rules, 2014.

### 32. Reporting of frauds by Auditors

During FY24, the Statutory Auditors of the Company have not reported any instances of fraud committed in

the Company, by its Officers or Employees, to the Audit Committee under Section 143(12) of the Act read with Rule 13 of the Companies (Audit and Auditors) Rules, 2014.

### 33. Annual return

Pursuant to Section 134(3)(a) and Section 92(3) of the Act read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 as amended from time to time, the Annual Return of the Company in Form MGT-7 for FY24 has been placed on the Company's website at <https://www.indiainfoline.com/securities/financials.php>.

### 34. Significant and material order passed by the Regulators or Court or Tribunals

There were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going-concern status of the Company and its future operations.

### 35. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

#### a) Energy conservation

As the Company is engaged in providing financial services, the information relating to conservation of energy, as required under Section 134 (3) (m) of the Act read with Rule 8 of the Companies (Accounts) Rules 2014, is not required to be given. However, initiatives taken by the Company towards energy management are provided in the Business Responsibility and Sustainability Report forming part of this Integrated Annual Report.

#### b) Technology absorption

The Company keeps itself abreast of the technological advancements in the industry and has adopted the best in class technology across business, operations and functions. The Company is accelerating the technology and digital transformation on continuous basis. It stays invested in creating a seamless digital and customer experience across digital touchpoints. Our Company's focused approach is to keep on enhancing its in-house tech capabilities. Moreover, our Company periodically introduces enhanced features to provide rich and seamless trading experience to its customers. The Company has enhanced IT Disaster Recovery readiness for ensuring resilience and high uptime.

#### c) Foreign exchange earnings and outgo

The information on foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 is as under:



(₹ In million)

Particulars	FY24	FY23
Earning in Foreign Currency	599	275
Expenses in Foreign Currency	321	248

### 36. Whistle Blower Policy/Vigil Mechanism

Pursuant to Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI Listing Regulations, the Company has in place a Whistle Blower Policy and established the necessary vigil mechanism for Directors, Employees and Stakeholders to report genuine concerns or grievances about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. Vigil Mechanism provide for adequate safeguards against victimization of persons who use such mechanism and also make provision for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases. For further details, please refer Report on Corporate Governance forming part of this Integrated Annual Report. The Company has disclosed the Policy on the website of the Company at [https://www.indiaonline.com/securities/reports/IIFL\\_Securities\\_Whistle\\_Blower\\_Policy.pdf](https://www.indiaonline.com/securities/reports/IIFL_Securities_Whistle_Blower_Policy.pdf).

### 37. Corporate Governance

A Report on Corporate Governance, along with a certificate from the Secretarial Auditors of the Company, regarding the compliance of the requirements of Corporate Governance, as stipulated under the provisions of Regulation 34 of the SEBI Listing Regulations' forms an integral part of this Report.

### 38. Directors' Responsibility Statement:

In compliance with Section 134(5) of the Act, the Board of Directors of our Company, to the best of their knowledge and ability, confirm that:

- in the preparation of the Annual Accounts for the year ended March 31, 2024, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit of the Company for the year ended on that date;
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- the Directors ensured the annual accounts are prepared on a going concern basis;
- the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and
- the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### 39. Other disclosures

As no application has been made under the Insolvency and Bankruptcy Code, the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable.

The requirement to disclose the details of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is not applicable.

The Company has not accepted /renewed any deposits within the meaning of Section 73 of the Act and the rules made thereunder and, as such, no amount of principal or interest was outstanding, as on the Balance Sheet date.

### 40. Appreciation

The Company wish to place on record deep appreciation, for the contribution made by the employees at all levels for their hard work, commitment and dedication towards the Company. Their enthusiasm and untiring efforts have enabled the Company to scale new heights.

The Company is grateful to all its stakeholders including customers, banker, shareholders, business partner, regulators and communities for staying right beside us in our journey of constant evolution.

**For and on behalf of the Board**

**R. Venkataraman**

Chairman  
DIN:00011919

Date: July 02, 2024

Place: Mumbai

# Annexure – 1 to the Directors' Report

## The Annual Report on Corporate Social Responsibility (CSR) Activities of IIFL Securities Limited for the Financial Year ended March 31, 2024

[Pursuant to Section 135 of the Companies Act, 2013 and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014]

### 1. Brief outline on CSR Policy of the Company:

IIFL Securities Limited ("the Company" or "IIFL Securities") ensures that its activities extend beyond business and include initiatives and endeavors for the benefit and development of the community and society. The Company strongly believes that Corporate Social Responsibility ("CSR") initiatives help to promote inclusive growth and equitable development.

The CSR Policy and activities of the Company are steered by the same values that guide the business of the Company. It can be summarised in one acronym – FIT, which stands for:

- **Fairness** in all our transactions
- **Integrity** and Honesty in letter, in spirit and in all our dealings with people
- **Transparency** in all our dealings

By applying these values to the CSR activities, IIFL Securities undertakes initiatives that create sustainable growth and empower underprivileged sections of the society.

The focus areas prioritised by IIFL Securities in its CSR strategy are guided by the philosophy of HELP (Health, Education & Environment, Livelihood and Poverty Alleviation). The CSR activities of IIFL Securities are executed by India Infoline Foundation (generally referred as "IIFL Foundation"), the Implementing Agency. In line with its philosophy the Company had undertaken the following activities during FY 24:

- Academic training for teachers and students at Government Schools in 5 aspirational districts

of Rajasthan – Dholpur, Baran, Karauli, Jaisalmer and Sirohi, creating an impact in lives of 4.03 lakh students and 11,820 teachers, by reaching out to 5,910 schools;

- Training in retail sales for youth in Kupwara, an aspirational district in Kashmir with support of Indian Army and Research and Extension Association for Conservation Horticulture and Agro-forestry (REACHA);
- Building foundational literacy among females from marginalised communities of Rajasthan, through flagship programme 'Sakhion ki Baadi', which has an overall reach across 4 districts with 85 learning centres;
- Support for infrastructural development at Tiruchi Seva Sangam Girls Higher Secondary School, Trichy, Tamil Nadu. The school was setup in 1948 and is operated by all women leadership since then, dedicated to upliftment of women through education;
- Development of an Urban Forest using Miyawaki Plantation Technique, in collaboration with Brihanmumbai Municipal Corporation (BMC). The project is developed on a 2500 square meters plot with plantation of 10,300 indigenous plant species, in an industrial area in Mumbai, Maharashtra.
- Donation of a Ambulance to offer emergency medical service to Highway road accident victims. The ambulance is upgraded through customisation, to carry 4 casualties in a single trip. The vehicle has been donated to BhaktiVedant Hospital, Mira-Road, District - Thane, Maharashtra.

### 2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Anand Bathiya	Chairman	2	2
2	Mr. V. Krishnan	Member	2	2
3	Mr. Narendra Jain*	Member	2	1
4	Ms. Rekha Warriar	Member	2	2
5	Mr. Nemkumar H*	Member	2	0

**Note:** \*Mr. Nemkumar H was appointed as a Member of CSR Committee in place of Mr. Narendra Jain w.e.f. January 22, 2024. During the tenure of each of them 1 CSR Committee meeting was held.



**3. Provide the web-link(s) where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:**

Web link - <https://www.indiaonline.com/securities/corporate-governance.php>

**4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not Applicable**

**5.**

Sl. No.	Particulars	Amount (in ₹)
a.	Average net profit of the company as per sub-section (5) of section 135	2,70,39,16,683/-
b.	Two percent of average net profit of the company as per sub-section (5) of section 135	5,40,78,334/-
c.	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years	NIL
d.	Amount required to be set-off for the financial year, if any	NIL
<b>e.</b>	<b>Total CSR obligation for the financial year [(b)+(c)-(d)]</b>	<b>5,40,78,334/-</b>

**6.**

**a. Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 5,42,21,808/-** (includes the surplus arising out of the CSR activities i.e. interest earned of ₹ 1,43,474/- during the FY24.)

**b. Amount spent in Administrative overheads: NIL**

**c. Amount spent on Impact Assessment, if applicable: Not Applicable**

**d. Total amount spent for the Financial Year [(a)+(b)+(c)]: 5,42,21,808/-**

**e. CSR amount spent or unspent for the Financial Year:**

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
5,42,21,808/-	NIL	-	-	NIL	-

**f. Excess amount for set-off, if any: Nil**

Sl. No.	Particular	Amount (in ₹)
i.	Two percent of average net profit of the company as per sub-section (5) of section 135	5,40,78,334/-
ii.	Total amount spent for the Financial Year	5,42,21,808/-
iii.	Excess amount spent for the Financial Year [(ii)-(i)]	1,43,474/-*
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL
v.	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	NIL

**Note:** \*Amount spent on CSR activities for FY 2023-24 is ₹ 5,42,21,808 which includes interest earned of ₹ 1,43,474/-. Pursuant to Section 135 of the Companies Act, 2013 read with Rule 7(3)(i) of the Companies (Corporate Social Responsibility) Rules, 2014, the excess amount available for set-off does not include the surplus arising out of the CSR activities i.e. interest earned.



**7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:**

Sl. No	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under Sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under Sub-Section (6) of Section 135 (in ₹)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent insucceeding Financial Years (in Rs)	Deficiency, if any
					Amount (in Rs)	Date of Transfer		
1	FY 2022-23	-	-	-	-	-	-	-
2	FY 2021-22	93,25,575/-	NIL	93,25,575/-	NIL	-	NIL	-
3	FY 2020-21	-	-	-	-	-	-	-

**8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Yes**

If Yes, enter the number of Capital assets created/ acquired: 1

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) Pincode of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
1	Vehicle – Ambulance (Force Motors T1 AMB (SHELL) 3350 FM2.6 CR BS6 9+D+P PS ABS (Also, includes fabrication and upgradation)	401107	05.03.2024	45,50,417	CSR00065035	Shri Chaitanya Health and Care Trust	Bhaktivedanta Hospital and Research Institute, Srishti Complex, Sector-1, Mira Road (East), Thane – 401 107, Maharashtra

**9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135: Not applicable**

For IIFL Securities Limited

**Mr. R. Venkataraman**

Director  
DIN: 00011919

**Mr. Anand Bathiya**

Chairman of CSR Committee  
DIN: 03084831

Date: July 02, 2024

Place: Mumbai



## Annexure-2 to the Directors' Report

### Nomination and Remuneration Policy

#### Preamble:

This Nomination and Remuneration Policy (the "Policy") has been formulated by IIFL Securities Limited ("Company") in compliance with Section 178 of the Companies Act, 2013, read with applicable rules made thereunder and in compliance with Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") as amended from time to time.

#### Purpose:

The purpose of this Policy is to serve as a guiding charter to appoint qualified persons as Directors on the Board of Directors of the Company ("Directors"), Key Managerial Personnel (the "KMP"), and persons who may be appointed in Senior Management Positions ("SMP"), to recommend the remuneration to be paid to them and to evaluate their performance.

#### Scope:

The Policy shall be applicable to the following in the Company:

- a) Directors
- b) KMPs
- c) SMPs
- d) Other employees

#### Definitions:

"**Act**" means the Companies Act, 2013 and Rules framed there under, as amended from time to time.

"**Board**" means Board of Directors of the Company.

"**Company**" means "IIFL Securities Limited".

"**Key Managerial Personnel (KMP)**" means Key Managerial Personnel as defined under subsection (51) of Section 2 of the Companies Act, 2013 as under:

- Managing Director, or Chief Executive Officer or Manager
- Whole-time Director
- Chief Financial Officer
- Company Secretary
- Such other officer, not more than one level below the Directors who is in whole-time employment designated as Key Managerial Personnel by the Board
- And such other officer as may be prescribed

"**Other employees**" mean all employees other than the Directors, KMPs and the Senior Management Personnel.

"**Policy**" means "Nomination and Remuneration Policy.

"**Remuneration**" means any money, or its equivalent given or passed to any person for services rendered by him/her and includes perquisites as defined under the Income-Tax Act, 1961.

"**Research Analysts**" shall have the same meaning as defined under the SEBI (Research Analysts) Regulation, 2014 as amended from time to time.

"**Senior Management Personnel (SMP)**" shall mean officers/ personnel of the Company who are members of its core management team excluding the Board of Directors and normally this shall comprise all members of management one level below the "Chief Executive Officer/Managing Director/ Whole Time Director/Manager (including Chief Executive Officer/Manager, in case they are not part of the Board) and shall specifically include the functional heads, by whatever name called and Company Secretary and Chief Financial Officer.

Unless the context otherwise requires, words and expressions used in this Policy and not defined herein but defined in the Companies Act, 2013 / SEBI Listing Regulations (wherever applicable) as may be amended from time to time shall have the meaning respectively assigned to them therein.

#### Nomination and Remuneration Committee (NRC)

The Board shall constitute a Nomination and Remuneration Committee consisting of a minimum of 3 Non-Executive Directors, most of them being Independent. The Chairperson of the Committee shall be an Independent Director. The Chairperson of the Company shall not be a Chairman of the Committee. The term of the Committee shall be continued unless terminated by the Board of Directors.

#### Role of NRC:

1. Formulate criteria and manner for effective evaluation of the performance of the Board, its committees, Individual Directors and review its implementation and compliance.
2. Formulate the criteria for determining qualifications, positive attributes, and independence of a director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel, and other employees. While formulating this policy ensure that –
  - (i) Level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
  - (ii) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

- (iii) Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- 3. Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
- 4. Determine whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- 5. Devise a policy on diversity of the Board of Directors.
- 6. Recommend to the Board all remuneration, in whatever form, payable to Senior Management.
- 7. Administration and superintendence of the ESOP Schemes.

### Appointment and removal of Director, KMP, and Senior Management:

#### 1. Appointment Criteria and Qualifications:

- a) A person being appointed as Director, KMP, or in Senior Management should possess the adequate qualification, expertise, and experience for the position he/she is considered for appointment.
- b) Independent Director:
  - i. Qualifications of Independent Director:  
An Independent Director shall possess appropriate skills, experience, and knowledge in terms of the Board Diversity Policy of the Company.
  - ii. Positive attributes of Independent Directors:  
An Independent Director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his/her responsibilities in a bona-fide manner in the interest of the Company; devote sufficient time and attention to his/her professional obligations for informed and balanced decision making; and assist the Company in implementing best corporate governance practices.

#### 2. Removal:

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules, and regulations there under, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director, KMP, or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

#### 3. Retirement:

The Director, KMP, and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, or Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

### Provisions relating to remuneration of Directors, KMP, Senior Management Personnel and other employees:

#### A. Directors:

##### 1. Executive Directors (Managing Director, Manager, or Whole Time Director):

- i. At the time of appointment or re-appointment, the Executive Directors shall be paid such remuneration as may be mutually agreed between the Company (which includes NRC and the Board of Directors) within the overall limits prescribed under the Companies Act, 2013.
- ii. The remuneration shall be subject to the approval of the Members of the Company in General Meeting as per the requirement of the Companies Act, 2013.
- iii. The remuneration of the Manager/ CEO/ Managing Director/ Whole Time Director is broadly divided into fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company. In determining the remuneration (including the fixed increment and performance bonus), the Committee shall consider the following:
  - The relationship of remuneration and performance benchmarks
  - Balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals
  - Responsibility required to be shouldered, the industry benchmarks and the current trends
  - The Company's performance vis-à-vis the annual budget achievement and individual performance

##### 2. Non-Executive Director:

- i. The Non-Executive Independent Director may receive fees for attending meetings of the Board or Committee thereof. Provided that the amount of such fees shall not exceed Rupees One Lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
- ii. A Non-Executive Director may be paid commission on an annual basis, of such sum as may be approved by the Board on the recommendation of NRC.
- iii. In determining the quantum of commission payable to the Directors, the Committee shall make its recommendation



after taking into consideration the overall performance of the Company and the onerous responsibilities required to be shouldered by the Director.

- iv. The total commission payable to the Directors shall not exceed prescribed limits as specified under Companies Act, 2013.
- v. The commission shall be payable on pro-rata basis to those Directors who occupy office for part of the year.

#### **B. KMP and Senior Managerial Personnel:**

The remuneration to the KMP and Senior Management Personnel will be based on following guidelines:

- i. Maintaining a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company.
- ii. Compensation should be reasonable and sufficient to attract retain and motivate KMP and Senior Management Personnel.
- iii. Remuneration payable should comprise of a fixed component and a performance linked variable based on the extent of achievement of individual performance vis-a-vis overall performance of the Company.
- iv. Remuneration shall be also considered in form of long term incentive plans for key employees, based on their contribution, position and length of service, in the nature of ESOPS/ESPS.

#### **C. Remuneration of other employees of the Company:**

Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the Organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

#### **D. Research Analysts**

The compensation of all individuals employed as Research Analyst shall be reviewed, documented and approved at

least annually by NRC. While approving the compensation of the Research Analysts, NRC shall not consider:

- i. Any specific merchant banking or investment banking or brokerage services transaction which might have happened because of the services of the Research Analyst; and
- ii. Any contribution made by the Research Analyst to the Company's investment banking or merchant banking or brokerage services business other than that of preparing and/or providing research reports.

#### **Malus & Clawback**

Malus & Clawback of the remuneration paid shall be applicable in case of any act of gross negligence and breach of integrity by the Director, KMP or Senior Management Personnel or any other employee. Such cases pertaining to Director, KMP or Senior Management Personnel or employee upto grade EVP shall be determined by NRC. Cases pertaining to other employees shall be reviewed and determined by the Head – Human Resource. Errors of judgment shall not be construed as breaches as may be determined by NRC.

#### **Deviations**

Deviations on elements of this Policy in extraordinary circumstances, when deemed necessary in the interest of the Company, may be done based on specific reasons at the sole discretion of NRC.

#### **Disclosure of the Policy**

This Policy shall be placed on the website of the Company and the salient features of the Policy and changes therein, if any, along with the web address of the Policy shall be disclosed in the Board's Report.

#### **Review/Revision**

The Policy shall be reviewed annually and any amendments thereto shall be approved by NRC and the Board of Directors. If at any point a conflict of interpretation/information between the Policy and any regulations, rules, guidelines, notification, clarifications, circulars, master circulars/ directions issued by relevant authorities ("Regulatory Provisions") arises, then the interpretation of the Regulatory Provisions shall prevail. In case of any amendment(s) and/or clarification(s) to the Regulatory Provisions, the Policy shall stand amended accordingly from the effective date specified as per the Regulatory Provisions.

## Annexure – 3 to the Directors' Report

### Disclosure pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014:

- a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company and percentage increase in remuneration of each Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary:

Name	Ratio of Remuneration of Directors to Median Remuneration of Employee	% increase in remuneration in the financial year
<b>Executive Directors</b>		
Mr. R. Venkataraman - MD	71.12	0
Mr. Narendra Jain – WTD	18.86	9
Mr. Nemkumar H- WTD*	-	-
<b>Non-Executive Directors</b>		
Ms. Rekha Gopal Warriar	1.97	7.72
Mr. Shamik Das Sharma	1.65	6.84
Mr. Anand Shailesh Bathiya	1.99	6.62
Mr. Viswanathan Krishnan	1.90	0.94
<b>CFO</b>		
Ronak Gandhi	-	11
<b>CS</b>		
Meghal Shah	-	40

*\*Mr. Nemkumar H was appointed as Whole-Time Director and Key managerial Personnel w.e.f. October 17, 2023. Accordingly, remuneration received in FY24 is not comparable with remuneration for FY23 and hence not stated.*

**Note:**

1. MD- Managing Director, WTD- Whole Time Director, CFO- Chief Financial Officer, CS – Company Secretary.
  2. The ratio of the remuneration of each director to the median employee's remuneration is prepared based of comparable remuneration i.e. FY 23 and FY 24.
  3. Remuneration paid to the Independent Non –Executive Directors includes sitting fees for attending Board Meetings/ Committee Meetings and commission paid during FY 24.
- b. The percentage increase in the median remuneration of employees in the financial year was 22%. The calculation increase in Median Remuneration is done based on comparable employees. For this the employee who were not eligible for increment have been excluded.
- c. The Company had 1486 employees on the rolls as on March 31, 2024.
- d. The average percentage/percentile increase in the salaries of the employees (other than the managerial personnel) was 18% as compared to a percentage/percentile increase of 11% in the remuneration of managerial personnel. The calculation of increase in median remuneration is done based on comparable employees.
- e. It is hereby affirmed that the remuneration was paid as per the remuneration Policy of the Company.

**For and on behalf of the Board**

**R. Venkataraman**

Chairman

DIN: 00011919

Date: July 02 2024

Place: Mumbai



# Annexure – 4 to the Directors' Report

## FORM NO. MR-3

### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2024

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To  
The Members,  
**IIFL Securities Limited**  
IIFL House, Sun Infotech Park,  
Road No. 16V, Plot No. B-23,  
Thane Industrial Area,  
Wagle Estate, Thane – 400 604

Dear Sir / Madam,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good Corporate Governance practice by **IIFL Securities Limited** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed with regulatory authorities and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended 31st March, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We further report that maintenance of proper and updated Books, Papers, Minutes Books, filing of Forms and Returns with applicable regulatory authorities and maintaining other records is responsibility of management of the Company. Our responsibility is to verify the content of the documents produced before us, make objective evaluation of the content in respect of compliance and report thereon. We have examined on test basis, the books, papers, minute books, forms and returns filed and other records maintained by the Company and produced before us for the financial year ended 31<sup>st</sup> March, 2024, according to the provisions of:

- (i) The Companies Act, 2013 and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, as applicable to the Company;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (SEBI LODR Regulations);
  - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 to the extent applicable;
  - (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client.
- (vi) Considering activities, the Company is also subject to compliance of the following laws specifically applicable to the Company:
  - (a) The Securities and Exchange Board of India (Stock-Brokers and Sub-Broker) Regulations, 1992;
  - (b) The Securities and Exchange Board of India (Investment Advisors) Regulations, 2013;
  - (c) The Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993;
  - (d) The Securities and Exchange Board of India (Intermediaries) Regulations, 2008;
  - (e) The Securities and Exchange Board of India (Research Analyst) Regulations, 2014;
  - (f) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
  - (g) The Securities and Exchange Board of India (Know Your Client) Regulations, 2011;

- (h) The Securities and Exchange Board of India (Merchant Bankers) Regulation, 1992
- (i) Pension Fund Regulatory and Development Authority (Point of Presence) Regulations, 2015.
- (j) The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.

We have verified systems and mechanism which is in place and followed by the Company to ensure Compliance of these specifically applicable Laws i.e. laws mentioned in clause vi (in addition to the above mentioned Laws (i to v) and applicable to the Company) and we have also relied on the representation made by the Company and its Officers in respect of systems and mechanism formed / followed by the Company for compliances of other applicable Acts, Laws and Regulations and found the satisfactory operation of the same. During the course of the audit, we have come across the following events which may be noted:

- 1) In the matter of various inspections conducted during 2011-2014 and 2015-2017, pursuant to SEBI circular no. SMD/SED/CIR/93/23321 dated November 18, 1993, it was held by the Whole Time Member of SEBI vide its order dated 19th June, 2023 that the Company has violated provisions of Clauses A(1), A(2) and A(5) of Code of Conduct as specified under Schedule II read with Regulation 9(f) of the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992 and prohibited the Company from onboarding new clients for two years in respect of its business as stock broker.
- 2) During the FY 2023-24, two designated persons of the Company has entered into contra trade in the securities of the Company in violation to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015.

We have also examined compliance with the applicable clauses of:

- (a) Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013.

We further Report that, during the year, it was not mandatory on the part of the Company to comply with the following Regulations / Guidelines:

- (a) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.
- (b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021.
- (c) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018.

Based on the above said information provided by the Company, we report that during the financial year under report, the Company has substantially complied with the provisions of the above mentioned Act/s including the applicable provisions of the Companies Act, 2013 and Rules, Regulations, Guidelines, Standards, etc. mentioned above and we have no material observation of instances of non-Compliance in respect of the same.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors during the year under review was duly carried out in compliance with the provisions of the Act.

We also report that adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and short notice in case of urgency and a system exists for Board Members for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Based on the representation made by the Company and its Officer, we herewith report that majority decision is carried through and proper system is in place which facilitates / ensure to capture and record, the dissenting member's views, if any, as part of the minutes.

Based on the representation made by the Company and its Officers explaining us in respect of internal systems and mechanism established by the Company which ensures compliances of Acts, Laws and Regulations applicable to the Company, we report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the year under report, the Company has not undertaken any corporate action having a major bearing on the Company's affairs in pursuance of aforesaid laws, rules and regulations.

Note: This Report is to be read along with attached Letter provided as **"Annexure - A"**.

Signature:  
**Name: Nilesh Shah**  
**For Nilesh Shah & Associates**

Company Secretaries

Date: July 02, 2024

FCS : 4554

Place: Mumbai

C.P. : 2631

UDIN: F004554F000654491

Peer Review No. 698/2020



# 'ANNEXURE A'

To  
The Members,  
**IIFL Securities Limited**  
IIFL House, Sun Infotech Park,  
Road No. 16V, Plot No. B-23,  
Thane Industrial Area,  
Wagle Estate, Thane – 400 604

Dear Sir / Madam,

**Sub: Our Report of even date is to be read along with this letter.**

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis (by verifying records as was made available to us) to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and we rely on Auditors Independent Assessment on the same.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of process followed by Company to ensure adequate Compliance.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Signature:

**Name: Nilesh Shah**

**For Nilesh Shah & Associates**

Company Secretaries

FCS : 4554

C.P. : 2631

Peer Review No. 698/2020

Date: July 02, 2024

Place: Mumbai

UDIN: F004554F000654491



# Annexure – 5 to the Directors' Report

## FORM NO. MR-3

### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2024

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**IIFL Facilities Services Limited**  
IIFL House, Sun Infotech Park,  
Road No. 16V, Plot No. B-23,  
Thane Industrial Area, Wagle Estate,  
Thane 400604

Dear Sir / Madam,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good Corporate Governance practice by **IIFL Facilities Services Limited** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed with regulatory authorities and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended March 31, 2024, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We further report that maintenance of proper and updated books, papers, minutes books, filing of forms and returns with applicable regulatory authorities and maintaining other records is the responsibility of management and of the Company. Our responsibility is to verify the content of the documents and returns produced before us, make objective evaluation of the content in respect of compliance and report thereon.

We have examined on test basis, the books, papers, minute books, forms and returns filed and other records maintained by the Company and produced before us for the financial year ended March 31, 2024, according to the provisions of:

- (i) The Companies Act, 2013 and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- (a) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client.
- (b) The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 (to the extent applicable as a Trustee). The Company has ceased to be a Trustee of Funds w.e.f. 12.04.2023.

We have verified systems and mechanism which is in place and followed by the Company to ensure Compliance of these specifically applicable Laws i.e. laws mentioned in clause iv (in addition to the above mentioned Laws (i to iii) and applicable to the Company) and we have also relied on the representation made by the Company and its Officers in respect of systems and mechanism formed / followed by the Company for compliances of other applicable Acts, Laws and Regulations and found the satisfactory operation of the of the same.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013.

We further Report that, during the year, either there was no event attracting the below mentioned provisions or it was not mandatory on the part of the Company to comply with the following Provisions, Regulations / Guidelines:

- (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015;
- (b) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (e) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (f) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;



- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- (h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018;
- (i) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

Based on the above said information provided by the Company, we report that during the financial year under report, the Company has complied with the substantial provisions of the above mentioned Act/s including applicable provisions of the Companies Act, 2013 and Rules, Regulations, Guidelines, Standards, etc. as mentioned above and we have no material observation of instances of non-Compliance in respect of the same.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

We also report that adequate notice/s were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda and the same was sent at least seven days in advance and short notice in case of urgency, and a reasonable system exists for Board Members for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Based on the representation made by the Company and its officer, we herewith report that the majority decision is carried through and we have been informed that proper system is in place which facilitates / ensure to capture and record, the dissenting member's views, if any, as part of the minutes.

Based on the representation made by the Company and its Officers explaining us in respect of internal systems and mechanism established by the Company which ensures compliances of other Acts, Laws and Regulations applicable to the Company, we report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period under review, there were no specific event / action that can have a major bearing on the Company's affairs.

Note: This Report is to be read along with attached Letter provided as "**Annexure - A**".

Signature:

**Name: Nilesh Shah**  
**For Nilesh Shah & Associates**  
 Company Secretaries

Date: May 15, 2024

Place: Mumbai

UDIN: F004554F000376926

FCS : 4554

C.P. : 2631

Peer Review No. 698/2020

## 'ANNEXURE A'

To  
The Members,  
**IIFL Facilities Services Limited**  
IIFL House, Sun Infotech Park,  
Road No. 16V, Plot No. B-23,  
Thane Industrial Area, Wagle Estate,  
Thane 400604

Dear Sir / Madam,

**Sub: Our Report of even date is to be read along with this letter.**

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis (by verifying records as was made available to us) to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company and we rely on Auditors Independent Assessment on the same.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of process followed by Company to ensure adequate Compliance.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Signature:

**Name: Nilesh Shah**

**For Nilesh Shah & Associates**

Company Secretaries

FCS : 4554

C.P. : 2631

Peer Review No. 698/2020

Date: May 15, 2024

Place: Mumbai

UDIN: F004554F000376926



# BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT: 2023-24

## SECTION A: GENERAL DISCLOSURES

### I. DETAILS OF THE LISTED ENTITY

1.	<b>Corporate Identity Number (CIN) of the Listed Entity:</b> L99999MH1996PLC132983
2.	<b>Name of the Listed Entity:</b> IIFL Securities Limited
3.	<b>Year of incorporation:</b> 1996
4.	<b>Registered office address:</b> IIFL House, Sun Infotech Park, Road No. 16V, Plot No.B-23, Thane Industrial Area, Wagle Estate, Thane - 400 604
5.	<b>Corporate address:</b> IIFL, Ground Floor, Hubtown Solaris, N.S. Phadke Marg, Near East West Flyover, Andheri East, Mumbai - 400 069
6.	<b>E-mail:</b> secretarial@iifl.com
7.	<b>Telephone:</b> +91 22 41035000
8.	<b>Website:</b> www.iiflsecurities.com
9.	<b>Financial year for which reporting is being done:</b> April 1, 2023 to March 31, 2024
10.	<b>Name of the Stock Exchange(s) where shares are listed:</b> National Stock Exchange of India Limited, BSE Limited
11.	<b>Paid-up Capital (as on March 31, 2024):</b> ₹ 61,57,33,058
12.	<b>Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:</b> Ms. Meghal Shah, Company Secretary, +91 22 61086300, secretarial@iifl.com
13.	<b>Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together):</b> Disclosures made in this report are on a standalone basis
14.	<b>Name of assurance provider:</b> Lodha & CO LLP
15.	<b>Type of assurance obtained:</b> Limited Assurance of BRSR Core

### II. PRODUCTS/SERVICES



#### 16. Details of business activities (accounting for 90% of the turnover):

Description of main activity	Description of business activity	% of turnover of the entity
Broking and Financial Services	Broking and depository services, Distribution of financial products & Investment Banking	96%



**17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):**

Product/Service	NIC Code	% of total turnover contributed
Broking Services	66120	78%
Distribution of Financial Products & Investment Banking	66190	18%

**III. OPERATIONS**
**18. Number of locations where plants and/or operations/offices of the entity are situated:**

Location	Number of plants	Number of offices	Total
 National	NA	103	<b>103</b>
 International	NA	1	<b>1</b>

**19. Markets served by the entity:**
**a. Number of locations**

Location	Number
 National (No. of States)	<b>36 States (including Union Territories)</b>
 International (No. of Countries)	<b>44</b>

**b. What is the contribution of exports as a percentage of the total turnover of the entity?**

Contribution of exports as % of total turnover is 3.05%.

**c. A brief on types of customers**

IIFL Securities provides its customers with a wide range of services, including broking, financial product distribution, third-party products, and wealth solutions tailored to their various life stage needs.

The Company provides investment and trading solutions to customers from various segments, including Gen Z and young millennials, Non Resident Individuals (NRIs), self-employed professionals, corporates, High Net Worth Individuals (HNIs) and Ultra HNIs, Foreign Institutional Investors, Domestic Institutional Investors, and others, to help them achieve their financial objectives through its comprehensive platforms.

The Company also provides investment banking services to corporate and institutional clients. The Company is also backed with strong research credentials and is a leading institutional broker with outstanding execution capabilities.



## IV. EMPLOYEES

### 20. Details as at the end of Financial Year:

#### a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	1,486	1,152	78%	334	22%
2.	Other than Permanent (E)	29	15	52%	14	48%
3.	<b>Total employees (D + E)</b>	<b>1,515</b>	<b>1,167</b>	<b>77%</b>	<b>348</b>	<b>23%</b>

The company does not have any workers as defined in the guidance note on BRSR, issued by SEBI.

#### b. Differently abled Employees and workers

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	1	1	100	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	<b>Total differently abled employees (D + E)</b>	<b>1</b>	<b>1</b>	<b>100</b>	<b>0</b>	<b>0</b>

### 21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	7	1	14.29
Key Management Personnel*	6	1	16.67

\*Key Management Personnel (KMP) includes Managing Director, Whole-time Director, Chief Financial Officer, Company Secretary & Chief Information Security Officer.

### 22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY 2023-24 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in previous FY)			FY 2021-22 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent employees	33%	40%	35%	53%	77%	59%	39%	73%	48%

## V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)




### 23. (a) Names of holding / subsidiary / associate companies / joint ventures

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	IIFL Facilities Services Limited	Subsidiary	100	No
2.	IIFL Management Services Limited	Subsidiary	100	No
3.	Livlong Insurance Brokers Limited (Formerly IIFL Insurance Brokers Limited)	Subsidiary	100	No
4.	IIFL Commodities Limited	Subsidiary	100	No
5.	Livlong Protection and Wellness Solutions Ltd (Formerly IIFL Corporate Services Limited)	Subsidiary	80.11	No
6.	India Infoline Foundation	Subsidiary	NA*	No
7.	Shreyans Foundations LLP	(Step down subsidiary company)	NA	No
8.	Meenakshi Towers LLP	Subsidiary	NA	No
9.	IIFL Securities Services IFSC Limited	Subsidiary	100	No
10.	IIFL Securities Alternate Asset Management Limited	Subsidiary	100	No
11.	IIFL Wealth (UK) Limited	Foreign Subsidiary	100	No
12.	IIFL Capital Inc.	Foreign Subsidiary	100	No

\*The Company is limited by guarantee and not having share capital

## VI. CSR DETAILS






### 24.

	<b>i. Whether CSR is applicable as per section 135 of Companies Act, 2013:</b> Yes
	<b>ii. Turnover (in ₹)</b> 19,660.91 Million
	<b>iii. Net worth (in ₹)</b> 16,082.31 Million



## VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES





### 25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)  (If Yes, then provide web-link for grievance redress policy)	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
 Communities	Yes. The CSR Policy of the Company provides for Grievance Redressal Mechanism. <a href="https://www.indiainfoline.com/securities/reports/IIFL_Securities_CSR_Policy.pdf">https://www.indiainfoline.com/securities/reports/IIFL_Securities_CSR_Policy.pdf</a>	0	0	-	0	0	-
 Shareholders and Investors	Yes. The same can be accessed at <a href="https://www.indiainfoline.com/securities/reports/Investor_Grievance_Redressal_Policy_IFSL.pdf">https://www.indiainfoline.com/securities/reports/Investor_Grievance_Redressal_Policy_IFSL.pdf</a>	7	0	-	9	0	-
 Employees and workers	Yes, Grievance Redressal Policy is in place and same can be accessed on intranet	0	0	-	3	0	-
 Customers	Yes. The customers can reach out through: <a href="https://www.indiainfoline.com/business-partners/contact-us">https://www.indiainfoline.com/business-partners/contact-us</a> Our General Grievance Redressal Policy can be accessed at <a href="https://www.indiainfoline.com/securities/reports/IIFL_Securities_Grievance_Redressal_Policy.pdf">https://www.indiainfoline.com/securities/reports/IIFL_Securities_Grievance_Redressal_Policy.pdf</a>	3,131	0	-	2,887	0	-
 Value Chain Partners	Yes. The Business Partners can reach out through <a href="https://www.indiainfoline.com/business-partners/contact-us">https://www.indiainfoline.com/business-partners/contact-us</a> Our General Grievance Redressal Policy can be accessed at <a href="https://www.indiainfoline.com/securities/reports/IIFL_Securities_Grievance_Redressal_Policy.pdf">https://www.indiainfoline.com/securities/reports/IIFL_Securities_Grievance_Redressal_Policy.pdf</a>	372	0	-	364	0	-






## 26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Sr. No.	Material issue identified	Indicate whether Risk or Opportunity (R/O)	Rationale for identifying the Risk / Opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	 <b>Data security and privacy</b>	Risk and Opportunity	<p><b>Risk explained</b></p> <p>Rapid adoption of digitalization across our business and operations increases the risk of any breaches in data security or privacy.</p> <p><b>Opportunity explained</b></p> <p>Setting up an efficient, best-in-class digital infrastructure enables us to create sustainable value for our customers and gain an edge over our peers.</p>	We follow a well-defined policy on data security and privacy. We have embraced a data-centric security strategy.	<p><b>Positive</b></p> <ul style="list-style-type: none"> <li>Automation of several manual processes, leading to cost saving</li> <li>Increased trust and credibility across all stakeholders, aiding business performance</li> <li>Stronger brand image</li> </ul> <p><b>Negative</b></p> <p>Loss of revenue, customers, other stakeholders in case of any major lapse</p>
2	 <b>Products and service quality</b>	Opportunity	<p><b>Opportunity explained</b></p> <p>Providing customers with relevant, need-based and superior products and services is key to the long-term success of our business.</p>	Not applicable	<p><b>Positive</b></p> <ul style="list-style-type: none"> <li>Strong financial performance</li> <li>Healthy rate of customer retention</li> <li>Continued addition of new customers</li> </ul>
3	 <b>Customer relationship management</b>	Opportunity	<p><b>Opportunity explained</b></p> <p>Our comprehensive approach to provide customers with superior experiences will help us build and fortify their trust. We provide quality customer relationship services and continue to upskill our people in this regard.</p>	Not applicable	<p><b>Positive</b></p> <ul style="list-style-type: none"> <li>High NPS score</li> <li>Strong rate of customer retention</li> </ul>
4	 <b>Talent attraction and retention</b>	Risk and Opportunity	<p><b>Risk explained</b></p> <p>Any failure on our part to provide best-in-class work culture to employees could increase attrition levels and/or make it difficult to attract quality talent.</p> <p><b>Opportunity explained</b></p> <p>Our strong practices across the employee life cycle (recruitment, trainings, incentives and benefits, performance development, etc.) helps us provide a growth-oriented, merit-driven work experience to our people.</p>	We provide continuous learning, upskilling and training to our employees. Our aim of providing them with a work-life balance, grievance redressal, reward and recognition and a nurturing work environment has made us a great place to work.	<p><b>Negative</b></p> <ul style="list-style-type: none"> <li>Higher-than-industry employee costs</li> <li>High attrition levels</li> </ul> <p><b>Positive</b></p> <ul style="list-style-type: none"> <li>Strong employee retention levels</li> <li>Higher employee productivity</li> </ul>



Sr. No.	Material issue identified	Indicate whether Risk or Opportunity (R/O)	Rationale for identifying the Risk / Opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	 <b>Community relations</b>	Opportunity	<p><b>Opportunity explained</b></p> <p>Our community initiatives are aimed at promoting all-round development and inclusive growth of the marginalized sections of the society. By providing them with education, health facilities, skill training and other need-based support; we are making a real difference in their lives.</p>	Not Applicable	<p><b>Positive</b></p> <ul style="list-style-type: none"> <li>• Stronger goodwill</li> <li>• Brand recall</li> </ul>
6	 <b>Energy management</b>	Opportunity	<p><b>Opportunity explained</b></p> <p>The carbon footprint of our operations is relatively lesser when compared to manufacturing companies.</p> <p>However, we keep exploring and adopting practices and mechanisms to optimize energy management across our branches and offices</p>	Not Applicable	<p><b>Positive</b></p> <ul style="list-style-type: none"> <li>• Savings in energy units consumed, costs</li> <li>• Higher credit/ESG ratings</li> </ul>
7	 <b>Climate change strategy</b>	Opportunity	<p><b>Opportunity explained</b></p> <p>In the fight against climate change, are hidden opportunities for efficiency, innovation, and growth.</p> <p>We are striving transition to renewable energy in order to decrease our carbon footprint.</p>	Not Applicable	<p><b>Positive</b></p> <ul style="list-style-type: none"> <li>• Contributing to a greener environment</li> <li>• Favorable credit ratings</li> </ul>

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	P1: Anti-Bribery and Anti- Corruption Policy Related Party Transactions Policy Board Diversity Policy Whistle Blower Policy  P2: ESG Policy  P3: Equal Opportunity Policy Nomination & Remuneration Policy  P4: General Grievance Redressal Policy  P5: Human Rights Policy Policy on Prevention of Sexual Harassment at Workplace  P6: Environmental Policy ESG Policy  P7: Stakeholder Engagement Policy  P8: CSR Policy  P9: Information & Cyber Security Policy General Grievance Redressal Policy								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	At IIFL Securities, we have reviewed and updated all policies across the 9 principles based on industry practices. These policies are made as per the laws and regulations applicable to the Company. We engaged with an independent, external consultant having expertise in this area. We co-ordinated with relevant internal stakeholders to incorporate their suggestions in the policies.  Policy on Prevention of Sexual Harassment at Workplace, Nomination and Remuneration Policy, Corporate Social Responsibility Policy, Anti Bribery and Anti-Corruption Policy, Whistle Blower Policy etc. are in lines with the applicable national laws and guidelines.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company is committed to adhere to the required legal and regulatory timelines for implementation of policies in true letter and spirit. Further many of the policies are made applicable to the subsidiary companies.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The performance of the policies is reviewed in terms with the scope and objectives therein. The ESG Committee reviews the progress on interval basis and reports the same to the Board.								



## Disclosure Questions

P1

P2

P3

P4

P5

P6

P7

P8

P9

## Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)
- We believe that embracing ESG principles not only enhances our resilience and competitiveness but also strengthens our relationships with stakeholders and fosters long-term value creation. We are committed to transparent reporting on our ESG performance and welcome feedback from our stakeholders as we strive towards a sustainable future.
- Our initiatives include transitioning to renewable energy sources, implementing efficient waste management, and reducing our carbon footprint. We prioritize workplace diversity, foster employee wellbeing through proactive initiatives, and support community development. Furthermore, voluntarily adoption of enhanced governance practices and undertaking limited assurance of BRSR Core demonstrates our commitment to strong corporate governance.
- Our proactive initiatives towards employee wellbeing and professional development have resulted in reduction in attrition rates. Also, an average of 80% of beneficiaries from our CSR activities are from the marginalized and disadvantaged groups, demonstrating inclusive practices. These achievements affirm our leadership in sustainability and responsible governance, and inclusive growth.
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).
- Board of Directors
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.
- ESG Committee is responsible for decision making on sustainability related issues. As on March 31, 2024, the ESG Committee consist of 2 independent directors and 1 whole-time director.
10. Details of Review of NGRBCs by the Company
- | Subject for Review   | Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee  | Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)            |
|--|---|---|
|  | P1 P2 P3 P4 P5 P6 P7 P8 P9  | P1 P2 P3 P4 P5 P6 P7 P8 P9  |
| Performance against above policies and follow up action  | Yes. The ESG Committee, concerned Committees and Board reviews the performance against all policies under all 9 principles.   | The policies of the Company are reviewed periodically/annually, as the need may be. |
| Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances | The Company complies with the extant regulations and principles as are applicable. Except for the penalty mentioned in Principle 1, there were no material non-compliances with respect to statutory / regulatory requirements. |   |
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.
- All policies and processes are subject to audits / reviews done internally in the Company from time to time.

**12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:**

Not Applicable




## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

### PRINCIPLE 1

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

### Essential Indicators

#### 1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
 <b>Board of Directors</b>	4	<ul style="list-style-type: none"> <li>• Overview on ESG</li> <li>• Trends in Corporate Governance</li> <li>• Technology &amp; Cyber Security</li> <li>• Related Party Transactions</li> </ul>	100%
 <b>Key Managerial Personnel</b>	4	<ul style="list-style-type: none"> <li>• Overview on ESG</li> <li>• Trends in Corporate Governance</li> <li>• Technology &amp; Cyber Security</li> <li>• Related Party Transactions</li> </ul>	100%
 <b>Employees other than BoD and KMPs</b>	6 self paced modules have been assigned to employees in the form of videos on the learning portal MoneyVersity	AML, POSH, Data Privacy, Information Security, BRSR and ESG	AML- 97% POSH-93% Data Privacy-93% Information Security-93% BRSR- 91% ESG- 91%

**BRSR** – Business Responsibility & Sustainability Reporting

**ESG** – Environmental, Social & Governance

**AML** – Anti Money Laundering

**POSH** – Prevention of Sexual Harassment

At IIFL Securities, employee training and development is an ongoing, cyclical process. We utilize various channels such as emails, posters, and other internal communication methods to deliver diverse and relevant training topics.

The Company periodically conducts awareness campaigns to familiarize the employees with important policies of the Company to ensure adherence to the highest standard of ethical behavior.



**2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

Monetary: Not applicable

Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	-	-	-	-
Punishment	Principle 1	SEBI	In the matter of various inspections conducted during 2011-2014 and 2015-2017, pursuant to SEBI circular no. SMD/SED/CIR/93/23321 dated November 18, 1993, it was held by the Whole Time Member of SEBI vide its order dated 19th June, 2023 that the Company has violated provisions of Clauses A(1), A(2) and A(5) of Code of Conduct as specified under schedule II read with Regulation 9(f) of the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992 and prohibited the Company from onboarding new clients for two years in respect of its business as stock broker.	The Company filed an Appeal before the Securities Appellate on June 20, 2023. The matter was posted for hearing on interim relief on June 27, 2023 wherein the SAT granted a stay for the operation of the order dated June 19, 2023 till the disposal of the Appeal and tagged all the 3 pending matters together for disposal. SAT vide order dated December 07, 2023, set aside the order of Whole Time Member of SEBI restraining the Company from on boarding new clients and also the penalty of Rs. 2 Crores as levied by Adjudicating Officer was reduced to Rs. 20 lakhs. The Company has complied with the aforesaid Order. In furtherance to the above, SEBI had preferred an appeal against the said SAT Order before the Supreme Court and the same is pending.




**3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Refer Point 2 above.

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes. The Company has a well -defined Anti-Bribery and Anti-Corruption Policy which set out the Company's responsibilities, and those working for and on its behalf, in observing and upholding its position on bribery and corruption in their dealings. This Policy applies to all stakeholders, or any other person associated with IIFL Securities and who may be acting on behalf of the Company. The Policy, inter alia, provides for maintenance of books and accounts that conform to highest professional standards of accuracy and consistency that fairly reflect the Company's transactions. It also provides for maintenance of internal controls to prevent and detect potential violation of the Policy. Further, the Policy sets out the process for reporting a concern or complaint under the said Policy and the manner of dealing with the same. It also lays down the responsibilities of respective stakeholders under the Policy for its effective implementation. The Audit Committee is responsible for ensuring that this Policy complies with the Company's legal and ethical obligations, and that the employees are aware of and comply with it through regularly scheduled mandatory training and appropriate systems and controls. The Policy is available on the Company's website, [here](#).

**5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
 <b>Directors</b>	NIL	NIL
 <b>KMPs</b>	NIL	NIL
 <b>Employees</b>	NIL	NIL


**6. Details of complaints with regard to conflict of interest:**

	FY 2023-24 (Current Financial Year)		FY 2022-23 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NIL	NIL	NIL
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NIL	NIL	NIL

**7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Not applicable


**8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:**

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
 <b>Number of days of accounts payable</b>	1*	2*



\*Only billed dues are considered

**9. Open-ness of business**

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
 <b>Concentration of Purchases</b>	a. Purchases from trading houses as % of total purchases	NA	NA
	b. Number of trading houses where purchases are made from	NA	NA
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	NA	NA



Parameter	Metrics	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
 <b>Concentration of Sales</b>	a. Sales to dealers /distributors as % of total sales	NA	NA
	b. Number of dealers / distributors to whom sales are made	NA	NA
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	NA	NA
 <b>Share of RPTs in<sup>#</sup></b>	a. Purchases (Purchases with related parties / Total Purchases)*	9.04%	8.42%
	b. Sales (Sales to related parties / Total Sales)	3.16%	5.70%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	4.13%	0.91%
	d. Investments (Investments in related parties / Total Investments made)	35.83%	45.22%

\*Purchases includes expenses like fees and commission, finance cost and other expenses.  
<sup>#</sup>It represents transactions with subsidiaries and other related parties at arm's length basis.

## Leadership Indicators

### 1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

The Company has conducted approximately 200 webinars in FY24. These webinars were on product knowledge & different processes in which our partners were asked to avoid sharing any misleading information to end clients. Further they were also instructed to strictly follow all compliance while placing trades on behalf of clients & also communicating information related to any products.

### 2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/ No) If Yes, provide details of the same.

Yes. The Company has Conflict of Interest Policy for Board of Directors. The Company also has a Policy on Conflict of Interest to identify and manage conflicts of interest which may arise during the course of its business activities.

Further, the Directors, on an annual basis, provide a disclosure of his/her concern or interest in any company or companies or bodies corporate, firms, or other association of individuals.



In order to manage conflict of interest the Company has adopted a strong corporate governance framework with more than 50% of the Board Members being independent. Also, the Board Committees generally comprise a majority of Independent Directors and are chaired by an Independent Director.

The Company has a separate Code of Conduct (CoC) for the Board of Directors and Senior Management Personnel whereby they are required to maintain standards of conduct and become aware of those situations where there is likely to be a potential conflict between the interest of the Company and interest of the Director / Senior Management. Further, Directors do not participate in discussion of matters where they are interested.



**PRINCIPLE 2**
**Businesses should provide goods and services in a manner that is sustainable and safe.**
**Essential Indicators**

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)	Details of improvements in environmental and social impacts
 <b>R&amp;D</b>	-	-	-
 <b>Capex</b>	-	-	-

2. **a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

No. IIFL Securities is engaged in the financial services sector and as such the consumption of resources is limited to running of operations sourcing of inputs is not relevant to our core activities. However, we have an Environmental Policy which provides that the Company will promote responsible sourcing, wherever possible and within reasonable cost boundaries, across its supply chain.

- b. If yes, what percentage of inputs were sourced sustainably?**

Not applicable

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste**

Being a financial services company, there is limited impact of our operations on the environment. However, being a responsible corporate citizen, we continuously work towards enhancing our practices around reusing/recycling/disposing of wastes.

The tradition of adopting responsible waste management systems and practices is ingrained in our company's DNA.


**a. Plastics (including packaging)**

There are no single-use plastics being used across any of our branches and offices.

We use 100% bio degradable plastic garbage bags to collect and dispose off dry and wet wastes


**c. Hazardous waste**

Given the nature of our business, our Company does not generate hazardous wastes


**b. E-waste**

The Company has engaged with reputed e-waste vendors to ensure safe disposal of e-wastes. Accordingly, all scrap electronic assets like Computers, Tablets, Printers, Scanners, Servers, Batteries, etc. are disposed off through such registered e-waste vendors


**d. Other waste**

All other waste is gathered and responsibly disposed off with the help of the local waste management authorities.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Given the nature of the Company's business, the above is not applicable.



## Leadership Indicators

- 1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

No. This is not applicable to IIFL Securities as the Company operates in the financial services sector.

- 2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

IIFL Securities offers financial services. The utilization of its offerings is not linked to any social or environmental issues.

- 3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Not applicable

- 4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

Not applicable, as the Company does not have physical products as a part of its offerings.





- 5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Not applicable, as the Company does not have physical products as a part of its offerings.

**PRINCIPLE 3**

Businesses should respect and promote the well-being of all employees, including those in their value chains.

**Essential Indicators**
**1 a. Details of measures for the well-being of employees:**

Category	% of employees covered by											
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities		
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)	
<b>Permanent employees</b>												
 Male	1,152	1,152	100	1,152	100	NA	NA	1,152	100	1,152	100	
 Female	334	334	100	334	100	334	100	NA	NA	334	100	
<b>Total</b>	<b>1,486</b>	<b>1,486</b>	<b>100</b>	<b>1,486</b>	<b>100</b>	<b>334</b>	<b>22</b>	<b>1,152</b>	<b>78</b>	<b>1,486</b>	<b>100</b>	
<b>Other than Permanent employees</b>												
 Male	15										Not Applicable	
 Female	14										Not Applicable	
<b>Total</b>	<b>29</b>										Not Applicable	

Note: In addition to providing a safe and supportive work environment, the Company goes the extra mile to ensure the well-being of its employees extends beyond the workplace.

We understand the importance of financial security for our employees and their families. Therefore, the Company extends life insurance and Employees' Deposit Linked Insurance Scheme for Provident Fund opted employees, providing essential support in times of need.

Recognizing the diverse needs of our workforce, especially women, the Company offers a range of supportive policies. These include maternity policies, adoption leaves, and compassionate leaves for medical reasons related to pregnancy. We understand the significance of enabling women to maintain a balance between their professional and personal lives at various life stages.

Moreover, we understand the challenges working parents face, which is why we have partnered with a crèche providing agency to offer childcare facilities for employees with children aged up to six years. This initiative aims to support working parents by providing a nurturing environment for their children while they focus on their professional responsibilities.


Furthermore, the Company prioritizes mental well-being by providing each employee access to counseling services and mental health experts. We conduct timely webinars on mental health topics to raise awareness and provide support to our employees.

Encouraging a healthy lifestyle, the Company actively supports employees' participation in marathons, promoting physical fitness and team bonding.

Through these initiatives, the Company reaffirms its commitment to the holistic well-being and development of its employees, fostering a supportive and inclusive workplace culture.



**c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –**

	<b>FY 2023-24</b> (Current Financial Year)	<b>FY 2022-23</b> (Previous Financial Year)
 <b>Cost incurred on well-being measures as a % of total revenue of the company</b>	0.25%	0.38%

**2. Details of retirement benefits, for Current FY and Previous Financial Year.**

Benefits	FY 2023-24			FY 2022-23		
	Current Financial Year			Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	NA	Y	100	NA	Y
Gratuity	100	NA	NA	100	NA	NA
ESI	100	NA	Y	100	NA	Y
Others – please specify	-	-	-	-	-	-

**3. Accessibility of workplaces**



**Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

The Company is firmly committed to upholding equality and human rights for all individuals, including those with disabilities. Our Equal Opportunity Policy and Human Rights Policy strictly prohibit any form of discrimination in employment matters against persons with disabilities. To ensure inclusivity and accessibility, our large corporate offices are equipped with ramps and wheelchair accessibility features. These accommodations facilitate easy movement and create a welcoming environment for differently-abled individuals, aligning with our values of diversity and inclusivity in the workplace.

**4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

IIFL Securities has adopted the Equal Opportunity Policy in accordance of the Rights of Persons with Disabilities Act, 2016. The Policy can be accessed [here](#).

**5. Return to work and Retention rates of permanent employees and workers that took parental leave.**

	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
 Male	100%	100%	NA	NA
 Female	100%	76%	NA	NA
<b>Total</b>	100%	88%	NA	NA

\*Retention rate determines employees who have returned to work after parental leave ended and were still employed 12 months later.

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

	Yes/No (If Yes, then give details of the mechanism in brief)
<b>Permanent Employees</b>	Yes
<b>Other than Permanent Employees</b>	Yes



We have a robust Employee Grievance Redressal Policy, providing a transparent platform for employees to address concerns falling within the scope of our welfare policies. These include our Human Rights Policy, Diversity and Inclusion Policy, Equal Opportunity Policy, and Workplace Health and Safety Policy. Employees can easily raise grievances by either emailing at [grievance.sec@iifl.com](mailto:grievance.sec@iifl.com) or addressing a letter to the Head of Human Resources for prompt resolution.

In line with our commitment to fostering a safe and respectful workplace, the Company maintains a zero-tolerance policy towards harassment and discrimination. Our Policy for Prevention of Sexual Harassment at Workplace, aligned with the Sexual Harassment of Women at Workplace Act, 2013, aims to provide protection and redressal for complaints of sexual harassment. Employees can report grievances related to sexual harassment by emailing at [posh.sec@iifl.com](mailto:posh.sec@iifl.com), with an Internal Complaints Committee dedicated to investigation and resolution.

Furthermore, our Whistleblower Policy serves as a vigilant mechanism for stakeholders, including individual employees, to report unethical or unlawful practices. Employees are encouraged to communicate concerns regarding illegal or unethical behavior by emailing at [iiflsecwhistleblower@iifl.com](mailto:iiflsecwhistleblower@iifl.com). In exceptional cases, direct access to the Chairman of the Audit Committee is provided to ensure the integrity of the reporting process.

To ensure widespread awareness and understanding of our policies, regular communication and awareness campaigns are conducted through various employee channels such as the intranet, mailers, and WhatsApp campaigns. These initiatives aim to empower employees with knowledge and resources to uphold our shared values of integrity, respect, and accountability in the workplace.

**7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

Category	FY 2023-24			FY 2022-23		
	Current Financial Year			Previous Financial Year		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
<b>Total Permanent Employees</b>						
 Male	-	-	-	-	-	-
 Female	-	-	-	-	-	-

While IIFL Securities does not have any employee association, the Company acknowledges and respects employees' rights to freedom of association. Additionally, the Company encourages open communication and direct interaction between management and employees, fostering a positive and healthy work environment.



## 8. Details of training given to employees and workers:

Category	FY 2023-24 Current Financial Year					FY 2022-23 Previous Financial Year				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Employees</b>										
Male	1,152	1,152	100	1,152	100	1,239	1,239	100	1,025	83
Female	334	334	100	334	100	340	340	100	289	85
<b>Total</b>	<b>1,486</b>	<b>1,486</b>	<b>100</b>	<b>1,486</b>	<b>100</b>	<b>1,579</b>	<b>1,579</b>	<b>100</b>	<b>1,314</b>	<b>83</b>

The Organization is dedicated to enhancing the personal effectiveness of our employees through continuous learning and development initiatives. Throughout the year, we have organized a diverse range of skill-upgradation programs tailored to various roles and levels within the Organization.

Our collaboration with IIM Mumbai has resulted in Leadership Development programs aimed at empowering managers to excel in team management, fostering effective leadership skills throughout the organization.

To cater to the varied learning needs of our workforce, we have developed 55 interactive videos covering a wide spectrum of topics, including interpersonal skills, communication, team management, and stakeholder engagement. These self-paced resources are readily accessible on Moneyversity, allowing employees at all levels, from relationship managers to leaders, to enhance their skills at their own convenience.

Recognizing the importance of professional appearance and effective communication, in-person workshops on Grooming have been conducted for the sales teams. These workshops equip employees with enhanced skills to collaborate effectively, particularly with our HNI clients.

Additionally, our monthly Induction Weeks provide valuable opportunities for product leads to discuss products and unique selling propositions (USPs) with the sales teams. Moreover, Dip-sticks and assessments, in the form of Flavour Of The Month (FOTM), are scheduled to gauge the knowledge level of employees and drive continuous improvement.

Furthermore, the Company places a high priority on health and safety, as evidenced by various awareness campaigns conducted throughout the year. These initiatives encompass fire drills, webinars led by experts on physical and mental well-being, and informative sessions covering a range of health-related topics.

Through these comprehensive initiatives, we reinforce our commitment to the holistic development and well-being of our employees, ensuring they are equipped with the necessary skills and knowledge to thrive both personally and professionally.

## 9. Details of performance and career development reviews of employees and worker:

Category	FY 2023-24			FY 2022-23		
	Current Financial Year			Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
<b>Employees</b>						
Male	1,152	1,152	100	1,239	1,239	100
Female	334	334	100	340	340	100
<b>Total</b>	<b>1,486</b>	<b>1,486</b>	<b>100</b>	<b>1,579</b>	<b>1,579</b>	<b>100</b>

The Organization prioritizes the professional growth and career development of our employees through a structured performance appraisal process. This process, determined by the Company, ensures that all eligible employees undergo evaluation to assess their performance and progress.

Career development opportunities are abundant, with a mix of trainings, opportunities for advancement to higher roles, lateral movement, and job enhancements. We believe in providing our employees with a variety of paths to grow and excel within the Organization.

Our performance management process is meticulously structured to align with our Key Performance Indicators (KPIs). This ensures that employee efforts are directed towards achieving strategic objectives, contributing to the overall success of the Organization.

Through these initiatives, we strive to empower our employees to reach their full potential, driving both individual and Organizational growth.

#### **10. Health and safety management system:**

**a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

As a financial services company, we prioritize the safety and well-being of our employees. While our industry poses minimal occupational health and safety risks, we remain committed to providing a safe and healthy workplace environment, adhering to all relevant laws and regulations. To reinforce this commitment, we have established a comprehensive Policy on Health and Safety at the Workplace.

Periodic training sessions on fire safety and evacuation drills are conducted for all employees, with nominated fire marshals appointed across the Organization to ensure preparedness in case of emergencies.

Our dedication to employee well-being extends beyond physical safety to encompass their emotional and mental health. To support this, we have partnered with YOURDOST to provide mental well-being support to our employees. Each employee has access to confidential counseling services and mental health experts, empowering them to seek support whenever needed.

Furthermore, we actively encourage employees to prioritize their mental health by seeking expert counseling when required. Additionally, we prioritize the protection of our employees' health and well-being through enhanced benefits such as Group term insurance and Personal Accident Insurance, ensuring comprehensive coverage for both employees and their dependents.

Through these initiatives, we demonstrate our unwavering commitment to fostering a safe, healthy, and supportive workplace environment, where the well-being of our employees remains a top priority.

**b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

Being a financial services company, the employees work in a low-risk environment and are not potentially exposed to any significant occupation workplace hazards. Nevertheless, IIFL Securities strives to create a conducive workplace, free of hazards and promote the health and wellbeing of its employees.

**c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)**

Yes. Any complaints under Workplace Health & Safety Policy shall be directed to Head – Human Resource / Head - Admin of the Company.

**d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes. The Organisation has insured its employees under the group term insurance, health insurance and accidental insurance Policies.



## 11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category*	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL	NIL
	Workers	NA	NA
Total recordable work-related injuries	Employees	NIL	NIL
	Workers	NA	NA
No. of fatalities	Employees	NIL	NIL
	Workers	NA	NA
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	NIL
	Workers	NA	NA

\*Including the contract workforce

## 12. Describe the measures taken by the entity to ensure a safe and healthy work place.

The Company remains steadfast in its commitment to fostering a safe and healthy workplace, free of hazards, and prioritizing the well-being of its employees. Our employees operate in a low-risk environment, minimizing exposure to significant occupational hazards

To uphold this commitment, we have implemented a comprehensive Policy on Workplace Health and Safety, ensuring compliance with relevant laws and regulations while providing a conducive work environment for our people.

Regular training sessions on fire safety and evacuation drills are conducted for employees, with designated fire marshals appointed across the organization to ensure preparedness in case of emergencies. Additionally, we ensure the availability of fully filled fire extinguishers and conduct frequent equipment checks to mitigate any wear and tear due to continued use, such as air conditioners.

Furthermore, the Company invests in the well-being of its employees by offering on-call doctor services and providing wheelchair facilities at major offices. Employee well-being initiatives are regularly introduced to promote physical and mental health, with timely nudges through mailers encouraging employees to utilize these benefits effectively. The Company had organised a free health check up drive for wellbeing of its employees.



To address mental stress and anxiety, the Company has partnered with YOURDOST to provide mental well-being support, offering employees access to counseling services and programs designed to help cope with various challenges.

In line with promoting a healthy lifestyle, the Company encourages participation in marathons.



Through these holistic initiatives, we demonstrate our ongoing commitment to creating a supportive and healthy workplace culture, where the well-being of our employees remains a top priority.



**13. Number of Complaints on the following made by employees and workers:**

Category	FY 2023-24			FY 2022-23		
	Current Financial Year			Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
 Working Conditions	NIL	NIL	-	NIL	NIL	-
 Health & Safety	NIL	NIL	-	NIL	NIL	-

**14. Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
 Health and safety practices	All our offices are internally assessed periodically through internal audits for various aspects of health and safety measures and related working condition
 Working Conditions	

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

NIL

### Leadership Indicators

**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

Yes. The Company provides comprehensive support to employees' families in the unfortunate event of an employee's death. This includes Group Term cover, Group Personal Accident cover, and Retiral benefits. Even if the employee had not completed five years of continuous service with the Company, gratuity is paid to the family. Furthermore, in the event of death or permanent incapacity while in employment, all options granted to the eligible employee are vested in them on that day.

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

The Company makes payment for the statutory dues like GST to the value chain partners (vendors) upon verification from the Government database that the same has been deposited by the concerned value chain partner. The Company has internal audit policies and procedures to ensure the above.



3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Total no. of affected employees/ workers		Employees	No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)		FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
NA	NA		NA	NA

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

IIFL Securities has a retirement process in place which aims to define terms of retirement for employees. The Company during the course of employment provides opportunities for all employees to upskill themselves through domain, skill and leadership training and help them stay ahead of latest trends. With such training, most employees are skilled and tend to be employable.

5. Details on assessment of value chain partners:

NIL

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

NIL



**PRINCIPLE 4**
**Businesses should respect the interests of and be responsive to all its stakeholders**
**Essential Indicators**
**1. Describe the processes for identifying key stakeholder groups of the entity.**

ESG Team interacts with all functional heads to understand the activities and processes undertaken in relation to the business and the stakeholders involved. After detailed discussion, the key stakeholders of the Company are identified based on the significance of their impact on the business and the impact of the business on them.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**


The concerned team interact closely with their respective stakeholders throughout the year to understand their needs and concerns. These conversations provide valuable feedback and an outside-in perspective of our business. The insights are considered, while making important decisions across our businesses.

Stakeholder interactions might be structured or unstructured. Based on mutual convenience and need, the engagement may be scheduled as needed, or pre-scheduled on a periodic basis (fortnightly/ monthly/ quarterly/ annual) or continuous (e.g. website, social media).

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
 <b>Customers</b>	No	<ul style="list-style-type: none"> <li>Corporate website</li> <li>Toll-free number</li> <li>Digital platforms</li> <li>Social media</li> <li>Customer relationship managers</li> <li>Customer satisfaction surveys</li> <li>Media campaigns &amp; Advertising</li> <li>Knowledge seminars &amp; events</li> <li>Email</li> </ul>	<ul style="list-style-type: none"> <li>Daily</li> <li>Weekly</li> <li>Monthly</li> <li>Annually</li> </ul>	To get an update on their experience working with us, their evolving needs of financial/investing solutions and to address their grievances. Matters important to them include: <ul style="list-style-type: none"> <li>Trust</li> <li>Data &amp; cyber security</li> <li>Quality of customer service</li> <li>Investment in new technologies</li> </ul>
 <b>Business Partners &amp; Vendors</b>	No	<ul style="list-style-type: none"> <li>One-to-one meeting with the top management</li> <li>Product/process trainings for new and old partners</li> <li>Industry Speak and Product Team Webinars for product updates</li> <li>Channel partner meets</li> <li>Conferences and Forums</li> <li>Written communications</li> </ul>	<ul style="list-style-type: none"> <li>Daily</li> <li>Weekly</li> <li>Monthly</li> <li>Annually</li> </ul>	To drive awareness about relevant, new and existing offerings of our Company. To align their business objectives with that of our Company and address their grievances. Matters important to them include: <ul style="list-style-type: none"> <li>Maintaining relationships</li> <li>Growth opportunities</li> <li>Quick and efficient payments</li> <li>Quick response to queries</li> </ul>



Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
 <b>Employees</b>	No	<ul style="list-style-type: none"> <li>Review meets</li> <li>Town halls</li> <li>Employee surveys</li> <li>Learning &amp; Development initiatives</li> <li>Portals</li> <li>Discussion with senior leaders</li> <li>Engagement initiatives/ offsites</li> </ul>	<ul style="list-style-type: none"> <li>Daily</li> <li>Weekly</li> <li>Monthly</li> <li>Annually</li> </ul>	<p>To further strengthen our employee value proposition, employee retention and identify their needs (skill development, work-life balance, etc.) for their professional growth.</p> <p>Matters important to them include:</p> <ul style="list-style-type: none"> <li>Training &amp; development</li> <li>Grievance redressal</li> <li>Reward &amp; Recognition</li> <li>Employee engagement activities</li> <li>Career progression</li> </ul>
 <b>Rating Agencies &amp; Lenders</b>	No	<ul style="list-style-type: none"> <li>Presentations &amp; written communications</li> <li>Meetings on strategy, financial plans, risk management, &amp; other business related updates</li> </ul>	<ul style="list-style-type: none"> <li>Event-based</li> </ul>	<p>To update them about the Company's performance, take their inputs on maintaining our credit rating.</p> <p>Matters important to them include:</p> <ul style="list-style-type: none"> <li>Liquidity and risk management, and risk mitigation strategies</li> <li>Growth plans</li> </ul>
 <b>Regulatory bodies</b>	No	<ul style="list-style-type: none"> <li>Industry associations</li> <li>Written Communications</li> <li>One-to-one meetings</li> <li>Mailers/representation</li> <li>Regulatory Audit</li> <li>Policy Advocacy</li> </ul>	<ul style="list-style-type: none"> <li>Weekly</li> <li>Annually</li> <li>Event-based</li> </ul>	<p>To stay updated about new and implement emerging regulations. To provide updates on regulatory compliances applicable to us.</p> <p>Matters important to them include:</p> <ul style="list-style-type: none"> <li>Ethical practices</li> <li>Regulatory compliance</li> <li>Market credibility</li> <li>Policy Advocacy</li> <li>Industry discussions</li> </ul>
 <b>Shareholders &amp; Investors</b>	No	<ul style="list-style-type: none"> <li>Annual General Meetings</li> <li>Roadshows/Sector specific conferences</li> <li>Investor and Analyst meets, Conference calls</li> <li>Annual Reports</li> <li>Investor Presentations, Quarterly Earnings Update, Company announcements</li> <li>Company website</li> <li>Media Releases</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly</li> <li>Half-yearly</li> <li>Annually</li> <li>Event-based</li> </ul>	<p>To update them about the financial and operational performance of the Company. To respond to their queries and concerns.</p> <p>Matters important to them include:</p> <ul style="list-style-type: none"> <li>Brand reputation and trust</li> <li>Strong, consistent financial performance</li> <li>Share price performance &amp; dividend payment</li> <li>Strong risk management mechanism</li> <li>Business strategy</li> <li>Governance, ethics &amp; transparency</li> </ul>

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
 <p><b>Communities</b></p>	Yes	<ul style="list-style-type: none"> <li>• CSR initiatives</li> <li>• Empowerment programs</li> </ul>	<ul style="list-style-type: none"> <li>• Daily</li> <li>• Weekly</li> <li>• Annually</li> </ul>	<p>To implement programs aimed at driving welfare, inclusive growth and equitable development of the marginalized sections within our communities. To understand their needs and initiate programs, wherever feasible.</p> <p>Matters important to them include:</p> <ul style="list-style-type: none"> <li>• Social &amp; Educational empowerment/Health/ Livelihood</li> <li>• Monitor, review and reporting of activities</li> </ul>



## Leadership Indicators

**1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

Concerned teams, namely CSR (communities), Marketing (customers), HR (employees), Compliance (Regulators), Finance & Accounts, etc. interact with their respective stakeholder groups on a constant basis. The concerned teams present the key feedback received from stakeholders to the ESG Team. The ESG Committee at its meeting considers the same and presents it to the Board. Requisite actions are taken after receiving proper feedback/guidance from the Board/Board-level committee. Such an approach of continuous engagement helps align expectations, thereby enabling us to better serve our stakeholders.

**2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

During the year, the Company voluntarily carried out limited assurance by an independent firm, Lodha & Co. LLP (assurance provider) for BRSR Core. During their limited assurance process, the assurance provider conducted stakeholder interviews, validated assumptions and estimations used for reporting purpose, conducted sample data testing and reviewed Companies policies. On completion of the same, recommendations were made by the assurance provider for enhancement of ESG practices. The same are being implemented.

**3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.**

IIFL Securities Limited, through IIFL Foundation, undertakes need-based projects to promote all-round wellness and development of our communities.

Few of them are mentioned below:

- Building foundational literacy of girls native to Scheduled Tribe and Scheduled caste communities in Rajasthan, through the flagship project – Sakhiyon Ki Baadi;
- Retail Sales Associate Training programme for youths in the aspirational district of Kupwara, Kashmir, helping the vulnerable community to acquire skills and secure livelihood.
- Sampark Smart Shala programme to improve the academic output of students enrolled in government school across 5 aspirational districts of Rajasthan, through means of capacity building of Teachers and educational kits for students.
- Development of an Urban Forest by plantation of 10,000 trees using Miyawaki Technique (self-sustainable method), to promote green cover in the city.
- Infrastructural development at a girls school in Tamil Nadu, that offers education and hostel facility to children from the marginalised and vulnerable communities.
- Donation of an Ambulance to provide Emergency Medical Services for Highway Road Accident Victims near Western Express Highway, Thane District, Maharashtra.

Note: In an average 80% of beneficiaries of the activities were from marginalised & disadvantaged groups.

For details of projects, refer 'Communities' under 'ESG Overview' of Narrative Section.

**PRINCIPLE 5** Businesses should respect and promote human rights

**Essential Indicators**
**1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2023-24			FY 2022-23		
	Current Financial Year			Previous Financial Year		
	Total (A)	No. employees / workers covered (B)	% (B / A)	Total (C)	No. employees / workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	1,486	1,369	92%	1,579	1,579	100
Other than permanent	29	29	100	3	3	100
<b>Total Employees</b>	<b>1,515</b>	<b>1,398</b>	<b>92.28</b>	<b>1,582</b>	<b>1,582</b>	<b>100</b>



The Company is steadfast in promoting and upholding human rights across its business operations, ensuring non-discrimination on any basis, including race, color, sex, language, religion, political opinions, national or social origin, property, birth, or other status.

To reinforce this commitment, we have implemented a comprehensive Human Rights Policy, which is disseminated among employees through various channels, including social media and internal communication platforms such as intranets and mailers. The said Policy is also available on Company's website. This ensures awareness and understanding of our stance on human rights throughout the Organization.

Furthermore, we prioritize the prevention of sexual harassment of women at the workplace by conducting mandatory training modules for all employees. This initiative underscores our dedication to fostering a safe and respectful work environment for everyone.

To learn more about our Human Rights Policy, please visit [here](#).

**2. Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2023-24					FY 2022-23				
	Total (A)	Current Financial Year		Previous Financial Year		Total (D)	Previous Financial Year		Previous Financial Year	
		Equal to Minimum Wage		More than Minimum Wage			Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Employees Permanent</b>										
 Male	1,152	-	-	1,152	100	1,239	-	-	1,239	100
 Female	334	-	-	334	100	340	-	-	340	100



Category	FY 2023-24 Current Financial Year					FY 2022-23 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Other than Permanent</b>										
Male	15	-	-	15	100	1	-	-	1	100
Female	14	-	-	14	100	2	-	-	2	100

### 3. Details of remuneration/salary/wages

#### a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (₹ in Million)	Number	Median remuneration/ salary/ wages of respective category (₹ in Million)
<b>Board of Directors (BoD)</b>	6	7.69	1	1.67
<b>Key Managerial Personnel</b>	2	6.73	1	3.53
<b>Employees other than BoD and KMP</b>	1,147	0.95	333	0.61

#### b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Gross wages paid to females as % of total wages</b>	11%	13%

### 4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. As outlined in the Company's Human Rights Policy, the Head of Human Resources assumes responsibility for addressing any human rights-related concerns that may arise.

Additionally, a dedicated email address is provided for raising complaints under the Policy on Prevention of Sexual Harassment at the Workplace. This ensures a confidential and accessible avenue for employees to report any incidents or concerns.

Furthermore, an Internal Complaints Committee has been constituted under the said Policy to handle and resolve matters in accordance with its provisions. This committee is tasked with ensuring the fair and prompt resolution of issues related to sexual harassment in the workplace.

These measures underscore our commitment to upholding human rights principles and fostering a safe and respectful work environment for all employees.



## 5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

We have a robust Employee Grievance Redressal Policy, providing a transparent platform for employees to address concerns







falling within the scope of our welfare policies. These include our Human Rights Policy, Diversity and Inclusion Policy, Equal Opportunity Policy, and Workplace Health and Safety Policy. Employees can easily raise grievances by either emailing at [grievance.sec@iifl.com](mailto:grievance.sec@iifl.com) or addressing a letter to the Head of Human Resources for prompt resolution.

In line with our commitment to fostering a safe and respectful workplace, the Company maintains a zero-tolerance policy towards harassment and discrimination. Our Policy for Prevention of Sexual Harassment at Workplace, aligned with the Sexual Harassment of Women at Workplace Act, 2013, aims to provide protection and redressal for complaints of sexual harassment. Employees can report grievances related to sexual harassment by emailing at [posh.sec@iifl.com](mailto:posh.sec@iifl.com), with an Internal Complaints Committee dedicated to investigation and resolution.

Furthermore, our Whistleblower Policy serves as a vigilant mechanism for stakeholders, including individual employees, to report unethical or unlawful practices. Employees are encouraged to communicate concerns regarding illegal or unethical behavior by emailing at [iiflsecwhistleblower@iifl.com](mailto:iiflsecwhistleblower@iifl.com). In exceptional cases, direct access to the Chairman of the Audit Committee is provided to ensure the integrity of the reporting process.

To ensure widespread awareness and understanding of our policies, regular communication and awareness campaigns are conducted through various employee channels such as the intranet, mailers, and WhatsApp campaigns. These initiatives aim to empower employees with knowledge and resources to uphold our shared values of integrity, respect, and accountability in the workplace.

## 6. Number of Complaints on the following made by employees and workers:

Category	FY 2023-24			FY 2022-23		
	Current Financial Year			Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
 Sexual Harassment	0	0	-	1	0	-
 Discrimination at workplace	0	0	-	1	0	-
 Child Labour	0	0	-	0	0	-
 Forced Labour/ Involuntary Labour	0	0	-	0	0	-
 Wages	0	0	-	0	0	-
 Other human rights related issues	0	0	-	1	0	-

## 7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	NIL	1
Complaints on POSH as a % of female employees / workers	NIL	0.3%
Complaints on POSH upheld	NA	1



### 8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company ensures comprehensive protection against any form of unfair practice, including retaliation, threats, intimidation, or discriminatory behavior towards employees who disclose or raise concerns under the Employee Grievance Redressal Policy or the Prevention of Sexual Harassment at Workplace Policy in good faith.

Employees are safeguarded against adverse actions such as termination, suspension of service, disciplinary measures, transfer, demotion, refusal of promotion, discrimination, harassment, or biased behavior when making disclosures believed to be substantially true and without malicious intent.

Furthermore, grievances reported under the Policy on Prevention of Sexual Harassment at Workplace are handled with the utmost sensitivity and confidentiality, fostering a safe and supportive environment for employees to seek resolution and support.

### 9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes.

### 10. Assessments for the year:



### 11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

In FY 2023-24, there were no issues identified in relation to above provided list and hence no corrective action was taken.

## Leadership Indicators

**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.**

There has been no significant human right grievance/complaints warranting modification of business process.

**2. Details of the scope and coverage of any Human rights due-diligence conducted.**

IIFL Securities adopts a zero-tolerance approach to issues related to human rights. While empaneling suppliers, the company carries out due diligence on human rights..

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

To ensure inclusivity and accessibility, our large corporate offices are equipped with ramps and wheelchair accessibility features, facilitating easy movement for differently-abled individuals. This commitment to accessibility underscores our dedication to creating an inclusive and supportive workplace environment for all.

**4. Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
 <b>Sexual Harassment</b>	<p>In all our dealings, we expect our value chain partners to uphold the same values, beliefs and business ethics as our Company. However, no formal assessment of value chain partners has been conducted.</p>
 <b>Discrimination at workplace</b>	
 <b>Child Labour</b>	
 <b>Forced Labour/Involuntary Labour</b>	
 <b>Wages</b>	
 <b>Others - Please specify</b>	

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

Not Applicable, since there was no assessment conducted.



## PRINCIPLE 6

Businesses should respect and make efforts to protect and restore the environment

## Essential Indicators

## 1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>From renewable sources</b>		
Total electricity consumption (A)	5.60 GJ	4.42 GJ
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>5.60 GJ</b>	<b>4.42 GJ</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D)	6,710.95 GJ	7,723.27 GJ
Total fuel consumption (E)	229.87	-
Energy consumption other sources (F)	-	-
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>6,940.82 GJ</b>	<b>7,723.27 GJ</b>
<b>Total energy consumed (A+B+C+D+E+F)</b>	<b>6,946.42 GJ</b>	<b>7,727.69 GJ</b>
<b>Energy intensity per rupee of turnover</b> [Total energy consumed (in GJ) / Revenue from operations (in ₹)]	0.00000037	0.00000063
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumed / Revenue from operations adjusted for PPP)	0.00000083	0.0000014
<b>Energy intensity in terms of physical output</b>	NA	NA
<b>Energy intensity (optional)</b> – the relevant metric may be selected by the entity: (Total energy consumed/total number of permanent employees)	4.67	4.89

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes. Limited assurance of BRSR Core has been carried out by Lodha & Co. LLP.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not applicable

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	-	-
(ii) Groundwater	3,072.99 KL	852.20 KL
(iii) Third party water	3,473.97 KL	1,098.82 KL
(iv) Seawater / desalinated water	-	-
(v) Others (Rainwater harvesting)	416.60 KL	-
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>6,963.57 KL</b>	<b>1,951.02 KL</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>6,963.57 KL</b>	<b>1,951.02 KL</b>
<b>Water intensity per rupee of turnover</b> [Total water consumption (in KL) / Revenue from operations (in ₹)]	0.00000037	0.00000016

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption / Revenue from operations adjusted for PPP)	0.0000083	0.0000035
<b>Water intensity in terms of physical output</b>	NA	NA
<b>Water intensity (optional)</b> – the relevant metric may be selected by the entity: (Total volume of water consumption/total number of permanent employees)	4.69	1.24

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes. Limited assurance of BRSR Core has been carried out by Lodha & Co. LLP.

**4. Provide the following details related to water discharged:**

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Groundwater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others		
- No treatment*	6621.73	1643.95
- With treatment – please specify level of treatment	-	-
<b>Total water discharged (in kilolitres)</b>		

\*Usage of water in IIFL Securities Limited is essentially for domestic purpose like drinking and sanitation for employees. Being a service sector company, no effluent discharge is involved in its business activity.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes. Limited assurance of BRSR Core has been carried out by Lodha & Co. LLP.

**5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Being a financial services company, we do not consume or discharge huge amounts of water/liquid products. Hence this question does not apply to us.

**6. Please provide details of air emissions (other than GHG emissions) by the entity.**

Not applicable as we are a financial services company



**7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	14.56 tCO <sub>2</sub> e	NA
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	1,320.86 tCO <sub>2</sub> e	1,523.20 tCO <sub>2</sub> e
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover</b> [Total Scope 1 and Scope 2 GHG emissions (in tCO <sub>2</sub> e) / Revenue from operations (in ₹)]		0.000000071	0.00000012
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		0.0000016	0.0000028
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>		NA	NA
<b>Total Scope 1 and Scope 2 emission intensity (optional)</b> – the relevant metric may be selected by the entity: (Total Scope 1 and Scope 2 emission/total number of permanent employees)		0.90	0.96

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes. Limited assurance of BRSR Core has been carried out by Lodha & Co. LLP.

**8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

- LEED certified building/office – One office in Mumbai and Gurugram
- Installed solar panels at one of the offices
- Registered office building equipped with rainwater harvesting system and recycled waste water is reused as flush water and for watering plants
- Conducting Food waste awareness campaign amongst employees through mailers
- Treatment of e-waste in environment friendly manner
- Focused efforts to drive digitalization and reduce paper consumption

**9. Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	-	-
E-waste (B)	3.62	0.96
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	-	-
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	-	-
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>3.62</b>	<b>0.96</b>
<b>Waste intensity per rupee of turnover</b> [Total waste generated (in MT) / Revenue from operations (in ₹)]	0.00000000019	0.00000000008

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total waste generated / Revenue from operations adjusted for PPP)	0.0000000043	0.000000001
<b>Waste intensity in terms of physical output</b>	NA	NA
<b>Waste intensity (optional)</b> – the relevant metric may be selected by the entity: (Total waste generated/total number of permanent employees)	0.0024	0.0006
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
Category of waste		
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
<b>Total</b>		
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
Category of waste		
(i) Incineration	The Company has defined procedures in place to dispose off e-waste through authorized e-waste vendors. The Company receives certificate from the vendor for the same.	
(ii) Landfilling		
(iii) Other disposal operations		
<b>Total</b>		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes. Limited assurance of BRSR Core has been carried out by Lodha & Co. LLP.

**10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

As per the nature of our business, office waste such as paper, plastic and e-waste make up our waste output. Our e-waste comprises of desktop sets, laptops, monitors, printers, scanners and tablets. Our Company has defined procedures in place to dispose off e-waste through authorized e-waste vendors.

Over the last few years, we have been taking conscious efforts to reduce usage of paper across our operations. Accordingly, we have implemented measures such as access based printing, default printing on both sides of the paper across all our offices and branches. We have also been circulating advisories to all our employees to adopt digital/online mediums in order to reduce paper consumption. We have installed paper shredder machines across large offices and also engage with vendors for safe disposal of waste paper. We are sending digital contract notes and client on boarding is 100% digital.

There are no single-use plastics being used across any of our branches and offices.

We use 100% bio degradable plastic garbage bags to collect and dispose off dry and wet wastes.

**11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

Not applicable, given that large part of our branches and offices are in commercial buildings.

**12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Not applicable

**13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

Based on the nature of its business, the Company complies with applicable environmental norms.



## Leadership Indicators

**1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

Not applicable

Being a financial services company, we do not consume or discharge huge amounts of water.

**2. Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Currently the Organisation is not measuring its Scope 3 emission, and this can be undertaken in subsequent years.

**3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Not applicable

**4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives.**

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Green Power Procurement	Green Power Procurement has been made for our Registered Office and Corporate Office	Reduction in use of carbon intensity, conventional power and reducing carbon footprint
2	Water conservation	The Organisation has undertaken various initiatives for consuming water judiciously. These initiatives include installation of sensor-based urinals and spindles for taps to help reduce freshwater consumption for domestic purposes.	These systems have been effective in reducing the overall consumption.
3	Use of energy efficient LEDs	Our offices are equipped with LED lights	Decreased energy consumption, contributing to sustainability efforts
4	Responsible disposal of Sanitary Napkins	The Company is disposing sanitary waste responsibly	Promotion of environmental stewardship and community health.

**5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

The Company has a Business Continuity Management Policy duly approved by the Risk Management Committee and the Board of Directors.

The purpose of the Policy is to formalize the business continuity program of the Company and to provide guidelines for developing, implementing, exercising and maintaining specific business continuity plans for the respective departments of the Organization. More importantly, the Policy seeks to provide for the recovery of critical and important processes in accordance with pre-established timeframes, restoration of the processing site and ultimately return to a permanent operating environment. BCM Policy is aligned with ISO 22301 Business Continuity Management System Standard and applicable SEBI Guidelines.

The Company also has a robust Business Continuity Framework consisting of Crisis Management Team, Business Continuity Steering Committee, detailed Business Continuity Plan, Business Continuity Management Charter, IT DR Plan, Business Continuity Management Procedure, Business Impact Analysis, Risk Assessment & Business Continuity Awareness. In terms of the framework, the Business Impact Analysis is required to be updated regularly to determine the adequacy of recovery strategies. The strategies for recovery of critical and important processes are required to be updated in Business Continuity Plan. Periodic High Availability tests & IT DR Drill tests are also carried out.

Further, Technology team reviews the Disaster Recovery Plan of the Company.

**6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

No significant adverse impact was observed from any of the value chain partners.

**7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

No assessment with regard to environmental impact was conducted for the value chain partners.



**PRINCIPLE 7**

**Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**Essential Indicators**
**1. a. Number of affiliations with trade and industry chambers/ associations.**

The Company was a Member of 4 (four) trade and industry chambers/associations during FY24.

**b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Association of Investment Bankers of India (AIBI)	National
2	Association of National Exchanges Members of India	National
3	Bombay Stock Exchange Brokers' Forum	National
4	Commodity Participants Association of India	National

**2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
NIL		

**Leadership Indicators**
**1. Details of public policy positions advocated by the entity:**

Sr. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of review by Board (Annually/ Half Yearly/Quarterly/ Others – please specify)	Web link, if available
1	Due Diligence Manual for Initial Public Offer	Emailed the data for Association of Investment Bankers of India	Yes	NA	NA
2	Penalty provision to consider the intent of the Member/ Procedural Error / Technical Error before levying the penalty, To allow Own funds investments in Subsidiaries,	Representation email sent to Bombay Stock Exchange	No	NA	NA
3	Most Important Terms & Conditions (MITC)	Representation email sent to Bombay Stock Exchange	No	NA	NA
4	Single window approval process across exchanges, Combining multiple submissions to one submission at Entity Level be it RBS Data, Margin Trading Compliance Certificate, Internal Audit or QSB Data	Representation email sent to Bombay Stock Exchange	No	NA	NA



## PRINCIPLE 8

Businesses should promote inclusive growth and equitable development

## Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Not Applicable

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

Not Applicable

3. **Describe the mechanisms to receive and redress grievances of the community.**

IIFL Securities has a CSR policy which provides for 3-tier mechanism for raising any concerns or grievances from various stakeholders and addressing the same. The Policy can be accessed on the Company's website [here](#).

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	6.21%	9.02%
Directly from within India	100%	100%

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Rural	-	-
Semi-urban	-	-
Urban	49.53%	44.57%
Metropolitan	50.47%	55.43%

## Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Not Applicable

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S. No.	State	Aspirational District	Amount Spent (In ₹)
1.	Jammu and Kashmir*	Kupwara	15,24,600.00
2.	Rajasthan**	Dholpur, Baran, Karauli, Jaisalmer, Sirohi	3,53,76,000.00

\*Training in retail sales for youth, to help them pursue livelihood in retail sector.

\*\*Academic training for teachers and students at Government Schools under 'Smart Shala programme' to improve overall academic outcome of students.

**3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**

Given the nature of business of IIFL Securities Limited, the sourcing needs of the Company are limited. However, the CSR policy of the company provides for preferential procurement of materials from suppliers identified under vulnerable and marginalized groups, while implementing its projects through IIFL Foundation.

**(b) From which marginalized /vulnerable groups do you procure?**

Vendors/suppliers that fall in the Scheduled Caste & Scheduled Tribe communities.

**(c) What percentage of total procurement (by value) does it constitute?**

10% of total procurement of IIFL Securities in relation to CSR activities undertaken through IIFL Foundation.

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

Not applicable

**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Not Applicable

**6. Details of beneficiaries of CSR Projects:**

CSR project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalised groups
Sakhion ki Baadi	2,550	95%
Urban Forest using Miyawaki Plantation Technique	12,000	50%
Retail skill development at Kupwara (Kashmir)	132	100%
Sampark Smart Shala - 5 aspirational districts, Rajasthan	4,19,401	90%
Infrastructural Development at School - Tiruchi Seva Sangam	2,000	90%
Donation of Ambulance - BhaktiVedant Hospital to aid victims of road accident	50	20%



## PRINCIPLE 9

Businesses should engage with and provide value to their consumers in a responsible manner.

### Essential Indicators

#### 1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

We have implemented robust mechanisms to effectively manage consumer complaints and feedback, aimed at enhancing customer experience through innovative digital solutions and comprehensive support channels. Our pioneering initiatives include the integration of self-service tools such as IIFL Help, a FAQ-based portal accessible via our mobile app and website, which significantly reduces the need for manual intervention and streamlines query handling. Additionally, interactive interfaces like WhatsApp and CHATBOT provide instant access to reports, information updates, and service modifications around the clock. For further convenience, our new AAA Help module empowers Relationship Managers with a simplified ticket creation process, ensuring swift issue resolution and improved client satisfaction. Complementing these digital platforms, we offer offline support through multiple channels including email, phone, and ASK IIFL (Chatbot), supported by detailed escalation matrix for prompt resolution of grievances.

Through proactive client education initiatives and regular communications, we strive to empower customers with essential insights relating to their trading account and send advisory regarding investor alertness to clients on a monthly basis thereby ensuring their continuous awareness and engagement.

#### 2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

As a % of total turnover



Environmental and social parameters relevant to the product



Safe and responsible usage

Not applicable to our products & services



Recycling and/or safe disposal

#### 3. Number of consumer complaints in respect of the following:

	FY 2023-24			FY 2022-23		
	Current Financial Year			Previous Financial Year		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	NIL	NIL	N.A.	NIL	NIL	N.A.
Advertising	NIL	NIL	N.A.	NIL	NIL	N.A.
Cyber-security	NIL	NIL	N.A.	NIL	NIL	N.A.
Delivery of essential services	NIL	NIL	N.A.	NIL	NIL	N.A.
Restrictive Trade Practices	NIL	NIL	N.A.	NIL	NIL	N.A.
Unfair Trade Practices	NIL	NIL	N.A.	NIL	NIL	N.A.
Other*	11	8	Alleging deficiency in service	6	6	Alleging deficiency in service

\*These complaints pertain to consumer cases.

**4. Details of instances of product recalls on account of safety issues:**

Not applicable

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes. Information & Cyber Security Policy is developed and implemented. Risks related to Data privacy are part of the Policy. The said Policy is an internal document and accessible to the employees on intranet.

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

There were no complaints were reported during the reporting period relating to advertising, delivery of essential services, cyber security and data privacy of customers, re-occurrence of instances of product recalls or penalty / action taken by regulatory authorities on safety of products / services. In this regard, no material corrective action was required to be taken by the Company in FY24.

**7. Provide the following information relating to data breaches:**

**a. Number of instances of data breaches**

NIL

**b. Percentage of data breaches involving personally identifiable information of customers**

NIL

**c. Impact, if any, of the data breaches**

Not Applicable

## Leadership Indicators

**1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

Information on products and services of the Company can be accessed at [www.iiflsecurities.com](http://www.iiflsecurities.com)

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

Consumers are regularly informed and educated about safe and responsible usage of service through updation of information on the website of the Company and sending regular emails, SMS and notification in this regard.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

Consumers are informed of any risk of disruption/discontinuation of essential services through call centre, website, emails and SMS.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.**

IIFL Securities follow all guidelines issued by Regulators like Securities Exchange Board of India and Association of Mutual Funds in India (AMFI) for any product solicitation. The Company takes pre-requisite approval from local and other regulatory agencies for any promotional activities. Thereby leading to ethical marketing and advertising practices. With respect to Mutual Funds our relationship representatives are AMFI certified to solicit the product that suits the customer. The Company follows basic code of conduct and ethics defined to solicit other wealth management products.

**Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Every written response to concern raised by client has a feedback link inserted to rate the services of the Company. Also, for verbal queries received, the calls are routed to interactive voice response (IVR) to rate the services at the completion of the call.



## INDEPENDENT PRACTITIONER'S LIMITED ASSURANCE REPORT ON IDENTIFIED SUSTAINABILITY INFORMATION IN IIFL SECURITIES LIMITED BRSR CORE

### To the Board of Directors of IIFL Securities Limited

We have undertaken to perform a limited assurance engagement, for BRSR Core Report for financial year ended on 31<sup>st</sup> March 2024, attached herewith for IIFL Securities Limited vide Engagement Letter dated 22<sup>nd</sup> February 2024 in respect of the agreed Sustainability Information listed below ("the Identified Sustainability Information") in accordance with the respective criteria. This information is as included in BRSR of the company for the year ended 31<sup>st</sup> March 2024. This engagement was conducted by a multidisciplinary team.

### Identified Sustainability Information

The Identified Sustainability Information includes 9 KPIs identified in BRSR Core for the year ended 31<sup>st</sup> March 2024 is summarized below

Sr. No	BRSR Core KPIs/Indicators	Selected KPIs	Scope of Coverage
1	GHG footprint	Total Scope 1 and scope 2 emissions	All offices owned/leased by IIFL Securities Limited
2	Water footprint	Water consumption and discharge	All offices owned/leased by IIFL Securities Limited
3	Energy footprint	Total energy consumed from renewable and non-renewable energy sources	All offices owned/leased by IIFL Securities Limited
4	Waste	Type of waste generated, amount of waste recycled/reused, amount of waste disposed (incineration/landfill)	All offices owned/leased by IIFL Securities Limited
5	Employee safety and wellbeing	Amount of revenue spent on wellbeing of employees, details of safety related incidents	All offices owned/leased by IIFL Securities Limited
6	Gender Diversity	Wages paid to female employees, complaints related to POSH	All offices owned/leased by IIFL Securities Limited
7	Inclusive Development	Input material sourced directly from MSMEs, job creation in smaller towns	All offices owned/leased by IIFL Securities Limited
8	Fairness in Engaging with Customers and Suppliers	Instances involving loss / breach of data of customers	All offices owned/leased by IIFL Securities Limited
9	Open-ness of business	Purchases & sales done with trading houses, dealers, and related parties, Loans and advances & investments with related parties	All offices owned/leased by IIFL Securities Limited

Our limited assurance engagement was with respect to the year ended 31<sup>st</sup> March 2024 information only unless otherwise stated and we have not performed any procedures with respect to earlier periods or any other elements included in the BRSR and, therefore, do not express any conclusion thereon.

### Criteria

The criteria used by the company to prepare the Identified Sustainability Information is summarized below:

In preparing the report, IIFL Securities Limited used the format mandated by SEBI vide circular no. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated 12<sup>th</sup> of July, 2023.

### Management's responsibility

The Company's management is responsible for selecting or establishing suitable criteria for preparing the Sustainability Information, taking into account applicable laws and regulations, related to reporting on the Sustainability Information, identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes design, implementation and maintenance of internal control relevant to the preparation of the BRSR Core and measurement of Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error.

## Inherent limitations

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial indicators allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

## Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India and have the required competencies and experience to conduct this assurance engagement.

The firm applies Standard on Quality Control (SQC) 1, "Quality Control for Firm that Perform Audits and the Reviews of Historical Financial information, and Other Assurance and Related Services Engagements", and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

## Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Identified Sustainability Information based on the procedures we have performed and evidence we have obtained. We conducted our limited assurance engagement in accordance with the Standard on Sustainability Assurance Engagements (SSAE) 3000, Assurance Engagements on Sustainability Information, issued by the Sustainability Reporting Standards Board of the Institute of Chartered Accountants of India. This standard requires that we plan and perform our engagement to obtain limited assurance about whether the Identified Sustainability Information is free from material misstatement.

A limited assurance engagement involves assessing the suitability in the circumstances of the Company's use of the Criteria as the basis for the preparation of the Identified Sustainability Information, assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Identified Sustainability Information.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, analytical procedures and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, we:

1. Conducted interviews with concerned stakeholders to understand the process of collecting, collating and reporting the subject matter as underlined under requirements of SEBI BRSR format.
2. Understood the appropriateness of the methods used for assumptions and estimations used by the company for calculating and reporting purpose.
3. Tested on sample basis the evidence supporting the data and information.
4. Discussed with responsible personnel to ensure reliability of data and information presented in the report.
5. Reviewed the data through in person meetings at the corporate office and virtual interactions using screen sharing tools.
6. Reviewed company's policies, and practices, pertaining to environment, social and governance.

Wherever documentary evidence could not be collected due to sensitive nature of information, the team had reviewed the same with the relevant authorities.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Identified Sustainability Information have been prepared, in all material respects, in accordance with the Criteria.

## Exclusions

Our limited assurance scope excludes the following and therefore we do not express a conclusion on the same:

- Operations of the Company other than those mentioned in the "Scope of Assurance".
- Aspects of the BRSR and the data/information (qualitative or quantitative) other than the Identified Sustainability Information.
- Data and information outside the defined reporting period 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024.
- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company.



## Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Company's Identification Sustainability information included in the BRSR Core for year ended 31<sup>st</sup> March 2024 are not prepared, in all material respects, in accordance with the Criteria.

## Restriction on Use

Our limited assurance report has been prepared and addressed to the Board of Directors of the Company at the request of company solely to assist the company in reporting on the company's Sustainability performance and activities. Accordingly, we accept no liability to anyone, other than the Company. Our deliverables should not be used for any other purpose or by any person other than the addressees of our deliverables. The Firm neither accepts nor assumes any duty of care or liability for any other purpose or to any other party to whom our Deliverables are shown or into whose hands it may come without our prior consent in writing

For **Lodha & Co LLP**  
Chartered Accountants  
(Registration No. 301051E/E300284)

**Pradeep Malu**  
Partner  
(Membership No. 033395)  
UDIN: 24033395BKMGUZ8626

Place of Signature: Mumbai

Date: July 02, 2024



# Corporate Governance Report

The Board of Directors (“the Board”) present the Company’s Report on Corporate Governance in accordance with the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the SEBI Listing Regulations”) as amended thereof from time to time, for the financial year ended March 31, 2024 and forms a part of the Directors’ Report to the Members of IIFL Securities Limited (“IIFL Securities” or “Our Company”).

## 1. IIFL SECURITIES PHILOSOPHY ON CORPORATE GOVERNANCE

IIFL Securities corporate governance philosophy encompasses regulatory and legal requirements, which strengthens the Company’s ability to deliver consistent financial performance, high level of business ethics, effective management, and enhancement of value for all stakeholders. Our Company has a strong legacy of fair, transparent and ethical governance practices and continues to implement progressive actions that promote excellence within our business, as well as, the marketplace.

IIFL Securities believes that a sound corporate governance mechanism is vital to retain and enhance stakeholders’ trust. Our Company is committed to performing overall responsibilities rigorously and diligently throughout the

organization and managing its affairs in a manner consistent with corporate governance requirements.

Our Company’s governance framework is based on the following principles:

- Fair and equitable treatment towards stakeholders to encourage active co-operation
- Timely and accurate disclosure of all material events
- Well diversified board with requisite expertise
- Constantly reinforcing a culture of acting lawfully, ethically and responsibly across the organization
- Establishing a sound risk management framework and periodically reviewing the effectiveness of the same

The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 SEBI Listing Regulations, as applicable, with regard to corporate governance.

The Company has voluntarily taken initiatives to implement the NSE prime norms, a framework that prescribes higher standard of corporate governance for listed companies, as well as, Institutional Investor Advisory Services (IIAS) enhanced governance parameter, to the extent feasible, to further strengthen our corporate governance practices.

## Corporate Governance Structure



## Policies and Procedures

To ensure transparency, timeliness, fairness and continuity of information in the Organization’s functioning and integrity of all personnel involved, the Company has proactively adopted various policies and best practices towards ensuring compliance with Corporate Governance norms. Some of the prominent policies include Code of Conduct for Directors, Senior Management and other employees, Code of Conduct for Prevention of Insider Trading, Whistle-blower policy, Human Rights policy, Anti-corruption and Anti Bribery policy, among others.

## Succession planning

Recognizing that changes in management are certain, our Company has a well-defined succession planning policy to assess the leadership needs of the Company and ensure the selection of qualified leaders that are diverse and a good fit for the Organization’s mission and goals. Our Company’s succession plan is designed to identify and prepare candidates for senior management positions that become vacant due to superannuation, resignation, death or new business opportunities.



## Employee awareness

In order to build a compliance culture, the Company has in place self-placed compliance modules which must be completed by all the employee on yearly basis.

### Compliance Module Coverage:

Module Name	% age covered
Anti -Money Laundering	97%
Business Responsibility and Sustainability Report	91%
Prevention of Sexual Harassment	93%
Environmental, Social & Governance	91%

\*61,385 manhours of training in FY24.

## 2. BOARD OF DIRECTORS

### Board of Directors:

The Company has a diverse Board comprising of highly experienced individuals and persons with eminent expertise who are entrusted with the responsibility of the management, directions and performance of the Company. IIFL Securities recognizes that an independent, dynamic and well-informed Board is essential to ensure the highest standards of corporate governance.

The Board provides leadership, strategic guidance, objective and an independent view to the Company's management while discharging its responsibilities and ensures that the management adheres to ethics, transparency and disclosures which ultimately serves the long-term goals of all its stakeholders along with achieving the Company's objectives and sustainable profitable growth. The Board ensures that the management is accountable for attaining the long-term goals of the Company and also ensures compliance with the applicable Act.

### Structure, composition and category of Board of Directors:

Our Company's Board comprises an optimum combination of Independent and Non-Independent Directors, including an Independent Woman Director in accordance with the provisions of the Companies Act, 2013 (the "Act") and SEBI Listing Regulations as amended from time to time. The Board of the Company has a good and diverse mix of Executive and Non-Executive Directors with the majority of the Board Members comprising Independent Directors with tenure of less than 10 years with our Company. The composition of the Board represents an optimal combination of professionalism, knowledge and experience and provides effective oversight and guidance to our business leaders.

The management of our Company is entrusted in the hands of our Senior management personnel, spearheaded by the Chairman and Managing Director. As on March 31, 2024, Mr. R. Venkataraman was the Chairman and Managing Director of our Company and he belongs to the Promoter group. None of the other Directors of our Company are related to the Promoter group or to each other. The Company does not have any material pecuniary relationship with any of the non-executive directors.

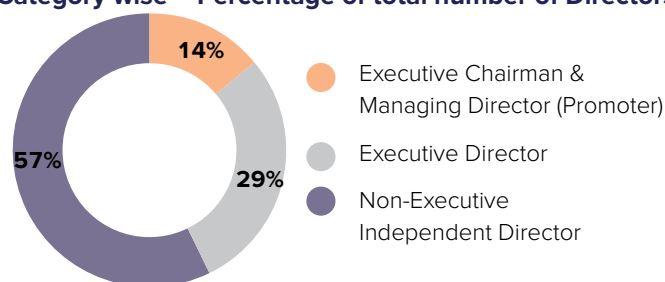
### Composition of the Board and category of the Directors as on March 31, 2024

As on March 31, 2024, the Board comprised of 7 Directors, 4 of which were Non – Executive Independent Directors (Including One Independent Woman Director), 3 were Executive Directors (including one Promoter Director). During the year under review, one Whole-Time Director was appointed, adding the total strength of the Board members to 7. The Company has maintained its target to have more than 50% Independent Directors on Board, thereby reinforcing its commitment to good corporate governance. Details of the same are provided below:

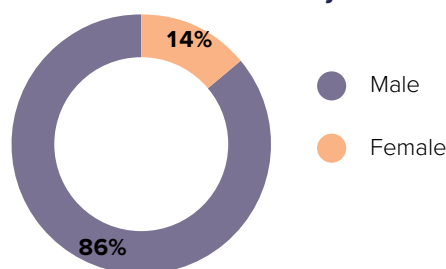
Category	Name of Director	No. of Director	% of total no. of Directors
Executive Chairman & Managing Director (Promoter)	Mr. R. Venkataraman	1	14.29
Executive Director	Mr. Narendra Deshmal Jain	2	28.57
	Mr. Nemkumar H*		
Non-Executive Independent Directors	Mr. Anand Shailesh Bathiya	4	57.14
	Mr. Shamik Das Sharma		
	Ms. Rekha Gopal Warriar		
	Mr. Viswanathan Krishnan		
<b>Total No. of Directors</b>		<b>7</b>	<b>100</b>

\*Mr. Nemkumar H (DIN: 00350448) was appointed as Additional Director on the Board of the Company w.e.f. October 17, 2023. Further, he was appointed as the Whole-Time Director of the Company, for a period of five years w.e.f. October 17, 2023. The said appointment was approved by the shareholders of the Company through postal ballot on January 06, 2024.

### Category wise – Percentage of total number of Directors



### Board Diversity



### Average Tenure (in years)

Executive Director	3.67
Non-Executive Independent Directors	4.50
The Board	4.14

### Board membership criteria and selection process

The Nomination and Remuneration Committee (“NRC”) is responsible for reviewing and assessing the composition of the Board, as well as, identifying and evaluating a suitable candidate for the Board, based on the criteria laid down in the Nomination and Remuneration Policy and Board Diversity Policy. The said Policies are available on the website of the Company at [https://www.indiaonline.com/securities/reports/IIFL\\_Securities\\_Board\\_Diversity\\_Policy.pdf](https://www.indiaonline.com/securities/reports/IIFL_Securities_Board_Diversity_Policy.pdf).

While selecting a candidate, the assesses the appropriate mix of diversity, balance of skills, experience and expertise required on the Board. On identifying a suitable candidate, the NRC recommends his/her appointment to the Board for approval. Based on the recommendation of the NRC, the Board considers and appoints such person as a director and recommends the appointment to the shareholders for their approval.

While all the Board members possess the skills identified, their area of core expertise is given in their respective profiles below.

### Profile of Directors

Brief profile of Directors of the Company including their category, shareholding in the Company, number of other Directorships including name of listed entities where he / she is a director alongwith the category of their directorships, committee positions held by them in other companies as a Member or Chairperson, area of expertise and other details are given below:



**Mr. R. Venkataraman**

Chairman and Managing Director  
(DIN: 00011919)

#### Shareholding\*

1,11,84,432 equity shares

#### Other Directorship\*\*

2

#### Directorship in other listed company(ies) and category of directorship #

- IIFL Finance Limited – Managing Director
- 360 One Wam Limited (Formerly known as IIFL Wealth Management Limited) – Non-Executive Director
- IIFL Home Finance Limited – Non-Executive Director
- IIFL Samasta Finance Limited - Non-Executive Director

#### Committee membership(s) / chairmanship(s) in other company(ies) ##

2 (including 1 as Chairman)

#### Technical skills/experience/competencies

- Sector Knowledge
- Accounting and Finance
- Corporate Governance and Compliance
- Marketing Experience
- Leadership and Strategy Planning
- Information Technology and Cyber Security
- Stakeholders' Relationship
- Risk Management
- Environment, Social and Governance (ESG)



**Mr. Nemkumar H**

Whole-Time Director  
(DIN: 00350448)

**Shareholding\***

19,80,000

**Other Directorship\*\***

Nil

**Directorship in other listed company(ies) and category of directorship #**

Nil

**Committee membership(s) / chairmanship(s) in other company(ies) ##**

Nil

**Technical skills/experience/competencies**

- Sector Knowledge
- Accounting and Finance
- Corporate Governance and Compliance
- Leadership and Strategy Planning
- Stakeholders' Relationship
- Risk Management



**Mr. Narendra Deshmal Jain**

Whole-Time Director  
(DIN: 01984467)

**Shareholding\***

1,35,000 equity shares

**Other Directorship\*\***

4

**Directorship in other listed company(ies) and category of directorship #**

Nil

**Committee membership(s) / chairmanship(s) in other company(ies) ##**

Nil

**Technical skills/experience/competencies**

- Sector Knowledge
- Accounting and Finance
- Marketing Experience
- Leadership and Strategy Planning
- Information Technology and Cyber Security
- Stakeholders' Relationship
- Risk Management



**Mr. Anand Shailesh Bathiya**

Non-Executive  
Independent Director  
(DIN:03084831)

**Shareholding\***

Nil

**Other Directorship\*\***

1

**Directorship in other listed company(ies) and category of directorship #**

- Cinline India Limited - Non-Executive Independent Director

**Committee membership(s) / chairmanship(s) in other company(ies) ##**

2 (as Chairman)

**Technical skills/experience/competencies**

- Sector Knowledge
- Accounting and Finance
- Corporate Governance and Compliance
- Leadership and Strategy Planning
- Stakeholders' Relationship
- Risk Management
- Environment, Social and Governance (ESG)



**Mr. Shamik Das Sharma**

Non-Executive  
Independent Director  
(DIN: 07779526)

**Shareholding\***

Nil

**Other Directorship\*\***

Nil

**Directorship in other listed company(ies) and category of directorship #**

Nil

**Committee membership(s) / chairmanship(s) in other company(ies) ##**

Nil

**Technical skills/experience/competencies**

- Sector Knowledge
- Accounting and Finance
- Leadership and Strategy Planning
- Information Technology and Cyber Security
- Stakeholders' Relationship
- Risk Management



**Ms. Rekha Gopal Warriar**

Non-Executive  
Independent Director  
(DIN: 08152356)

<p><b>Shareholding*</b></p> <p>Nil</p> <p><b>Other Directorship**</b></p> <p>3</p> <p><b>Directorship in other listed company(ies) and category of directorship #</b></p> <ul style="list-style-type: none"> <li>• Creditaccess Grameen Limited – Non-Executive Independent Director</li> <li>• 360 One Prime Limited (Formerly known as IIFL Wealth Prime Limited) – Non Executive Independent Director</li> </ul> <p><b>Committee membership(s) / chairmanship(s) in other company(ies) ##</b></p> <p>1 (as Member)</p>	<p><b>Technical skills/experience/competencies</b></p> <ul style="list-style-type: none"> <li>• Sector Knowledge</li> <li>• Accounting and Finance</li> <li>• Corporate Governance and Compliance</li> <li>• Leadership and Strategy Planning</li> <li>• Stakeholders' Relationship</li> <li>• Risk Management</li> <li>• Environment, Social and Governance (ESG)</li> </ul>
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**Mr. Viswanathan Krishnan**

Non-Executive  
Independent Director  
(DIN: 09026252)

<p><b>Shareholding*</b></p> <p>Nil</p> <p><b>Other Directorship**</b></p> <p>Nil</p> <p><b>Directorship in other listed company(ies) and category of directorship #</b></p> <p>Nil</p> <p><b>Committee membership(s) / chairmanship(s) in other company(ies) ##</b></p> <p>Nil</p>	<p><b>Technical skills/experience/competencies</b></p> <ul style="list-style-type: none"> <li>• Sector Knowledge</li> <li>• Accounting and Finance</li> <li>• Corporate Governance and Compliance</li> <li>• Leadership and Strategy Planning</li> <li>• Information Technology and Cyber Security</li> <li>• Stakeholders' Relationship</li> <li>• Risk Management</li> <li>• Environment, Social and Governance (ESG)</li> </ul>
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\* As on March 31, 2024

\*\* Excludes directorships held in private limited companies, foreign companies, high value debt listed entities and companies under Section 8 of the Act.

# It includes equity and debt listed entities

## In accordance with Regulation 26 of the SEBI Listing Regulations.

In accordance with Regulation 26 of the SEBI Listing Regulations, none of the Directors on the Board of the Company is a member in more than 10 committees or acts as Chairperson of more than 5 committees across all listed entities in which he/she is a Director. The number of directorships, committee membership(s)/chairmanship(s) of all Directors is within respective limits prescribed under the Act and SEBI Listing Regulations.

### Board Meetings

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of our Company and its subsidiaries, apart from other statutory matters as required to be deliberated and approved by the Board. In case of business exigencies, the Board's approval is taken through circular resolutions as permitted by law. The circular resolutions are noted and confirmed at the subsequent board meeting.

The notice and detailed agenda along with the relevant notes and other material information are sent in advance to each Director and in exceptional cases tabled at the meeting with the approval of the Board. This ensures timely and informed decisions by the Board. A video-conferencing facility as per procedure mandated under the Act is also provided to facilitate the Directors to participate at the meetings conveniently. The Board agenda includes an Action Taken Report comprising of actions arising from the board meetings and status/updates thereof. The Board's primary role is fiduciary. The Board also requests special invitees to attend the meetings, as and when required.

During the year under review, the Board of Directors met 7 (Seven) times. All meetings were held within a time span of less than 120 days. Our Company follows the relevant Secretarial Standards in relation to board meetings.



**Details of Board meetings and attendance of the Directors thereat and at the previous Annual General Meeting (“AGM”) is mentioned herein below:**

Board Meetings Attendance												
Sr. No.	Name of the Director	28 <sup>th</sup> AGM, August 31, 2023	Board meetings dates							Held during the tenure	Attended	% of attendance
			1	2	3	4	5	6	7			
			April 24, 2023	July 24, 2023	October 17, 2023	December 08, 2023	January 04, 2024	January 22, 2024	March 01, 2024			
1	Mr. R. Venkataraman	✓	✓	✓	✓	✓	✓	✓	✓	7	7	100
2	Mr. Narendra Deshmaj Jain	✓	✓	✓	✓	✓	✓	✓	✓	7	7	100
3	Mr. Anand Shailesh Bathiya	✓	✓	✓	✓	✓	✓	✓	✓	7	7	100
4	Mr. Shamik Das Sharma	✓	✓	✓	✓	✓	✓	✓	✓	7	7	100
5	Ms. Rekha Gopal Warriar	✓	✓	✗	✓	✓	✓	✗	7	5	71.43	
6	Mr. Viswanathan Krishnan	✓	✓	✓	✓	✓	✓	✓	7	7	100	
7	Mr. Nemkumar H	NA	NA	NA	✓	✓	✓	✓	4	4	100	
<b>Attendance percentage</b>		<b>100</b>	<b>100</b>	<b>100</b>	<b>83.33</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>85.71</b>			

All directors have 98% average attendance in board meetings in the past three years.

During FY 2023-24, the information as set out in Regulation 17 read with Part A of Schedule II of the SEBI Listing Regulations, was placed before the Board/Board Committees, from time to time, for their consideration, to the extent applicable, relevant and deemed appropriate by the management. This information was made available as a part of the agenda papers in advance of the respective meetings or by way of presentation and discussion or in exceptional cases, tabled at the meetings.

### Confirmations by the Independent Directors

All Independent Directors have provided their annual declarations stating that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. Further, in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs.

Basis the declaration as submitted by the Independent Directors and due assessment of the veracity undertaken by the Board in terms of Regulation 25(9) of the SEBI Listing Regulations, the Board opined that the Independent Directors fulfil the conditions of independence specified in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and are independent from the management. A formal letter of appointment to Independent Directors as provided in the Act has been issued at the time of appointment and disclosed on website of the Company viz. <https://www.indiaonline.com/securities/corporate-governance.php>.

### Directorship of Independent Directors and disclosures

As per Regulation 17A of the SEBI Listing Regulations, Independent Directors of the Company do not serve as Independent Director in more than seven listed companies. Further, the Managing Director and the Whole-Time Directors of the Company do not serve as an Independent Director in

any other listed entities. None of the Independent Directors of the Company have resigned before the expiry of their tenure. Hence, disclosure of detailed reasons for their resignation is not applicable.

### Familiarization Programs/ Board Training

Pursuant to Regulations 25 (7) and 46 of SEBI Listing Regulations, our Company has a familiarization program for its Independent Directors. The Board members are familiarized with their roles, rights and responsibilities in the Company, as well as, with the nature of industry and business model of the Company at the time of their appointment as a Director. Presentations are made during the Board/Committee meetings periodically to the Directors on various matters, *inter-alia*, covering our Company's and its major subsidiaries business and operations, industry and regulatory updates, strategies, finance, risk management framework, ESG, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters. Details of the program for familiarization of Independent Directors are available on the website and can be accessed on <https://www.indiaonline.com/securities/corporate-governance.php>.

During FY 2023-24, the Company had arranged a formal Board Training Program in collaboration with Institutional Investor Advisory Services (“IIAS”) covering various aspects such as Trends in Corporate Governance, Related Party Transactions, Technology and Cyber Security and Overview on ESG.

### Directors and Officers insurance

The Company has undertaken Directors and Officers Liability insurance (“D & O insurance”) for all its Directors, including Independent Directors, for quantum and risks as determined appropriate by the Board of Directors of the Company.

## 3. COMMITTEES OF THE BOARD

The Board of Directors has constituted Board Committees in accordance with the provisions of the Act, SEBI Listing

Regulations, SEBI Circular on enhanced obligation and responsibilities on Qualified Stockbrokers, NSE prime norms and IAS enhanced governance parameters to deal with specific areas and activities which concern our Company and require a closer review. The Board Committees are formed with approval of the Board and function within their respective scope as determined by the Board. These Committees play a pivotal role in the overall management of day-to-day affairs and governance of our Company. The Board committees meet at regular intervals and take necessary steps to perform their duties entrusted by the Board.

The Company had 10 Board Level Committees as on March 31, 2024:

- A. Audit Committee
- B. Nomination and Remuneration Committee
- C. Corporate Social Responsibility Committee
- D. Stakeholders' Relationship Committee
- E. Risk Management Committee
- F. Information Technology Committee
- G. Cyber Security Committee
- H. Finance Committee
- I. ESG Committee
- J. Independent Directors' Committee

#### Composition of Audit Committee

The Audit Committee comprises of the following members as on March 31, 2024:

Sr. No.	Name of the Director	Category	Position	% of Independence
1	Mr. Anand Shailesh Bathiya	Chairman	Independent Director	100%
2	Mr. Viswanathan Krishnan	Member	Independent Director	
3	Ms. Rekha Gopal Warriar	Member	Independent Director	

All members of the Audit Committee are financially literate and bring in expertise in the fields of finance, taxation and risk.

#### Meetings of Audit Committee and Attendance thereat

The Audit Committee met 8 (Eight) times during FY 2023-24. The required quorum was present at all meetings. The gap between any two meetings was not more than 120 days, ensuring compliance with the requirement of Regulation 18 of the SEBI Listing Regulations and the Act.

The attendance of respective members at the Audit Committee meetings held during FY 2023-24 are as under:

Sr. No.	Name of the Director	Audit Committee Meetings dates								Held during the tenure	Attended	% of attendance
		1	2	3	4	5	6	7	8			
		April 18, 2023	April 24, 2023	July 24, 2023	October 16, 2023	October 17, 2023	December 08, 2023	January 17, 2024	January 22, 2024			
1	Mr. Anand Shailesh Bathiya	✓	✓	✓	✓	✓	✓	✓	✓	8	8	100
2	Mr. Narendra Deshmal Jain*	✓	✓	✓	✓	✓	✓	✓	✓	8	8	100
3	Ms. Rekha Gopal Warriar	✓	✓	✓	✓	x	✓	✓	✓	8	7	87.5
4	Mr. Viswanathan Krishnan	✓	✓	✓	✓	✓	✓	✓	✓	8	8	100
<b>Attendance percentage</b>		<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>75</b>	<b>100</b>	<b>100</b>	<b>100</b>			

\* Mr. Narendra Deshmal Jain ceased to be a Member of the Audit Committee w.e.f. January 22, 2024.

The Audit Committee meetings are attended by the Chief Financial Officer of the Company and partners/representatives of Statutory Auditors and Internal Auditors. The Company Secretary acts as the Secretary to the Audit Committee. The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on August 31, 2023.



**The Broad terms of reference of the Audit Committee are as under:**

1. Oversight of our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services they have rendered to the Company;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Directors' responsibility statement to be provided in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act 2013;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by the management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statement;
  - f. Disclosure of any related party transactions; and
  - g. Qualifications/ modified opinions in the draft audit report.
5. Reviewing the quarterly financial statements with the management before submission to the Board for approval;
6. Reviewing with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of the audit process;
8. Scrutiny of inter-corporate loans and investments;
9. Valuation of undertakings or assets of the Company, wherever necessary;
10. Evaluation of internal financial controls and risk management systems;
11. Monitoring the end use of funds raised through public offers and related matters, if any;
12. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussing with internal auditors of any significant findings and following up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussing with statutory auditors before the commencement of the audit, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company;
18. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
19. To establish and review the functioning of the whistle blower mechanism;
20. Approval of appointment of the Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
21. Related Party Transactions: Granting approval / omnibus approval for transaction(s) with related parties, subject to conditions as may be prescribed under the Policy on Related Party Transaction of the Company or any other applicable laws, regulations, guidelines or any subsequent modification in the transactions thereof;
22. Review of
  - a. Management Discussion and Analysis of financial condition and results of operations;
  - b. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - c. Management letters/letters of internal control weaknesses issued by the statutory auditors;
  - d. Internal audit reports relating to internal control weaknesses;



- e. Appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee;
- f. Statement of deviations including:
- Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations;
  - Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations;
- g. The utilization of loans and/or advances from investment by the holding company in the subsidiary > ₹ 100 crore or 10% of asset size of the subsidiary, whichever is lower, including existing loans / advances / investments;
23. To investigate into any matter in relation to the terms of reference of the Audit Committee or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and

have full access to information contained in the records of our Company;

24. Carrying out any other terms of reference as may be decided by the Board or specified/ provided under the Companies Act 2013 or the SEBI Listing Regulations or by any other regulatory authority;

#### B. NOMINATION AND REMUNERATION COMMITTEE

Pursuant to provisions of Section 178 of the Act, Regulation 19 of the SEBI Listing Regulations and IAS enhanced governance parameters, the Nomination and Remuneration Committee of the Board of Directors (“NRC”) is duly constituted with all Members being Independent Directors.

NRC is responsible for evaluating the balance of skills, experience, independence, diversity and knowledge on the Board and for drawing up selection criteria, ongoing succession planning and recommending appointment of Directors, Key managerial Personnel and Senior Management Personnel. Further, the Committee is also responsible for formulating policies with respect to remuneration, performance evaluation, Board diversity, etc. in line with the Act and the SEBI Listing Regulations.

#### Composition of Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises of the following members as on March 31, 2024:

Sr. No.	Name of the Director	Category	Position	% of Independence
1	Ms. Rekha Gopal Warriar	Chairperson	Independent Director	100%
2	Mr. Anand Shailesh Bathiya	Member	Independent Director	
3	Mr. Shamik Das Sharma	Member	Independent Director	

The Company Secretary of the Company acts as the Secretary to the Committee.

#### Meetings of Nomination and Remuneration Committee and Attendance thereat

The NRC met 6 (six) times during FY 2023-24. The requisite quorum was present at all the meetings. The attendance of respective members at the NRC meetings held during FY 2023-24 are as under:

Nomination and Remuneration Committee Meetings Attendance										
Sr. No.	Name of the Director	Nomination and Remuneration Committee Meetings dates						Held during the tenure	Attended	% of attendance
		1	2	3	4	5	6			
		April 20, 2023	June 29, 2023	October 17, 2023	December 28, 2023	January 18, 2024	January 22, 2024			
1	Ms. Rekha Gopal Warriar	✓	✓	✓	✓	✓	✓	6	6	100
2	Mr. Anand Shailesh Bathiya	✓	✓	✓	✓	✓	✓	6	6	100
3	Mr. Shamik Das Sharma	✓	✓	✓	✓	✓	✗	6	5	83.33
4	Mr. Viswanathan Krishnan*	✓	NA	NA	NA	NA	NA	1	1	100
<b>Attendance percentage</b>		<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>66.67</b>			

\* Mr. Viswanathan Krishnan ceased to be a Member of NRC w.e.f. April 24, 2023.

The Chairperson of NRC was present at the last Annual General Meeting of the Company held on August 31, 2023. The Company’s Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other employees is provided in **Annexure 2** to the Directors’ Report and also available on the website of our Company.



**The Broad terms of reference of Nomination and Remuneration Committee are as under:**

1. Formulate criteria and manner for effective evaluation of performance of Board, its committees and Individual Directors and review its implementation and compliance;
2. Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees and while formulating this policy ensure that:
  - i. Level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
  - ii. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
  - iii. Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
3. Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
4. Suggest whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
5. Devise a policy on diversity of the Board of Directors;
6. Recommend to the Board all remuneration, in whatever form, payable to the Senior Management;
7. Administer the Company's employee stock option schemes.

**Board evaluation**

In accordance with the provisions of the Act and the SEBI Listing Regulations, NRC has adopted a Performance Evaluation Policy, which specifies the criteria and process for effective evaluation of the Board, its committees and individual Directors.

**Board evaluation criteria and process**

In compliance with the statutory requirement the performance evaluation of the Board of Directors was carried out on the basis of structured questionnaire comprising of evaluation criteria, through peer evaluation, excluding the Director being evaluated. The Independent Directors Committee met on March 17, 2024, *inter alia*, to review the performance of Non-

Independent Directors, the Board of Directors as a whole and the Chairman of the Company. The performance evaluation of the Committees and the Independent Directors was carried out by the entire Board excluding the director being evaluated. Based on such evaluation, the Board is of the view that all Independent Directors are having requisite knowledge, expertise and experience in their respective areas and good understanding of the Company's business and the industry in which it operates. They devote quality time to understand key issues relating to business of the Company and their valuable contribution has certainly improved the governance standards within the Company.

The criteria for evaluation of performance of Independent Directors, *inter alia*, includes the following:

- a. Relevant knowledge, expertise and experience
- b. Maintaining Independence as specified under section 149(6) of the Companies Act, 2013 and Regulation 16(l) (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and no conflict of interest
- c. Level of participation and contribution to the performance of Board/ Committee(s) meetings
- d. Adherence to ethical standards and code of conduct for Independent Directors
- e. Exercising objective independent judgment in the best interest of the Company
- f. Raising valid concerns to the Board and constructively contributing to the resolution of issues at the meeting
- g. Ability to contribute and monitor corporate governance practices

The Directors have expressed their satisfaction on the evaluation process.

**Remuneration of Directors**

**A. Remuneration to Non-Executive Independent Directors**

During the year under review, the Non-Executive Independent Directors were paid ₹ 30,000/- towards sitting fees for attending every Board meeting, Audit Committee meeting and Independent Directors' Committee meeting and were paid ₹ 15,000/- towards attending every other Committee meeting plus the reimbursement directly related to the actual travel and out-of-pocket expenses, if any, incurred by them. Further, commission of ₹ 10,00,000/- was paid to Non-Executive Independent Directors. Our Company has not granted any employee stock options to the Independent Directors. None of the Non-Executive Independent Directors have any other material pecuniary relationship or transaction with our Company, its Promoters, or Directors, or Senior Management which, in their judgment, would affect their independence.

**Details of remuneration paid to Non-Executive Independent Directors is provided below;**

(Amount in ₹)

Name of the Director	Commission	Sitting Fees	Total
Mr. Anand Shailesh Bathiya	10,00,000	6,90,000	16,90,000
Mr. Shamik Das Sharma	10,00,000	4,05,000	14,05,000
Mr. Viswanathan Krishnan	10,00,000	6,15,000	16,15,000
Ms. Rekha Gopal Warriar	10,00,000	6,75,000	16,75,000

**Notes:**

- Criteria for making payment to Non-Executive Directors as specified in Nomination and Remuneration Policy of the Company is available on the website of the Company and can be accessed through the web link at [https://www.indiainfoline.com/securities/reports/IIFL\\_Securities\\_Nomination\\_and\\_Remuneration\\_Policy.pdf](https://www.indiainfoline.com/securities/reports/IIFL_Securities_Nomination_and_Remuneration_Policy.pdf)
- Pursuant to the sections 178, 197, 198 and any other applicable provisions of the Act [including any statutory modification(s) or re-enactment(s) thereof] and SEBI Listing Regulations, and in terms of the approval of the Board vide resolution dated May 15, 2020 and the approval of the shareholders dated June 30, 2020, our Company has created a provision for payment of commission to Independent Directors for FY 2023-24 of ₹ 10 Lakhs, considering their contribution to the Board/ Committees, attendance at the meeting, among other parameters.

**B. Remuneration to Executive Directors**

The appointment and remuneration of Executive Directors is governed by the recommendation of the NRC and the resolutions passed by the Board and Shareholders of our Company.

**Details of remuneration paid during FY 2023-24 to Executive Directors is provided below:**

Particular	Mr. R. Venkataraman Chairman and Managing Director	Mr. Narendra Deshmal Jain Whole-Time Director	Mr. Nemkumar H Whole-Time Director
Term of Appointment	For a period of 5 years from May 15, 2019	For a period of 5 years from May 13, 2019	For a period of 5 years from October 17, 2023
Salary and Allowances (₹)	4,78,99,383	99,79,863	1,37,09,677
Bonus (₹)	1,25,09,763	20,00,000	-
Perquisites (₹)	39,600	40,54,500	-
Minimum Remuneration	Mr. R. Venkataraman shall be entitled to minimum remuneration comprising of salary, perquisites and benefits as per the applicable provisions of Schedule V of the Companies Act, 2013 in the event of inadequacy/ absence of profits.	Mr. Narendra Deshmal Jain shall be entitled to minimum remuneration comprising of salary, perquisites and benefits as per the applicable provisions of Schedule V of the Companies Act, 2013 in the event of inadequacy/ absence of profits.	Mr. Nemkumar H shall be entitled to minimum remuneration comprising of salary, perquisites and benefits as per the applicable provisions of Schedule V of the Companies Act, 2013 in the event of inadequacy/ absence of profits.
Notice Period and Severance Fees	Three months' notice	As per Company's Policy	As per Company's Policy
Stock Option (Exercised and allotted in no.)	-	30,000	-

**Note:**

- This amount does not include amount in respect of gratuity and leave entitlement as the same is not determinable.
- Remuneration is within limits recommended by NRC and approved by the Board and the Members of the Company.



### Senior Management of IIFL Securities Limited

Particulars of Senior Management including the changes therein during the FY 2023-24:

- a) Mr. Nipun Goel – Head, Investment Banking
- b) Mr. Vasudev Jagannath – Head, Institutional Equities
- c) Mr. Suvajit Ray – Head, Products & Distribution
- d) Ms. Meghal Shah – Company Secretary
- e) Mr. Ronak Gandhi – Chief Financial Officer
- f) Mr. Prasad Umarale – Chief Compliance Officer
- g) Mr. Gopalaswamy Venkatagiri – Head, Research
- h) Mr. Jose K C – Chief Technology Officer (Institutional Broking)
- i) Mr. Chintan Modi – Head, Franchisee
- j) Mr. Kunal Thakkar – Head, Institutional Equity Operations
- k) Mr. Dharmendra Narang – Head, Customer Service
- l) Mr. Shanker Ramrakhiani – Chief Information Security Officer
- m) Mr. Bharat Agarwal – Head, Institutional Sales
- n) Mr. Rishad Lalla – Head, Institutional Sales Trading
- o) Mr. Aditya Sisodia – Chief Technology Officer (Retail Broking)
- p) Ms. Geetha Menon – Head, Human Resources

#### Note:

- i. Mr. Deepan Raje, Head – Human Resources resigned w.e.f. closure of business hours on August 18, 2023.

- ii. Mr. Bharat Agarwal was re-designated as Head – Institutional Sales and identified as Senior Managerial Personnel w.e.f. October 17, 2023.
- iii. Mr. Rishad Lalla, Head – Institutional Sales Trading was identified as Senior Managerial Personnel w.e.f. October 17, 2023.
- iv. Mr. Aditya Sisodia was designated as Chief Technology Officer (Retail Broking) and identified as Senior Managerial Personnel w.e.f. January 22, 2024.
- v. Ms. Geetha Menon was designated as Head, Human Resources and identified as Senior Managerial Personnel w.e.f. January 22, 2024.

### C. STAKEHOLDERS' RELATIONSHIP COMMITTEE

Pursuant to provisions of Section 178(5) of the Act and Regulation 20 of the SEBI Listing Regulations, Stakeholders' Relationship Committee of the Board of Directors ("**SRC**") is duly constituted to oversee matters relating to the interest of the stakeholders, ensuring expeditious share transfer process and evaluating performance and service standards of the Registrar and Share Transfer Agent of the Company.

#### Composition of Stakeholders' Relationship Committee

The SRC comprises of the following members as on March 31, 2024:

Sr. No.	Name of the Director	Category	Position	% of Independence
1	Ms. Rekha Gopal Warriar	Chairperson	Independent Director	66.67%
2	Mr. Narendra Deshmal Jain	Member	Whole-Time Director	
3	Mr. Shamik Das Sharma	Member	Independent Director	

Ms. Meghal Shah is the Compliance Officer of our Company as per SEBI Listing Regulations and also acts as the Company Secretary to the Committee.

### Meetings of Stakeholders' Relationship Committee and Attendance thereat

During the year under review, SRC met once. The requisite quorum was present at the Meeting. The attendance of respective members at the SRC meeting held during FY 2023-24 are as under:

Stakeholders' Relationship Committee Meetings Attendance					
Sr. No.	Name of the Director	Stakeholders' Relationship Committee meetings dates	Held during the tenure	Attended	% of attendance
		1			
		October 04, 2023			
1	Ms. Rekha Gopal Warriar	✓	1	1	100
2	Mr. Narendra Deshmal Jain	✓	1	1	100
3	Mr. Shamik Das Sharma	✓	1	1	100
4	Mr. Viswanathan Krishnan*	NA	NA	NA	NA
<b>Attendance percentage</b>		<b>100</b>			

\* Mr. Viswanathan Krishnan ceased to be a Member of the Committee w.e.f. April 24, 2023.

The Chairperson of SRC was present at the last Annual General Meeting of the Company held on August 31, 2023.

#### The broad terms of reference of Stakeholders' Relationship Committee are as under:

1. Resolving grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
4. Review the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

#### Details of Shareholders' Complaints

Our Company and its Registrar & Share Transfer Agent, Link Intime India Private Limited, attend to all grievances of the

#### Composition of Corporate Social Responsibility Committee

The CSR Committee comprises of the following members as on March 31, 2024:

Sr. No.	Name of the Director	Category	Position	% of Independence
1	Mr. Anand Shailesh Bathiya	Chairman	Independent Director	75%
2	Mr. Nemkumar H	Member	Whole-Time Director	
3	Mr. Viswanathan Krishnan	Member	Independent Director	
4.	Ms. Rekha Gopal Warriar	Member	Independent Director	

#### Meetings of Corporate Social Responsibility Committee and Attendance thereat

During the year under review, the CSR Committee met twice. The requisite quorum was present for all the meetings of CSR Committee. The attendance of respective members at the CSR meetings held during FY 2023-24 are as under:

Sr. No.	Name of the Director	Corporate Social Responsibility Committee Meetings Attendance				% of attendance
		Corporate Social Responsibility Committee meetings dates		Held during the tenure	Attended	
		1	2			
		April 18, 2023	March 21, 2024			
1	Mr. Anand Shailesh Bathiya	✓	✓	2	2	100
2	Mr. Narendra Deshmal Jain*	✓	NA	1	1	100
3	Mr. Viswanathan Krishnan	✓	✓	2	2	100
4	Ms. Rekha Gopal Warriar	✓	✓	2	2	100
5	Mr. Nemkumar H*	NA	x	1	0	0
<b>Attendance percentage</b>		<b>100</b>	<b>75</b>			

\* Mr. Nemkumar H was appointed as Member of CSR Committee in place of Mr. Narendra Deshmal Jain w.e.f. January 22, 2024..

investors received directly or through SEBI, Stock Exchanges, Registrar of Companies, etc. The Company has Investor Grievance Redressal Policy and can be accessed through the web link at <https://www.indiaonline.com/securities/corporate-governance.php>

Details of the number of complaints received from investors/shareholders and attended during FY 2023-24 are given below:

Complaints pending as on April 1, 2023	0
Complaints received during the year	7
Complaints resolved during the year	7
Complaints pending as on March 31, 2024	0

Pursuant to Regulation 34(3) and Schedule V, Part F of the SEBI Listing Regulations, there are no shares lying in the suspense account as on March 31, 2024. Further, no pledge has been created over the equity shares held by the promoters.

#### D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Pursuant to provisions of Section 135(1) of the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014, the Corporate Social Responsibility Committee of the Board of Directors ("CSR") is duly constituted for overseeing the implementation of the CSR Policy and execution of the CSR activities of the Company.



**The broad terms of reference of the Corporate Social Responsibility Committee are as under:**

1. Formulating and recommending to the Board, the CSR Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII;
2. Recommending the amount of the expenditure to be incurred on CSR activities;
3. Instituting a transparent monitoring mechanism for implementation of the CSR activities to be undertaken by the Company;

4. Such other functions as may be entrusted to it by the Board, from time to time;

**E. RISK MANAGEMENT COMMITTEE**

Pursuant to Regulation 21 of the SEBI Listing Regulations, SEBI Circular on enhanced obligation and responsibilities for Qualified Stockbrokers, NSE Prime Norms and other applicable provisions, if any, the Risk Management Committee of the Board of Directors ("**RMC**") is duly constituted to monitor the implementation of the Enterprise Risk Management ("**ERM**") Policy of the Company.

**Composition of Risk Management Committee**

The Risk Management Committee comprises of the following members as on March 31, 2024:

Sr. No.	Name of the Director/Member	Category	Position	% of Independence
1	Mr. Viswanathan Krishnan	Chairman	Independent Director	60%
2	Mr. Nemkumar H	Member	Whole-Time Director	
3	Mr. Shamik Das Sharma	Member	Independent Director	
4	Mr. Anand Shailesh Bathiya	Member	Independent Director	
5	Mr. Shanker Ramrakhiani	Member	Chief Information Security Officer	

The Company Secretary of the Company acts as Secretary to the RMC.

**Meetings of Risk Management Committee and Attendance thereat**

During the year under review, RMC met twice. The necessary quorum was present for all the meetings of RMC. The gap between either of the two meetings was not more than 180 days, ensuring compliance with the requirement of Regulation 21 of the SEBI Listing Regulations.

The attendance of respective members at the RMC meetings held during FY 2023-24 are as under:

Sr. No.	Name of the Director/Member	Risk Management Committee Meetings Attendance				% of attendance
		Risk Management Committee meetings dates		Held during the tenure	Attended	
		1 June 30, 2023	2 October 16, 2023			
1	Mr. Viswanathan Krishnan	✓	✓	2	2	100
2	Mr. Shamik Das Sharma	✗	✓	2	1	50
3	Mr. Anand Shailesh Bathiya	✓	✓	2	2	100
4	Mr. Shanker Ramrakhiani*	✓	✓	2	2	100
5	Mr. Narendra Deshmal Jain*	NA	NA	NA	NA	NA
6	Mr. Nemkumar H**	NA	NA	NA	NA	NA
<b>Attendance percentage</b>		<b>75</b>	<b>100</b>			

\* Mr. Shanker Ramrakhiani was appointed as Member of RMC and Mr. Narendra Deshmal Jain ceased to be a Member of the Committee w.e.f. April 24, 2023.

\*\* Mr. Nemkumar H was appointed as Member of RMC w.e.f. January 22, 2024.

**The broad terms of reference of the Risk Management Committee are as under:**

1. To formulate a detailed risk management policy which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral,

sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

- (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
- (c) Business continuity plan.

2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;

The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other

professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

#### F. FINANCE COMMITTEE

The Board of Directors has constituted the Finance Committee (“FC”) to look into ongoing finance related requirements of the Company in ordinary course of business.

#### Composition of Finance Committee

The FC comprises of the following members as on March 31, 2024:

Sr. No.	Name of the Director/Member	Position
1	Mr. R. Venkataraman	Managing Director
2	Mr. Narendra Deshmal Jain	Whole-Time Director
3	Mr. Ronak Gandhi	Chief Financial Officer

#### Meetings of Finance Committee and Attendance thereat

During the year under review, FC met 8 (Eight) times. The requisite quorum was present at the meetings.

The attendance of respective members at the FC meetings held during FY 2023-24 are as under

Finance Committee Meetings Attendance												
Sr. No.	Name of the Director/Member	Finance Committee meetings dates								Held during the tenure	Attended	% of attendance
		1	2	3	4	5	6	7	8			
		July 06, 2023	August 18, 2023	September 05, 2023	September 25, 2023	December 09, 2023	December 28, 2023	January 19, 2024	March 05, 2024			
1	Mr. R. Venkataraman	x	✓	✓	✓	✓	✓	✓	✓	8	7	87.5
2	Mr. Narendra Deshmal Jain	✓	✓	✓	x	✓	✓	✓	✓	8	7	87.5
3	Mr. Ronak Gandhi	✓	x	✓	✓	✓	✓	✓	✓	8	7	87.5
<b>Attendance percentage</b>		<b>66.67</b>	<b>66.67</b>	<b>100</b>	<b>66.67</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>			

#### The broad terms of reference of the Finance Committee are as under:

1. To borrow funds for and on behalf of our Company up to the maximum amount as determined by the Board of Directors of our Company from time to time;
2. To invest funds of our Company from time to time in equity shares, preference shares, debt securities, bonds, whether listed or unlisted, secured or unsecured, fixed deposits, units of mutual fund / units of alternative investment fund, security receipts, securities, etc. taking into consideration all investment parameters up to the maximum amount as determined by the Board of Directors of the Company from time to time and also to enter into any agreements including but not limited to enter into Share Purchase Agreement, Share Subscription Agreement, Shareholders Agreement etc. as may be required to give effect to such transaction;
3. To create pledge/ hypothecate/ mortgage and/ or charge on both movable and immovable assets not exceeding the overall limit as approved by the Board from time to time;
4. To allot securities of our Company including equity shares, preference shares, debt securities, bonds, etc. from time to time;
5. To borrow funds for meeting the short/ long term requirements of funds of our Company by issuing Commercial Paper including redemption and buyback of Commercial Paper and also to list the same as per the SEBI Regulations, Term Loan from bank, etc;
6. To avail intraday facilities from Banks/Financial Institution upto ₹ 2,500 Crore (Rupees Two Thousand Five Hundred Crore);
7. To offer assurances on behalf of subsidiaries, in the form of guarantee, security, undertakings, letters (including without limitation, letter of comfort), deeds, declarations



or any other instruments in connection with loan availed by them from Banks, Financial Institutions, Non-Banking Financial Companies, other body corporates, etc. upto such limit, if applicable, as delegated/decided by the Board from time to time;

8. Powers relating to issuance and allotment of Debentures:
- To determine terms and conditions and number of debentures to be issued;
  - Determining timing, nature, type, pricing and such other terms and conditions of the issue including coupon rate, minimum subscription, retention of over subscription, if any and early redemption thereof;
  - To approve and make changes to the Draft Prospectus, to approve the Final Prospectus, including any corrigendum, amendments supplements thereto, and the issue thereof;
  - To approve all other matters relating to the issue and do all such acts, deeds, matters and things including execution of all such deeds, documents, instruments, applications and writings as it may, at its discretion, deem necessary and desirable for such purpose including without limitation the utilization of the issue proceeds, modify or alter any of the terms

and conditions, including size of the issue, as it may deem expedient, extension of issue and/or early closure of the issue;

- Opening and closing current/cash credit/ overdraft/ fixed deposit or other accounts including depository accounts with any scheduled bank and/or depository participant, authorize the officials of our Company to operate the same and to vary the existing authorization in respect of these accounts;
- Grant of authority to avail online payment gateway facility;
- Issue of Power of Attorneys/Delegation Letter to the Officials of our Company;
- Execute, sign, certify any agreement, MOU, undertaking, document, deed and other writings in relation to the above;
- Any other incidental or other matter in the ordinary course of business, including delegation of powers in relation to the above and/or may be delegated by the Board, from time to time;

#### G. ESG COMMITTEE

The Board of Directors has constituted ESG Committee to provide guidance on the ESG initiatives of the Company.

#### Composition of ESG Committee

The ESG Committee comprises of the following members as on March 31, 2024:

Sr. No.	Name of the Director	Category	Position	% of Independence
1	Mr. Anand Shailesh Bathiya	Chairman	Independent Director	66.67%
2	Mr. Nemkumar H	Member	Whole-Time Director	
3	Mr. Viswanathan Krishnan	Member	Independent Director	

#### Meetings of ESG Committee and Attendance thereat

During the year under review, ESG Committee met twice. The requisite quorum was present at the meetings. The attendance of respective members at the ESG Committee meetings held during FY 2023-24 are as under:

Sr. No.	Name of the Director/Member	ESG Committee Meetings Attendance				% of attendance
		ESG Committee meetings dates		Held during the tenure	Attended	
		1	2			
		April 20, 2023	December 28, 2023			
1	Mr. Anand Shailesh Bathiya	✓	✓	2	2	100
2	Mr. Ronak Gandhi*	✓	✓	2	2	100
3	Ms. Meghal Shah*	✓	✓	2	2	100
4	Mr. Viswanathan Krishnan	✓	✓	2	2	100
5	Mr. Nemkumar H*	NA	NA	NA	NA	NA
<b>Attendance percentage</b>		<b>100</b>	<b>100</b>			

\* Mr. Nemkumar H was appointed as a Member of ESG Committee and Mr. Ronak Gandhi and Ms. Meghal Shah ceased to be Members of the said committee w.e.f. January 22, 2024.



**The broad terms of reference of the ESG Committee are as under:**

1. Provide guidance and approve ESG strategy and roadmap;
2. Oversee Environmental factors in relation to the business operations e.g. climate, emissions, water and waste management, energy efficiency, biodiversity, etc.;
3. Oversee Social factors encompassing initiatives aimed at fostering diversity, equity and inclusion within the Organization, ensuring fair labor practices and health and safety measures, addressing human right issues and promoting community engagement;
4. Oversee the Company's governance practices, ensuring data privacy and cyber security and transparency and accountability to stakeholders;
5. Review ESG reporting in line with various national and global sustainability/ESG indices and guidelines;

6. Overview material ESG risks, opportunities and mitigation of risks;
7. Monitor progress of ESG initiatives and their impact;

**H. INDEPENDENT DIRECTORS' COMMITTEE**

The Board of Director has constituted an Independent Directors' (ID) Committee in terms of the NSE Prime Norms for strengthening corporate governance.

**Composition of Independent Directors' Committee**

The ID Committee comprises of the following members as on March 31, 2024:

Sr. No.	Name of the Director	Position
1	Mr. Anand Shailesh Bathiya	Independent Director
2	Mr. Viswanathan Krishnan	Independent Director
3	Mr. Shamik Das Sharma	Independent Director
4	Ms. Rekha Gopal Warriar	Independent Director

**Meetings of Independent Directors' Committee and Attendance thereat**

In compliance with the provisions of the Act, Regulation 25 of SEBI Listing Regulations and the NSE Prime Norms, the ID Committee met 2 (two) times during FY 2023-24. The requisite quorum was present at the ID Committee meetings. The attendance of respective members at the ID Committee meetings held during FY 2023-24 are as under:

Independent Directors' Committee Meetings Attendance						
Sr. No.	Name of the Director	Independent Directors' Committee meetings dates		Held during the tenure	Attended	% of attendance
		1	2			
		October 04, 2023	March 17, 2024			
1	Mr. Anand Shailesh Bathiya	✓	✓	2	2	100
2	Mr. Viswanathan Krishnan	✓	✓	2	2	100
3	Mr. Shamik Das Sharma	✓	✓	2	2	100
4	Ms. Rekha Gopal Warriar	✓	✓	2	2	100
<b>Attendance percentage</b>		<b>100</b>	<b>100</b>			

**The broad terms of reference of the Independent Directors' Committee are as under:**

1. Reviewing the performance of Non-Independent Directors, the Chairman and the Board as a whole and bring an objective view in the evaluation of Board and the Management;
2. Assessing the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties;
3. Deliberating on improving corporate credibility and governance standards and help in managing risk;
4. Bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy,

performance, risk management, resources, key appointment and standards of conduct;

5. Satisfying themselves on the integrity of financial information and that financial controls and the risk management are robust and defensible;
6. Any other matter as may be deemed fit by the Independent Directors;

**I. CYBER SECURITY COMMITTEE**

Pursuant to SEBI circular dated February 06, 2023 on enhanced obligations and responsibilities for Qualified Stock Brokers, the Board of Directors constituted the Cyber Security Committee on April 24, 2023.



### Composition of Cyber Security Committee

The Cyber Security Committee comprises of the following members as on March 31, 2024:

Sr. No.	Name of the Director/Member	Category	Position	% of Independence
1	Mr. Viswanathan Krishnan	Chairman	Independent Director	40%
2	Mr. Shamik Das Sharma	Member	Independent Director	
3	Mr. Narendra Deshmal Jain	Member	Whole-Time Director	
4	Mr. Shanker Ramrakhiani	Member	Chief Information Security Officer	
5	Mr. Jose K C	Member	CTO - Institutional Broking	

### Meetings of Cyber Security Committee and Attendance thereat

The Cyber Security Committee met 2 (two) times during FY 2023-24. The requisite quorum was present at the said meetings. The attendance of respective members at the Cyber Security Committee meetings held during FY 2023-24 are as under:

Cyber Security Committee Meetings Attendance						
Sr. No.	Name of the Director/Member	Cyber Security Committee meetings dates		Held during the tenure	Attended	% of attendance
		1	2			
		July 12, 2023	November 10, 2023			
1	Mr. Viswanathan Krishnan	✓	✓	2	2	100
2	Mr. Shamik Das Sharma	✓	✓	2	2	100
3	Mr. Narendra Deshmal Jain	✓	✓	2	2	100
4	Mr. Shanker Ramrakhiani	✓	✓	2	2	100
5	Mr. Jose K C	✓	✓	2	2	100
Attendance percentage		100	100			

### The broad terms of reference of the Cyber Security Committee are as under:

- To facilitate development of information security policies, implementation of information security policies, standards and procedures to ensure that all identified information security risks are managed within the Organization's risk appetite;
- To approve and monitor major information security projects and the status of information security plans and budgets, establish priorities, approve standards and procedures;
- To support the development and implementation of information security management programme;
- To review information/cyber security incidents, various information security assessments, monitoring and mitigation activities across the Organization;
- To review security awareness programmes;
- To assess new developments or issues relating to cyber/ information security;
- To report to the Board/ Board level Committee on information security activities.

### J. INFORMATION TECHNOLOGY COMMITTEE

Pursuant to SEBI circular dated February 06, 2023 on enhanced obligations and responsibilities for Qualified Stock Brokers, the Board of Directors constituted the Information Technology ("IT") Committee on April 24, 2023.

### Composition of Information Technology Committee

The IT Committee comprises of the following members as on March 31, 2024:

Sr. No.	Name of the Director/Member	Category	Position	% of Independence
1	Mr. Shamik Das Sharma	Chairman	Independent Director	40%
2	Mr. Anand Shailesh Bathiya	Member	Independent Director	
3	Mr. Narendra Deshmal Jain	Member	Whole-Time Director	
4	Mr. Shanker Ramrakhiani	Member	Chief Information Security Officer	
5	Mr. Jose K C	Member	CTO- Institutional Broking	

### Meetings of Information Technology Committee and Attendance thereat

The IT Committee met 2 (two) times during FY 2023-24. The requisite quorum was present at the said meetings. The attendance of respective members at the IT Committee meetings held during FY 2023-24 are as under:

Information Technology Committee Meetings Attendance						
Sr. No.	Name of the Director/Member	Information Technology Committee meetings dates		Held during the tenure	Attended	% of attendance
		1	2			
		July 12, 2023	November 10, 2023			
1	Mr. Shamik Das Sharma	✓	✓	2	2	100
2	Mr. Anand Shailesh Bathiya	✓	✓	2	2	100
3	Mr. Narendra Deshmal Jain	✓	✓	2	2	100
4	Mr. Shanker Ramrakhiani	✓	✓	2	2	100
5	Mr. Jose K C	✓	✓	2	2	100
<b>Attendance percentage</b>		<b>100</b>	<b>100</b>			

#### The broad terms of reference of the Information Technology Committee are as under:

1. To ensure that the Organization has put an effective IT strategic planning process in place;
2. To guide in preparation of IT strategy, containing over-all strategy of the Organization vis-à-vis adoption of IT, and ensure that the IT strategy aligns with the overall strategy of the Organization towards accomplishment of its business objectives;
3. To ensure that the IT Governance and Information Security Governance structure fosters accountability, effectiveness & efficiency with well defined objectives and unambiguous responsibilities for each level in the Organization;
4. To ensure putting in place processes for assessing and managing IT risks, including cyber security risks;
5. To ensure that the budgetary allocations for the IT function (including for IT security) are commensurate with the Organization's IT maturity, digital depth, threat environment and industry standards and are utilised in a manner intended for meeting the stated objectives;
6. To have an oversight over the Business Continuity Planning and Disaster Recovery Management of the Organization.

#### 4. PERIODIC REVIEW OF COMPLIANCES OF ALL APPLICABLE LAWS

Our Company follows a system whereby all the Acts, Rules and Regulations applicable to the Company are identified and compliance with such Acts, Rules and Regulations is monitored by a dedicated team on a regular basis. The regulatory inspection reports/advisory/orders, etc. are periodically examined and the necessary implementation/rectifications to the system and processes are initiated. Wherever representations for reconsideration or appeals are preferred, the same are necessitated through appropriate forums or authorities from time to time and the status of the same is reviewed.

Further, verification of the compliances with major acts/regulations is carried out by suitable external auditors/consultants and their reports and implementation of their observations are reported to the Board/Audit Committee. In addition, the audit and verification plan and actual status thereof are reviewed by the Board/Audit Committee periodically.

Pursuant to Regulation 17 of SEBI Listing Regulations a compliance certificate based on the compliance status received from the respective Head of the Department in respect of various laws, rules and regulations applicable to our Company is placed before the Board periodically. Necessary reports are also submitted to the various regulatory authorities, as per the requirements from time to time.



## 5. GENERAL BODY MEETINGS:

### Annual General Meetings

The date, time and venue of the Annual General Meetings held during preceding three years and the special resolution(s) passed thereat, are as follows:

AGM	Financial Year	Date and Time	Location/Venue	Special Resolution Passed
28 <sup>th</sup>	2022-2023	August 31, 2023 at 11.00 A.M.	Through Video Conferencing / Other Audio Visual means	<ol style="list-style-type: none"> <li>To approve sale/disposal/leasing of asset(s) of the material subsidiary</li> <li>To approve offer or invitation to subscribe to the Non-Convertible Debentures on private placement basis</li> </ol>
27 <sup>th</sup>	2021-2022	July 12, 2022 at 11.00 A.M.	Through Video Conferencing / Other Audio Visual means	<ol style="list-style-type: none"> <li>To approve sale/disposal/leasing of asset(s) of the material subsidiary</li> <li>To approve offer or invitation to subscribe to the Non-Convertible Debentures on private placement basis</li> </ol>
26 <sup>th</sup>	2020-2021	June 30, 2021 at 12.00 Noon	Through Video Conferencing / Other Audio Visual means	<ol style="list-style-type: none"> <li>To approve sale/disposal/leasing of asset(s) of the material subsidiary</li> <li>To approve offer or invitation to subscribe to the Non-Convertible Debentures on private placement basis</li> </ol>

### Extra Ordinary General Meeting

During the year under review, no Extra Ordinary General Meeting was held.

### Resolution(s) passed through Postal Ballot

During FY2023-24 three Postal Ballots were approved by members of the Company and the special resolution(s) passed thereat, are as follows:

Sr No.	Type of Resolutions
01/PB/2023-24	<ol style="list-style-type: none"> <li>To appoint Mr. Nemkumar H (DIN: 00350448) as Director of the Company - <b>Ordinary Resolution</b></li> <li>To appoint Mr. Nemkumar H (DIN: 00350448) as a Whole-Time Director of the Company - <b>Special Resolution</b></li> </ol>
02/PB/2023-24	<ol style="list-style-type: none"> <li>To approve material related party transactions with FIH Mauritius Investments Ltd - <b>Ordinary Resolution</b></li> </ol>
03/PB/2023-24	<ol style="list-style-type: none"> <li>To approve sale/disposal of asset(s) of the material subsidiary - <b>Special Resolution</b></li> </ol>

### Procedure adopted for Postal Ballot

In accordance with the General Circulars No. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020 and various subsequent circulars, read with circulars No. 11/2022 dated December 28, 2022 and 09/2023 dated September 25, 2023 ('MCA Circulars'), resolutions were proposed to be passed by means of Postal Ballot, only by voting through electronic means (remote e-voting).

The Company had engaged the services of Central Depository Services (India) Limited as the agency to provide e-voting facility.

CS Snehal Shah, Proprietor of M/s. Snehal Shah & Associates, Practicing Company Secretaries, acted as Scrutinizer for conducting the Postal Ballots in a fair and transparent manner.

In accordance with the MCA Circulars, the Postal Ballot Notice dated October 17, 2023, January 04, 2024 and

March 01, 2024, were sent only by electronic mode to those members whose names appeared in the Register of Members / List of Beneficial Owners as on Cut-Off Date received from the Depositories and whose e-mail addresses were registered with the Company / Registrar and Transfer Agent/ Depository Participant/ Depositories. The manner of e-voting for shareholders, was explained in the instructions given in Postal Ballot Notice.

Members exercised their vote(s) by e-voting during the e-voting period. The Scrutiniser submitted his report after the completion of scrutiny and result of the e-voting was announced. The said resolutions were passed with requisite majority. Voting result of postal ballot is available on the website of the Stock Exchanges and the Company.

There is no immediate proposal for passing any resolution through postal ballot. However, if required, the same shall

be passed in compliance of provisions of the Companies Act, 2013, the SEBI Listing Regulations and any other applicable laws.

## 2. MEANS OF COMMUNICATION TO THE STAKEHOLDERS

- (i) The Un-audited quarterly/ half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the closure of the financial year as per the requirement of the SEBI Listing Regulations.
- (ii) The approved financial results are forthwith sent to the Stock Exchanges and are published in The Business Standard (English newspaper) and Nav Shakti (Marathi newspaper), within forty-eight hours of approval thereof. Presently the same are not sent to the shareholders separately.
- (iii) Our Company's financial results and official press releases are displayed on its website - [www.iiflsecurities.com](http://www.iiflsecurities.com)
- (iv) Presentations made to the institutional investors or/ and analysts, transcripts and recordings of these calls are intimated to the Stock Exchanges within the prescribed time period specified under the SEBI Listing Regulations and hosted on our Company's website simultaneously.
- (v) The Annual Report containing, *inter-alia*, the Audited Standalone and Consolidated Financial Statements, Auditors' Report thereon, Directors Report, Corporate Governance Report and Management Discussion and

Analysis report is circulated to the Members and others entitled thereto. The Annual Report is also available on the website of our Company and on the website of the Stock Exchanges where our Company's shares are listed.

- (vi) SEBI processes investor complaints in a centralized web based complaints redressal system i.e. SCORES. Through this system a shareholder can lodge complaint against our Company for his/her grievance. We upload the action taken on the complaint which can be viewed by the shareholder. Our Company and shareholder can seek and provide clarifications online through SEBI.

### Go Green Initiative

As a part of our go green initiative, we have taken necessary steps to send documents viz. notice of the general meeting, annual report, etc. at the registered email addresses of shareholders. Those who have not registered their email ids are requested to register the same with the RTA in case of physical holdings/Depository Participants in case of electronic holdings with depositories, to enable our Company to send the documents by the electronic mode. In view of the relaxation provided by the Securities and Exchange Board of India, no physical copies of the annual report for FY 2023-24 will be issued by the Company. However hard copy of full annual report will be sent to shareholders who request for the same. Members can access the documents at the website of the Company [www.iiflsecurities.com](http://www.iiflsecurities.com), as well as the website of the stock exchanges i.e. BSE Ltd. ([www.bseindia.com](http://www.bseindia.com)) and National Stock Exchange of India ([www.nseindia.com](http://www.nseindia.com))

## 3. GENERAL SHAREHOLDERS INFORMATION

### Annual General Meeting ("AGM") for the Financial Year 2023-24

DAY AND DATE	Monday, August 05, 2024
TIME	11.30 a.m.
MODE/VENUE	Through Video Conferencing / Other Audio Visual Means
BOOK CLOSURE DATE FOR AGM	July 30, 2024 to August 05, 2024 (both days inclusive)
FINANCIAL YEAR	April 1, 2023 to March 31, 2024

### Dividend

Pursuant to Regulation 43A of the SEBI Listing Regulations, our Company has formulated a Dividend Distribution Policy which is available on the website of our Company at [https://www.indiainfoline.com/securities/reports/Dividend\\_Distribution\\_Policy.pdf](https://www.indiainfoline.com/securities/reports/Dividend_Distribution_Policy.pdf)

During FY 2023-24, the Board of Directors have declared dividend as follows:

Dividend	Date of Declaration	Date of Payment	Percentage of Dividend on the face value of equity share	Amount Per Share
Interim Dividend	March 01, 2024	March 27, 2024	150%	₹ 3/-

This led to an outgo of ₹ 923.11 million. The same is considered as final dividend.

### Unclaimed dividend and transfer of dividend and shares to IEPF

Pursuant to the provisions of Section 124 of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, ('IEPF Rules'), the dividend which remains unclaimed or unpaid for a period of seven years from the date of transfer to the Unpaid Dividend Account of the Company and shares on which dividends are unclaimed or unpaid for a consecutive period of seven years or more are required to be transferred to IEPF.



Shareholders can check the details of any unclaimed shares and unclaimed dividends on the Company's website, [www.iiflsecurities.com](http://www.iiflsecurities.com) under Corporate announcement tab in the Investors section.

Status of unclaimed dividend and shares which have been transferred to IEPF are given hereunder:

Unclaimed dividend	Status	Whether it can be claimed	Can be claimed from	Actions to be taken
For the FY 2019-2020 to 2023-2024	Amount lying in respective Unpaid Dividend Accounts	Yes	Write to RTA (Link Intime) from your registered e-mail ID or make a physical application under the registered signature, along with KYC documents.	RTA to verify the application and release the unclaimed dividend.

Details of date of declaration and due date for transfer to IEPF:

Financial Year	Interim Dividend per share (in ₹)	Date of declaration of dividend	Last date for claiming unpaid dividend
2019-2020	2	February 07, 2020	March 14, 2027
2020-2021	1	March 10, 2021	April 15, 2028
2021-2022	3	January 24, 2022	March 01, 2029
2022-2023	3	January 23, 2023	February 22, 2030
2023-2024	3	March 01, 2024	April 06, 2031

Pursuant to the provisions of Rule 7 of IEPF Rules, Ms. Meghal Shah, Company Secretary of the Company is the Nodal Officer for the purposes of verification of claims and co-ordination with IEPF Authority under IEPF Rules. Details of the Nodal Officer are available on the website of the Company at [www.iiflsecurities.com](http://www.iiflsecurities.com).

Shareholders, whose dividend/shares are transferred to the IEPF, may claim the same by making an application in prescribed form to the IEPF Authority in this regard, details of which are available on [www.iepf.gov.in](http://www.iepf.gov.in). No claims shall lie against the Company in respect of the dividend/shares so transferred. The members/claimants can file only one consolidated claim in a financial year as per the IEPF Rules.

#### Listing of equity shares on the stock exchanges

Our Company's Equity Shares are listed on the following Stock Exchanges:

Stock Exchanges	Stock Code
<b>BSE Limited</b>	542773
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	
<b>National Stock Exchange of India Limited</b>	IIFLSEC
Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051	

The Securities of our Company have not been suspended from trading during the FY 2023-24 and the requisite Listing fees for FY 2023-24 have been paid to BSE Limited and the National Stock Exchange of India Limited.

#### Market price data during FY 2023-24

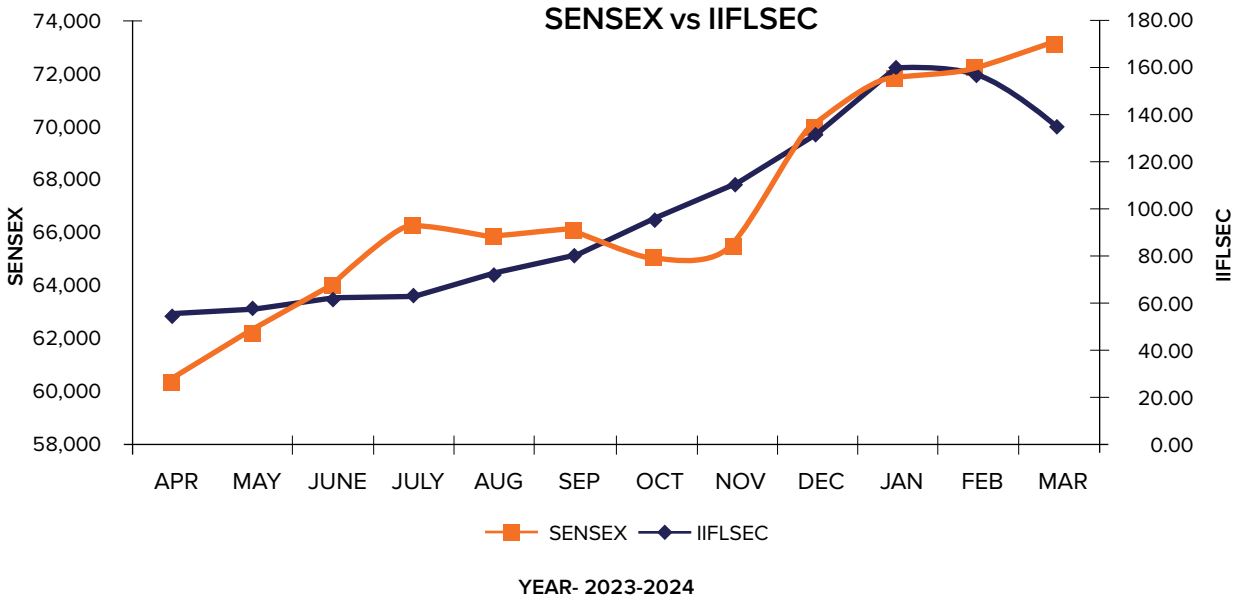
The table herein below gives the monthly high and low prices and volume of our Company's shares traded on BSE Limited and National Stock Exchanges of India Limited for the FY2023-24.

Month	BSE			NSE		
	High	Low	Volume	High	Low	Volume
April, 2023	62.66	49.35	448114	61.7	50.4	7411157
May, 2023	61.34	56.1	549565	61.4	56.15	6634101
June, 2023	72	57.85	2481938	72	57.5	34046592
July, 2023	68.03	60.49	803322	68.3	60.3	11930915
August, 2023	82.43	63.5	8194164	82.55	63.25	28281607
September, 2023	88.38	70.1	1394957	88.45	70	19080832
October, 2023	111.8	85.6	6552693	112	85.75	70948689
November, 2023	124	99	2964640	124.3	98.95	35731570
December, 2023	152	113.15	5267966	151.95	113	50000034
January, 2024	180.5	142.05	4226734	180.5	142	31881395
February, 2024	173.25	137.55	1686780	172.85	137.3	16843343
March, 2024	157.75	108.3	2480872	158.9	108	24337064

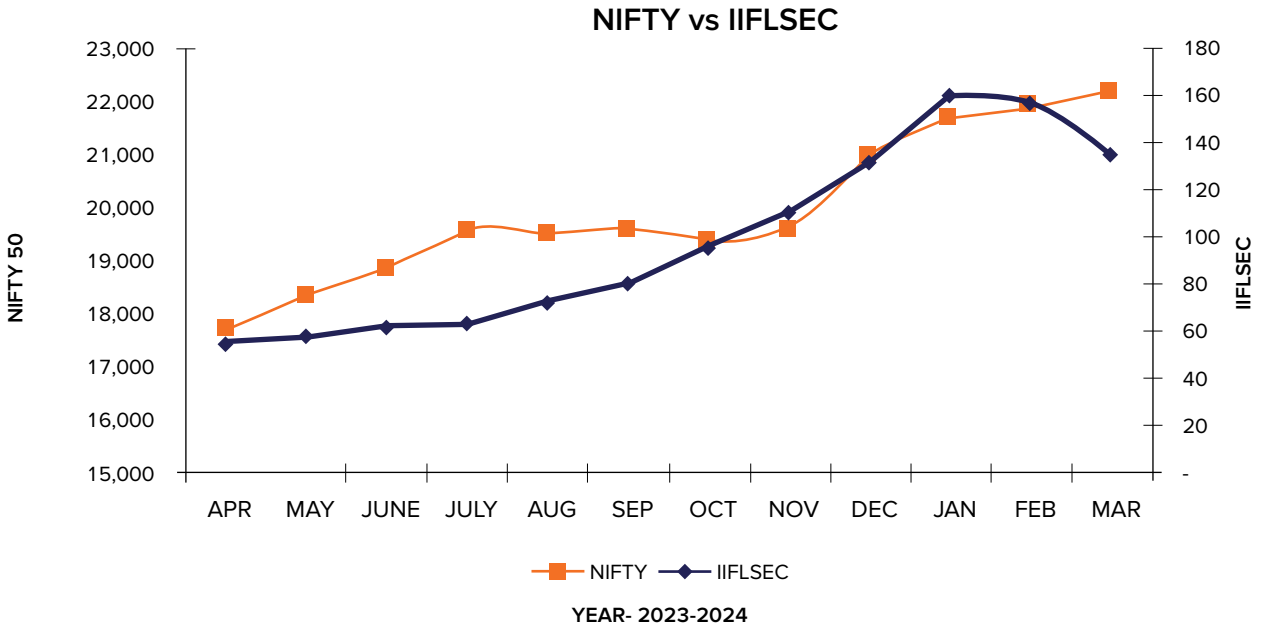
**Performance in Comparison to Broad Based Indices – BSE Sensex and NSE Nifty 50**

Below charts plot the monthly average price of IIFL Securities Limited versus BSE - Sensex and NSE – Nifty 50 for the year ended March 31, 2024.

**IIFL Securities Limited share price versus BSE Sensex**



**IIFL Securities Limited share price versus NSE Nifty 50**





### Distribution of shareholding as on March 31, 2024

The distribution of shareholding as on March 31, 2024, is as follows:

IIFL Securities Limited						
Distribution Of Shareholding Based On Shares Held						
Report Type : All(NSDL+CDSL+PHYSICAL)						
SERIAL NO.	SHARES RANGE		NUMBER OF SHAREHOLDERS	% OF TOTAL SHAREHOLDERS	TOTAL SHARES FOR THE RANGE	% OF ISSUED CAPITAL
1	1	to 500	62663	87.8334	5699772	1.8514
2	501	to 1000	3896	5.4609	3077818	0.9997
3	1001	to 2000	1952	2.7361	2945071	0.9566
4	2001	to 3000	819	1.1480	2089944	0.6788
5	3001	to 4000	417	0.5845	1496276	0.4860
6	4001	to 5000	328	0.4598	1557123	0.5058
7	5001	to 10000	542	0.7597	3998595	1.2988
8	10001	to *****	726	1.0176	287001930	93.2228
<b>Total</b>			<b>71343</b>	<b>100.0000</b>	<b>307866529</b>	<b>100.0000</b>

### Category wise shareholding

Details of category wise shareholding as on March 31, 2024 is as follows:

Category	No. of Shares	Percentage of Holding
Promoters & Promoters Group	95143214	30.90
Alternate Investment Funds	10213424	3.32
Foreign Portfolio Investor	46733470	15.18
Financial Institution/Banks	1883	0
Individuals and others	47810258	15.53
NBFCs registered with RBI	1000	0
Mutual Fund	157360	0.05
Hindu Undivided Family	1369902	0.44
Foreign Companies	84641445	27.49
NRIs	13780278	4.48
Investor Education and Protection Fund	26244	0.01
Bodies Corporates	7988051	2.60
<b>Total</b>	<b>307866529</b>	<b>100</b>

### Share Transfer System

In accordance with the provision under Regulation 40(1) of the SEBI Listing Regulations, transfers of shares of our Company shall not be processed unless the shares are held in the dematerialized form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in various corporate actions.

### Dematerialization of shares and liquidity

Percentage of shares held in physical and dematerialized form for the FY ended on March 31, 2024, is as follows:

Particular of Equity	No. of Shares	% of Total
Held in electronic mode with Depositories.		
• CDSL	26690541	8.67
• NSDL	280933894	91.25
Held in physical mode	242094	0.08
<b>Total</b>	<b>307866529</b>	<b>100.00</b>



#### Process of dematerialization of shares:

Shareholders who continue to hold shares in physical form are requested to dematerialize their shares at the earliest and avail the benefits of dealing shares in demat form. For convenience of shareholders, the process of getting the shares dematerialized is given hereunder:

- Demat account should be opened with a Depository Participant (“DP”)
- Shareholders should submit the Dematerialization Request Form (“DRF”) along with share certificates in original, to their DP

#### Demat ISIN numbers in NSDL and CDSL for equity shares - INE489L01022

##### Registrar & Transfer Agent

Link Intime India Private Limited  
C-101, 247, Lal Bahadur Shastri Marg, Gandhi Nagar,  
Vikhroli West, Mumbai -400083.  
Tel: 022-49186000  
Email: rnt.helpdesk@linkintime.co.in

#### Address for correspondence

Compliance Officer	Investor Grievance	Company
Ms. Meghal Shah, Company Secretary and Compliance Officer, Office No 1, Gr Floor, Hubtown Solaris, N. S. Phadke Marg, Andheri, Vijay Nagar, Mumbai - 400 069 Email: secretarial@iifl.com	<b>Link Intime India Private Limited</b> Unit: IIFL Securities Limited C-101, 247, Lal Bahadur Shastri Marg, Gandhi Nagar, Vikhroli West, Mumbai -400083. Tel: 022-49186000 Email: rnt.helpdesk@linkintime.co.in	Registered Office: IIFL House, Sun Infotech Park, Road No. Plot No. B-23, Thane Industrial Area, Wagle Estate, Thane – 400604 Email: secretarial@iifl.com

#### Plant Location

Our Company is in the business of broking, distribution of financial products and merchant banking therefore, we do not have any manufacturing plants..

#### Credit Ratings obtained by our Company

Name of the Credit Rating Agency	Credit Rating obtained in respect of various securities	Amount (₹ million)	Issue Date / Revalidation	Validity of Rating	If Rating Downgraded (specify reason)
ICRA	Commercial Paper	10,500	November 9, 2023	One year from the date of the report	ICRA A1+
ICRA	Bank Facilities	2,000	November 9, 2023	One year from the date of the report	ICRA A1+
CRISIL	Commercial Paper	10,500	March 28, 2024	One year from the date of the report	CRISIL A1+
CRISIL	Bank Facilities	3,250 (Long Term) 4,750 (Short term)	April 25, 2024	One year from the date of the report	CRISIL AA-/ Stable CRISIL A1+

## 4. DISCLOSURES

### i. Disclosure on materially significant Related Party Transactions that may have potential conflict with the interest of the Company at large:

In line with requirement under Regulation 23(1) of the SEBI Listing Regulations, our Company has put in place

### Outstanding GDRs/ADRs/Warrants or any convertible Instruments conversion date and likely impact on equity

Our Company has not issued any GDRs/ADRs/Warrants during FY 2023-24 and there are no outstanding GDRs/ADRs/Warrants as on date.

As on March 31, 2024, our Company has 12000 stock options outstanding under IIFL Securities Employee Stock Option 2019-Demerger Scheme and 11230396 stock options outstanding under IIFL Securities Limited Employee Stock Option Scheme 2018. Each option granted under the ESOPs Schemes is convertible into one equity share of our Company. Upon exercise of options by grantees, the paid-up share capital of our Company will accordingly increase.

### Commodity price risk or foreign exchange risk and hedging activities

We offer trading facilities in the commodity derivatives and currency derivatives segments to our clients. Our Company, in the capacity of trading/clearing member may be exposed to commodity price risk or foreign exchange risk on account of our clients’ positions. These risks of clients’ positions are mitigated by collecting upfront margins from clients and monitoring their positions by marking them to market.

a Policy for Related Party Transactions (RPT Policy), which has been recommended by the Audit Committee and approved by the Board of Directors. The said Policy may be accessed on the website of our Company at <https://www.indiainfoline.com/securities/reports/Related1205211.pdf>.



During FY2023-24, our Company has entered into material contracts/arrangements/transactions with related parties within the maximum limit approved by the members of our Company. You may refer to notes to the Standalone Financial Statements and Consolidated Financial Statements respectively, for the related party disclosures.

All transactions entered into by our Company during the financial year with related parties were on arm's length basis and in the ordinary course of business. All such related party transactions were entered into in accordance with the RPT Policy of our Company.

Further, in terms of the provisions of Regulation 23(9) of the SEBI Listing Regulations, disclosure of related party transactions on a consolidated basis is made to the stock exchanges where the securities of our Company are listed, on a half-yearly basis. The same is also uploaded on the website of our Company.

**ii. Details of non-compliance by our Company, penalties, strictures imposed on our Company by the Stock Exchange or SEBI or any other statutory authority on any matter related to capital markets, during the last three years:**

During the year, there have been no instances of material non-compliances by our Company on any matter related to the capital markets. The Exchanges have levied minor penalties in the ordinary course of business and the same has been appealed before the relevant authorities/courts and/or settled/ paid considering the magnitude, time and effort involved in the litigation. Further, in the month of May 2022, SEBI passed two orders levying a penalty of ₹1 crore each for old inspections conducted in February 2014 and March 2017. Appeals were filed before Securities Appellate Tribunal (SAT) against the said orders and Hon'ble SAT vide its order dated July 18, 2022 stayed the proceedings. Further, SAT vide its order dated December 07, 2023 passed the common order including for the other 2 pending matters in respect of same inspections and set aside the ban from taking new clients for a period of two years and reduced penalty to ₹ 20 Lakh. subsequently appeal has been preferred by SEBI to Supreme Court which is pending.

**iii. Vigil Mechanism/Whistle Blower policy**

Pursuant to Section 177(9) and (10) of the Act, and Regulation 22 of the SEBI Listing Regulations, our Company has formulated a Vigil Mechanism/Whistle Blower Policy to enable Directors, Stakeholders, including individual employees and their representative bodies to report, in good faith, unethical, unlawful or improper practices, acts or activities. The said mechanism ensures that the whistle blowers are protected against victimization/any adverse action and/or discrimination as a result of such a reporting and provides a direct access to the Chairman of the Audit Committee in exceptional

cases. During the year the Company did not receive any complaint under the said Policy. Our Company hereby affirms that none of its personnel have been denied access to the Audit Committee.

The Whistle Blower Policy has been disclosed on the website of our Company at [https://www.indiainfoline.com/securities/reports/IIFL\\_Securities\\_Whistle\\_Blower\\_Policy.pdf](https://www.indiainfoline.com/securities/reports/IIFL_Securities_Whistle_Blower_Policy.pdf).

**iv. Compliance with mandatory and non-mandatory provisions**

Our Company has adhered to all the mandatory requirements of corporate governance norms as prescribed under Regulations 17 to 27 and Clause (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations to the extent applicable.

The status on the compliance with the non-mandatory recommendation in the SEBI Listing Regulations is as under:

**• The Board**

Maintenance of the Non-Executive Chairperson's Office: Chairman and Managing Director of the Company was same during the FY 2023-24. Hence, maintenance of the Non – Executive Chairperson's Office was not applicable.

**• Shareholder Rights**

The quarterly/annual financial results as well as all significant information/events disseminated to the stock exchanges are uploaded on the website of our Company and is available to all the shareholders.

**• Modified opinion(s) in the Audit Report**

The Auditor's Report on statutory financial statements of the Company is unmodified.

**• Separate posts of Chairperson and the Managing Director or the Chief Executive Officer**

During FY 2023-24, there was no separate post for the Chairman and Managing Director in the Company.

**• Reporting of Internal Auditor**

The Internal Auditor makes quarterly presentations to the Audit Committee on their reports.

**v. Material Subsidiaries**

In accordance with the provisions of the SEBI Listing Regulations, our Company has formulated a Policy for determining Material Subsidiaries and to provide governance framework for such subsidiaries. The said Policy is available on the website of our Company at [https://www.indiainfoline.com/securities/reports/Policy\\_for\\_determining\\_material\\_subsidiaries.pdf](https://www.indiainfoline.com/securities/reports/Policy_for_determining_material_subsidiaries.pdf).

For FY 2023-24, IIFL Facilities Services Limited (IFSL), was a material subsidiary in terms of the provisions of SEBI Listing Regulations. IFSL was incorporated on December 3, 2007 at Mumbai, Maharashtra. The shareholders of IFSL at its 15th Annual General Meeting (AGM) held on July 11, 2022, re-appointed M/s V. Shankar Aiyar & Co., Chartered Accountant (FRN. 109208W) as the Statutory Auditors of the company for the second term of five consecutive years to hold the office from the conclusion of the 15<sup>th</sup> AGM till the conclusion of the 20<sup>th</sup> AGM of the company. Further, during FY 2023-24, Ms. Rekha Gopal Warriar, Independent Director on the Board of our Company was also an Independent Director on the Board of IFSL, the material subsidiary.

**vi. Disclosure in relation to Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

Number of complaints filed during the financial year	0
Number of complaints resolved during the financial year	0
Number of complaints pending at the end of the financial year	0

**vii. Recommendations of the Committees**

During FY 2023-24, there were no instances where recommendations of any Committee of the Board, which is mandatorily required for approval of the Board, were not accepted by the Board.

**viii. Prevention of Insider Trading**

Our Company has adopted the 'Code of Conduct for Prevention of Insider Trading' to regulate, monitor and report trading by its Designated Persons and their immediate relatives in the securities of our Company and other securities in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 ("**SEBI PIT Regulations**") as amended from time to time, adopting minimum standards set out in Schedule B and Schedule C of SEBI PIT Regulations.

Our Company has also adopted the 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' under SEBI PIT Regulations for preserving the confidentiality of Unpublished Price Sensitive Information (UPSI) and preventing misuse of such information and ensuring timely, fair and adequate disclosure of events and occurrences that could impact price discovery in the market for the Company's securities. The same is available on the website of our Company, at [https://www.indiainfo.com/securities/reports/Code\\_of\\_Practices\\_and\\_Procedures\\_for\\_Fair\\_Disclosure\\_of\\_Unpublished\\_Price\\_Sensitive\\_Information\\_%28UPSI%29.pdf](https://www.indiainfo.com/securities/reports/Code_of_Practices_and_Procedures_for_Fair_Disclosure_of_Unpublished_Price_Sensitive_Information_%28UPSI%29.pdf).

**5. DETAILS OF UTILIZATION OF FUNDS**

During FY 2023-24, our Company has not raised any funds either through preferential allotment or qualified institutions placement therefore disclosure of this information is not applicable.

**6. SUBSIDIARY COMPANIES**

Our Company has the following subsidiary companies:

Sr. No.	Name of the Domestic Subsidiary
1	IIFL Facilities Services Limited*
2	IIFL Management Services Limited*
3	Livlong Insurance Brokers Limited (Formerly IIFL Insurance Brokers Limited)*
4	Livlong Protection and Wellness Solutions Ltd (Formerly IIFL Corporate Services Limited)
5	IIFL Commodities Limited*
6	India Infoline Foundation (Section 8 Company)*
7	Shreyans Foundations LLP (Step down subsidiary company)
8	Meenakshi Towers LLP
9	IIFL Securities Services IFSC Limited*
10	IIFL Securities Alternate Asset Management Limited*
Name of the Foreign Subsidiary	
11	IIFL Wealth (UK) Limited*
12	IIFL Capital Inc.*

\*Wholly-owned subsidiary

**Note:** During FY 2023-24, a wholly owned subsidiary of the Company was incorporated in the name of "IIFL Securities Alternate Asset Management Limited". The same is yet to commence its business.

The Audit Committee/Board periodically reviews significant developments, transactions and arrangements entered with the subsidiary companies. The Audit Committee/Board also reviews the financial statements of the subsidiary companies, including investments made by such companies. The minutes of the meetings of the Board of Directors of the subsidiary companies are periodically placed before the Board of Directors of our Company.

**7. FEES PAID TO THE STATUTORY AUDITORS:**

Total fees incurred by our Company including its subsidiaries, on a consolidated basis to the statutory auditors and all entities in their network / firm / network entity of which they are a part, is ₹ 10.21 Million.



## 8. DETAILS OF LOANS AND ADVANCES IN WHICH DIRECTORS ARE INTERESTED

The disclosures of transactions of loans and advances to firms or companies in which Directors are interested are given in the Notes to the Financial Statements.

## 9. DISCLOSURE OF CERTAIN TYPE OF AGREEMENTS BINDING LISTED ENTITIES

There is no agreement impacting management or control of the Company or imposing any restriction or creating any liability upon the Company.

## 10. MD/CFO CERTIFICATE

The certificate required under SEBI Listing Regulations duly signed by the Managing Director and Chief Financial Officer, was placed before the Board at its meeting held on July 02, 2024 and the same is annexed to this Report.

## 11. CODE OF CONDUCT

Our Company has formulated a Code of Conduct for its Board of Directors and Senior Management which is available on the website of our Company at [https://www.indiaonline.com/securities/reports/Code\\_of\\_Conduct\\_for\\_all\\_members\\_of\\_Board\\_of\\_Directors\\_and\\_Senior\\_Management.pdf](https://www.indiaonline.com/securities/reports/Code_of_Conduct_for_all_members_of_Board_of_Directors_and_Senior_Management.pdf).

The declaration by the Managing Director, as required under Regulation 34(3) read with Schedule V (D) of the SEBI Listing Regulations, stating that the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct has been obtained for FY 2023-24 and forms part of this Annual Report.

## 12. CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

Our Company has obtained the certificate from M/s. Nilesh Shah & Associates, Company Secretary in practice as required under SEBI Listing Regulations confirming that none of the Directors on Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority and the same is annexed to this Report.

**For and on behalf of the Board**

**R. Venkataraman**

Chairman

DIN: 00011919

Place: Mumbai

Date: July 02, 2024

**Managing Director (MD) and Chief Financial Officer (CFO) Certification under SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,  
The Board of Directors  
**IIFL Securities Limited**  
Mumbai

We certify that

- (a) We have reviewed the financial statements and the cash flow statement of IIFL Securities Limited (the Company) for the year ended March 31, 2024 and, that to the best of our knowledge and belief:
- i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year that are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the Company's internal control systems pertaining to financial reporting. We have not come across any deficiencies in the design or operation of such internal controls.
- (d) We have indicated to the Auditors and the Audit Committee:
- i. Significant changes in internal control during the year, if any;
  - ii. Accounting policy has been consistently applied during the year except where a newly Accounting Standard (Ind AS) is initially adopted or a revision to existing Ind AS required a change in accounting policy hitherto in use;
  - iii. that there are no instances of significant fraud of which we have become aware.

Place: Mumbai  
Date: July 02, 2024

**Nemkumar H**  
Managing Director  
DIN: 00350448

**Ronak Gandhi**  
Chief Financial Officer



## DECLARATION BY MANAGING DIRECTOR UNDER REGULATION 34(3) READ WITH SCHEDULE V OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 IN RESPECT OF COMPLIANCE WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the members of the Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of IIFL Securities Limited, as applicable to them, for the Financial Year ended March 31, 2024.

**For IIFL Securities Limited**

**Nemkumar H**

Managing Director

DIN: 00350448

Place: Mumbai

Date: July 02, 2024

## CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of  
**IIFL Securities Limited**  
Mumbai

We have examined the compliance of conditions of Corporate Governance by **IIFL Securities Limited** ('the Company'), for the financial year ended on **31<sup>st</sup> March, 2024**, as stipulated in regulations 17 to 27 and clauses (b) to (i) and (t) of regulation 46(2) and para C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 to the extent applicable.

The compliance with conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Nilesh Shah & Associates**

Company Secretaries

**Nilesh Shah**

Partner

FCS - 4554

C.P.No: 2631

Peer Review No. 698/2020

Place: Mumbai

Date: July 02, 2024

UDIN: F004554F000654500

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

*(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,  
 The Members,  
**IIFL Securities Limited**  
 IIFL House, Sun Infotech Park,  
 Road No. 16V, Plot No. B-23,  
 Thane Industrial Area,  
 Wagle Estate, Thane – 400 604.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **IIFL Securities Limited**, having CIN: L99999MH1996PLC132983 and having registered office situated at IIFL House, Sun Infotech Park, Road No. 16V, Plot No.B-23, Thane Industrial Area, Wagle Estate Thane – 400 604 (hereinafter referred to as **‘the Company’**), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and carried by us and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **March 31, 2024** have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory:

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1	Venkataraman Rajamani	00011919	13/05/2019
2	Narendra Jain	01984467	13/05/2019
7	Nemkumar H	00350448	17/10/2023
3	Anand Bathiya	03084831	22/09/2020
4	Shamik Sharma	07779526	14/01/2020
5	Rekha Warriar	08152356	08/05/2019
6	Viswanathan Krishnan	09026252	21/01/2021

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Nilesh Shah & Associates**

Company Secretaries

**Nilesh Shah**

Partner

FCS - 4554

C.P.No: 2631

Peer Review No. 698/2020

Place: Mumbai  
 Date: July 02, 2024  
 UDIN: F004554F000654522



# Management Discussion and Analysis

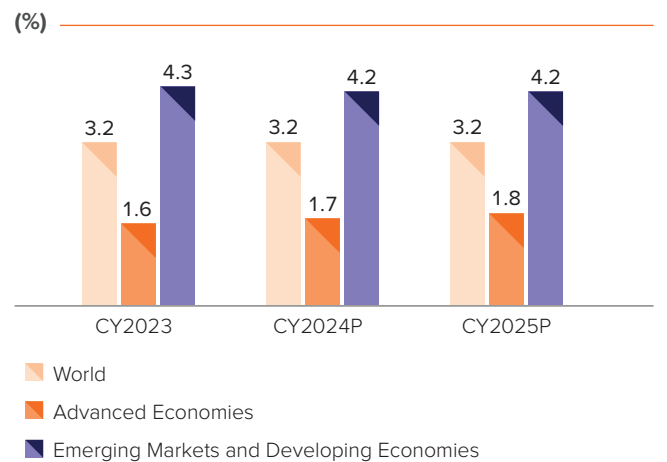


## Global Economy

Global economy proved to be more resilient than expected, even with notable interest rate hikes by central banks to curb inflation during 2023. This resilience was supported by strong economic activity and the ability to adjust to changing financial conditions. The economy's stability was evident through steady job growth and rising incomes, driven by strong consumer demand, increased government expenditure, and higher labour force participation.

As per IMF, global inflation is projected to decline gradually, from 6.8% in 2023 to 5.9% in 2024, and down to 4.5% in 2025. Despite the restrictive interest rates aimed at controlling inflation, households in leading developed nations tapped into savings accumulated during the pandemic, contributing to the unexpected economic momentum. The IMF data shows that global economy expanded by 3.2% in 2023, and this growth rate is anticipated to hold steady through 2024 and 2025. However, several factors such as lag effects of monetary tightening, reduction of fiscal support due to elevated government debt, and inflation still higher than the pre-pandemic levels, along with geopolitical tensions and lower productivity growth, are contributing to this less-optimistic forecast.

## World Economic Growth



Source: International Monetary Fund (IMF) April 2024 report  
 P: Projected



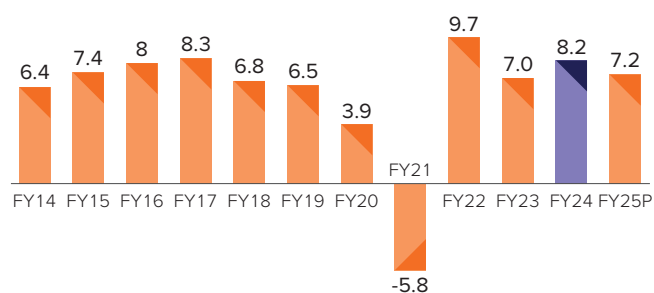
Advanced economies are expected to meet their inflation targets sooner than the emerging markets and developing economies. In 2024, advanced economies are expected to grow by 1.7%, with a modest increase to 1.8% in 2025, compared to the 1.6% growth recorded in 2023. This downward trend suggests a normalisation of price levels after recent periods of heightened inflationary pressure. While the headline inflation is predicted to decline slowly, various structural obstacles remain; affecting capital and labour mobility that hinders progress towards higher living standards, especially for middle and lower-income countries.

Emerging markets and developing economies are projected to grow by 4.2% in both 2024 and 2025 – a slight dip from the 4.3% growth observed in 2023.

### Indian Economy

India's economic growth momentum remained on a strong wicket. A sharp recovery in the domestic cyclical sectors of the company such as capex, real estate etc. drove the growth acceleration. India's economy grew by 8.2% in FY24, exceeding the 7.0% growth observed in FY23 while manufacturing and construction grew by 10% YoY, services grew by 7.6%. On the demand side, investments grew at 9% and offset the slowdown in private consumption. RBI projects India to grow at 7.2% in FY25.

#### Indian GDP Growth (%)

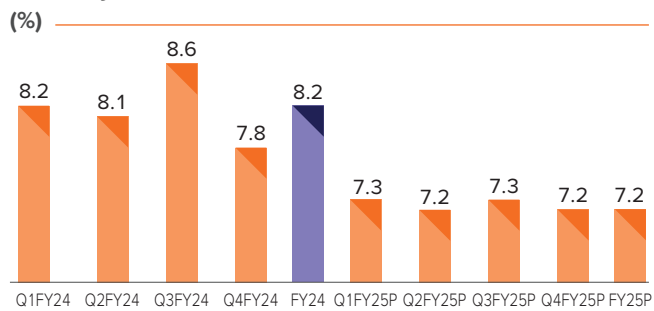


P: Projected

Source: NSO estimates dated May 31, 2024,

RBI (Reserve Bank of India) MPC (Monetary Policy Committee) report dated June 7, 2024

#### Quarterly GDP Growth Trends in FY24 and FY25 (%)



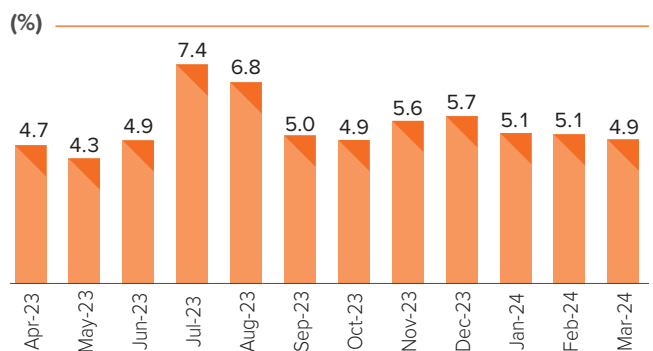
Source: NSO estimates dated May 31, 2024,

RBI (Reserve Bank of India) MPC (Monetary Policy Committee) report dated June 7, 2024

India's robust growth has allowed the RBI to focus more on bringing down inflation to its 4% target. The progress on containing inflation has been substantial, as the latter fell from 7.4% in July 2023 to 4.9% in March 2024. Core inflation (ex-food, fuel, energy, and gold) has trended below 4% for seven months in a row now. However, the last mile of disinflation is sticky, and food prices remain elevated. RBI projects FY25 inflation at 4.5%. The RBI's MPC maintained a steady policy repo rate of 6.5% during FY24, adhering to its stance of 'withdrawal of accommodation'. There are expectations of continued uncertainties in food prices, highlighting the need for careful monitoring of food inflation.

The growth momentum witnessed in FY24 has been driven by several positive macroeconomic indicators, including increased government emphasis on capital expenditure, upswing in the real estate cycle and heavy thrust on manufacturing and exports. Innovative technology solutions, including digital payments like UPI, formal credit through account aggregator networks, and online tax platforms like FASTag – all have significantly enhanced financial inclusion in India. The volume of digital payment transactions has seen significant growth, surging from 20.71bn in FY18 to 134.62bn in FY23; reflecting a robust Compounded annual growth rate (Cagr) of 45%. As of December 11, 2023, digital payment transactions had already reached 116.60bn, indicating that digital payment adoption had sustained the momentum. Government's interim Union Budget for FY25, with its allocation of ₹1trn for technology financing, aligns well with India's vision for technological advancement and innovation. High forex reserves covering 100% of external debt, current account deficit (CAD) contained within 2% of GDP and a stable rupee indicate resilient external sector. The economy's strength and resilience, coupled with recent reforms, have laid a strong foundation for long-term growth.

#### Inflation Growth Trends in FY24 (%)



Source: PIB

#### Outlook

Going forward, continued momentum in Manufacturing and Construction activity, and the broad-based growth across Services, are expected to boost economic activity in FY25. On the demand side, household consumption is anticipated to strengthen, while prospects for fixed investment are bright due to the expected upturn in the private capital expenditure cycle, improved business sentiments, healthy balance sheets



of banks and corporates, and the government's continued focus on capital expenditure. Macro liquidity conditions will also likely ease and an expected reduction of 50-75bps in the second half of the current fiscal will potentially drive a pick-up in credit growth. India's economic growth outlook thus remains robust.

## Equity Markets

In FY24, Indian Equity markets performed remarkably, aligning with the global uptrend driven by a resilient Indian economy and robust corporate earnings. The Nifty 50 Index posted a 28.6% gain in FY24. Mid and small-cap indices outperformed NIFTY significantly, clocking 60% and 72% returns respectively. Such strong performance placed Indian equities ahead of many emerging market counterparts, reflecting resilience and relative attractiveness. The rally was led by domestic cyclical

sectors such as capex, infrastructure, real estate, hotels, autos and industrials. In FY24, India's Sensex was one of the top-performing markets among major indices. Compared to FY23, the Sensex rose by 24.6% in FY24, trailing only the Nikkei that rose by 44%, and the S&P 500 that gained 27.9%. In contrast, the Hang Seng Index fell by 18.9% during FY24.

India's market capitalisation grew by 44% year-over-year (yoy) to ₹367trn (\$4.4trn) as of March 31, 2024, marking the second-highest growth in the past 14 years. This substantial increase positioned India as the fourth-largest market globally, behind the US, China (including Hong Kong), and Japan. The market cap to GDP ratio reached a record high of 124%, as on March 31, 2024. Apart from strong earnings growth, robust institutional flows both foreign and domestic were key enablers of expansion of market multiples.

## Market Performance across Equity Indices

Indicator Name	Mar-24	1M ago	3M ago	12M ago	1M (%)	3M (%)	6M (%)	12M (%)	YTD (%)
<b>Equity Indices</b>									
NIFTY 50	22,327	21,983	21,731	17,360	1.6	2.7	13.7	28.6	2.7
NIFTY 500	20,255	20,090	19,429	14,558	0.8	4.3	17.1	39.1	4.3
MSCI INDIA	2,640	2,604	2,487	1,920	1.4	6.2	18.8	37.5	6.2
India Volatility Index (%)	13	16	15	13	(17.6)	(11.5)	12.0	(0.8)	(11.5)
MSCI WORLD	3,438	3,337	3,169	2,791	3.0	8.5	20.5	23.2	8.5
S&P 500 COMPOSITE	5,254	5,096	4,770	4,109	3.1	10.2	22.5	27.9	10.2
DOW JONES INDUSTRIALS	39,807	38,996	37,690	33,274	2.1	5.6	18.8	19.6	5.6
HANG SENG	16,541	16,511	17,047	20,400	0.2	(3.0)	(7.1)	(18.9)	(3.0)
FTSE 100	7,953	7,630	7,733	7,632	4.2	2.8	4.5	4.2	2.8
NIKKEI 225	40,369	39,166	33,464	28,041	3.1	20.6	26.7	44.0	20.6

On foreign flows, Foreign Institutional Investors (FII) equity inflows in FY24 were quite strong at \$25bn vs an outflow of \$6bn in FY23. ECB and FCCB flows were also quite strong – \$49bn in FY24 vs \$27bn in FY23. FX reserves (~\$650bn) are at a comfortable position, covering almost entire external debt. INR has been relatively steady in FY24 (~1.5% depreciation), while its major EM/ DM peers have depreciated more vs USD. Domestic Institutional Investors (DII) net inflows at \$25bn have been strong too.

India's weight in MSCI EM index has increased to 18.3% from 7% in 2012. China's weight, on the other hand, after rising to ~39% in 2021 (from 8% in 2006) has fallen to 25% currently. India currently has over 370 companies with market cap of over \$1bn. As free float rises, we expect more stock additions from India and that will possibly drive India's weight even higher from current levels.

In September 2023, JP Morgan announced inclusion of Indian Sovereign bonds in the JP Morgan Global Bond Index – Emerging Markets, from June 28, 2024, assigning a 10% weightage. Bloomberg also followed suit and included India in its Bloomberg EM LCY Government Index from January 2025. Cumulatively, inflows to the tune of \$25-30bn is expected because of this inclusion. The inclusion of Indian bonds in global indices will ensure lower yields (and hence, lower borrowing costs for companies), stronger INR and a strong BOP position for India.

Net FDI to India in FY24 was only \$10.9bn, down 61% from FY23. However, gross FDI was flat at \$71bn. In FY24, existing FDI worth \$44bn was repatriated back to source countries – an increase of almost 50% YoY, bringing net FDI down. However, Government of India's (GoI's) manufacturing push, PLI incentives, Make in India Scheme and the West looking to reduce dependence on China are factors that will support FDI inflows.

**Outlook on markets**

Over the medium to long term, Indian equity markets are in a goldilocks scenario. India’s robust macro-economic stability, sanguine growth outlook, thriving entrepreneurship, improving productivity, rising capital spend, sustained improvement in infrastructure, solid policy support, healthy corporate balance sheets and widening breadth all bode well. Sustained growth in domestic flows, both institutional (principally provident and pension funds) and non-institutional, and buoyancy in profit cycle will likely keep valuations rich over the medium term. Having said that, the sharp run up in the markets in the past 6-12 months has resulted in pockets of excessive valuations. We see more value in large caps especially financials and market leadership will yet again change at some point. Indian equities have delivered superior risk-adjusted returns over the past three decades and we see no reason why it will not do so in the coming decades.

**Industry Overview**

**Retail Equity**

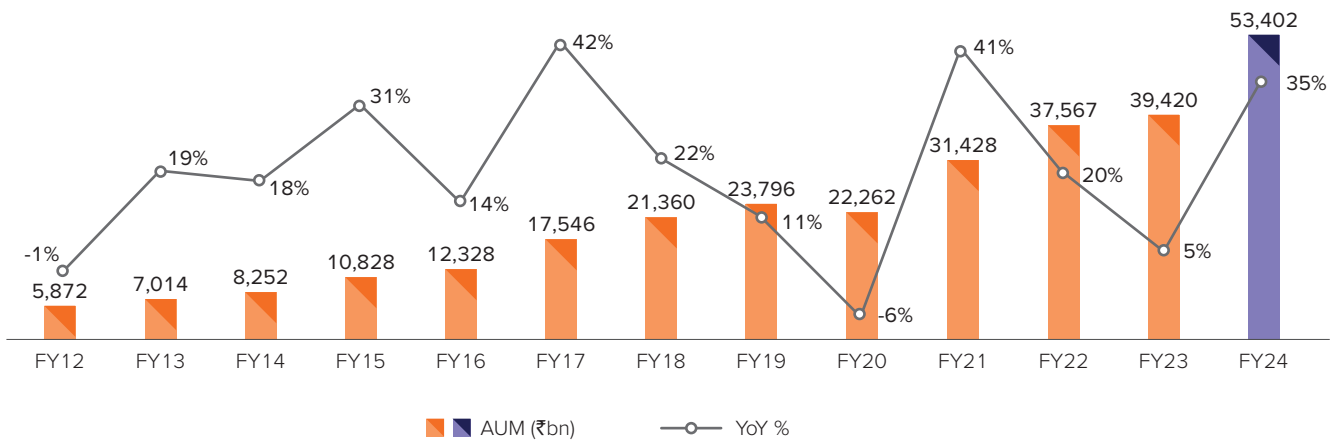
In FY24, the investor base surpassed the 90mn mark in FY24, indicating a significant increase in new investor registrations. The total count of registered investors reached 92mn by FY24, marking a notable increase from approximately 73mn recorded in FY23. New registrations rose by 42.6% vs the

previous year; reaching 19mn registrations – up from 13mn in FY23. This surge in new investor registrations can be attributed to the market’s strong performance throughout FY24, characterised by multiple highs, particularly with the Nifty crossing the 22,000 mark during the year. During FY24, a total of 213 companies were listed on the NSE through initial public offering (IPOs) on the mainboard as well as the Emerge platform, marking a significant increase vs the number of new listings in FY23. The number of new listings more than doubled, reflecting a heightened investor interest in the market during FY24.

**Mutual Funds**

In FY24, the assets under management (AUM) of the Mutual Fund (MF) industry exceeded ₹53trn marking a 35.5% increase from the previous year. A large part of the flows came into equity and hybrid schemes. As of March 31, 2024, the total number of folios reached 177.9mn. Among these, the number of folios under equity, hybrid, and solution-oriented schemes – which attracted significant retail investment – stood at approximately 142.4mn. In FY24, while the industry’s AUM in equity and equity oriented schemes rose by 55%, that of the debt schemes rose by a moderate 7% only. The increase in tax rates on investments made in debt mutual funds after April 01, 2023 has made it totally unattractive.

**Total Mutual Fund AUM**  
(₹bn)

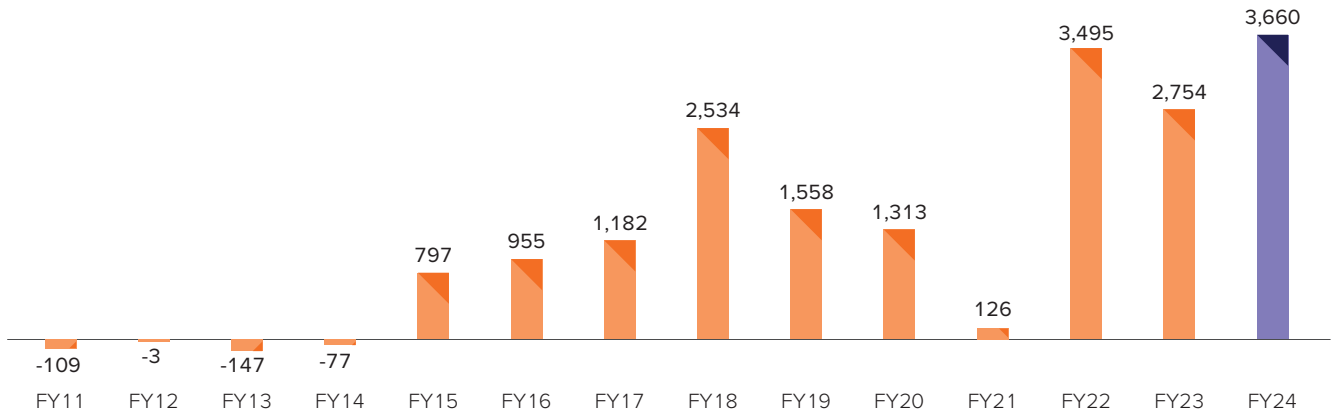


Source: AMFI, IIFL Research

The financialisation of savings in India has been gaining momentum, highlighting a growing awareness among investors that financial assets are key to building wealth. As income and expenditure levels continue to rise, there’s an increasing need to direct monthly savings toward investment avenues that yield higher returns. The significant inflow of investments into equities reflects a clear shift in investor attitudes, with a greater willingness to take risks in the pursuit of higher returns. This change indicates that more Indians are seeking to grow their wealth through financial instruments, demonstrating a shift from traditional saving methods.



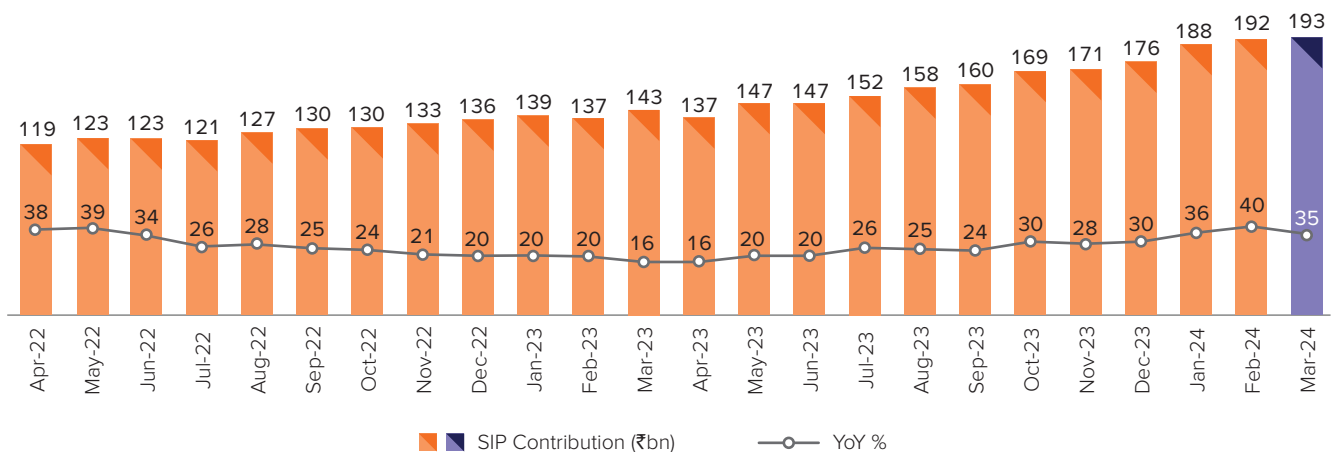
## Net Mutual Fund Equity Collections (₹bn)



Source: AMFI, IIFL Research

Investor adoption of systematic investment plans (SIPs) has continued to increase, with monthly net inflows reaching approximately ₹193bn in March 2024. Throughout FY24, total net inflows through SIPs amounted to nearly ₹2trn - a significant increase from ₹1.55trn in FY23. This consistent growth in SIP adoption has highlighted the growing preference among investors for regular and disciplined investment strategies.

## Monthly SIP Contribution (₹bn)

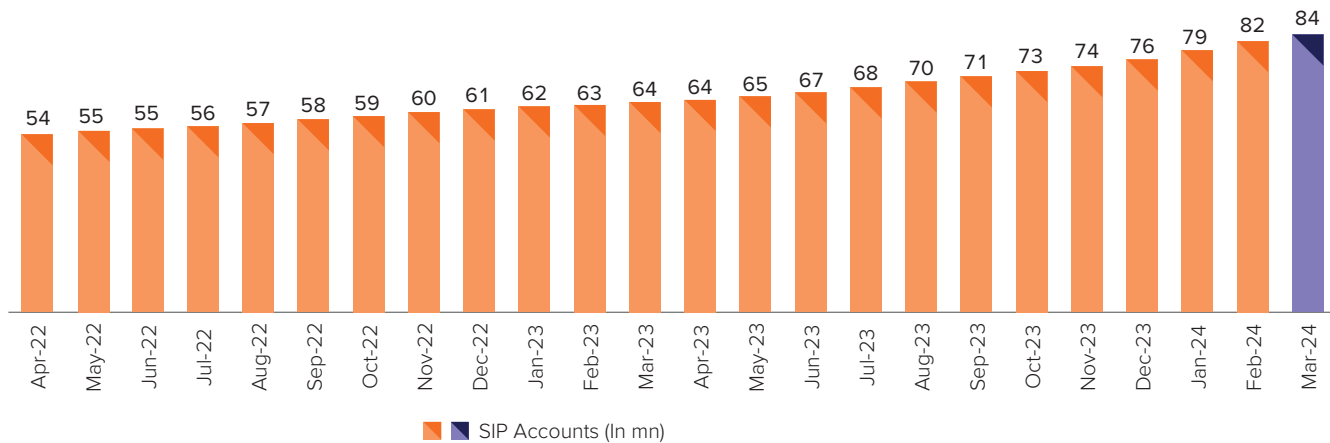


Source: AMFI, IIFL Research

As of March 2024, SIP assets totalled ₹10.71trn, representing over 20% of the MF industry's total assets. Additionally, the number of SIP accounts approached 84mn, with approximately 1.7mn new accounts being added each month. It reflects the growing popularity of SIPs among investors and their increasing role in the overall MF industry.

### Monthly SIP Accounts

(In mn)



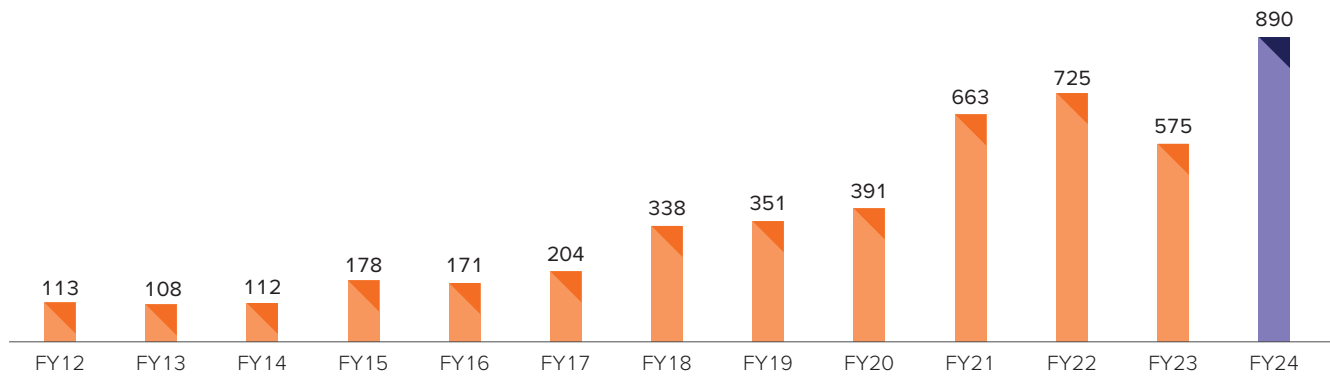
Source: AMFI, IIFL Research

### Stock Broking

Investment patterns shifted notably in the last month of FY24, due to heightened market volatility, which caused investor uncertainty. Despite this, the average daily market turnover gained about 55%, reaching ₹890bn during FY24. The increase in turnover implies that despite instability and unpredictability, trading activity stayed robust, indicating a resilient market environment.

### Average Daily Market Turnover in Cash Segment

(₹bn)

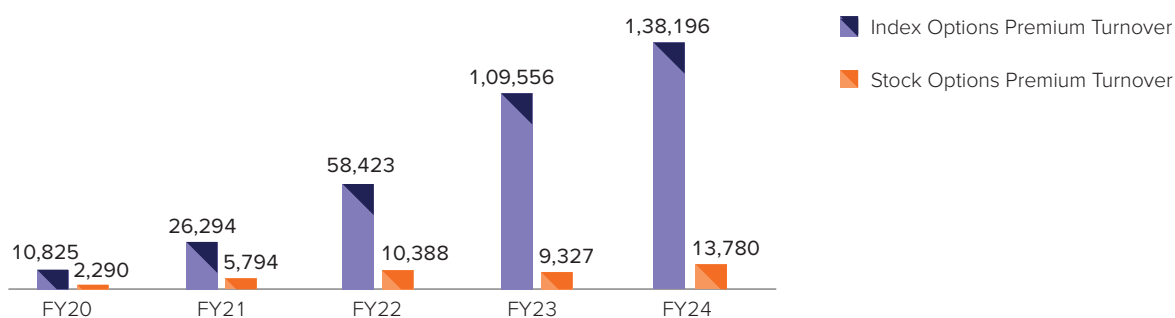


Source: IIFL Research

Both index and stock options premium turnover experienced significant growth during FY24. The index options premium turnover increased by 26%, reaching ₹1,38,196bn vs ₹1,09,556bn in FY23. Similarly, the stock options premium turnover saw an even higher growth rate of 48%, reaching ₹13,780bn in FY24 - up from ₹9,327bn in FY23. These figures reflect a strong upward trend in the Options Trading segment, indicating growing investor interest and activity in the Derivatives market.

### Options Premium Turnover at NSE is gaining predominance

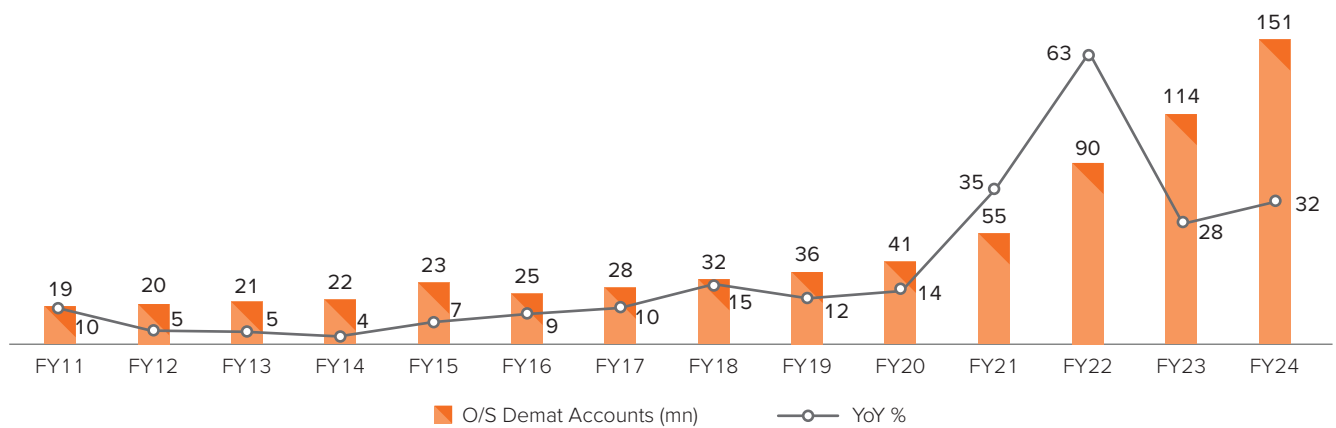
(in ₹bn)


 Source: NSE (<https://www.nseindia.com/market-data/business-growth-fo-segment>)



In FY24, India saw a notable increase in demat accounts, with an average of 3mn new accounts being added each month. This growth was reflected across both major depositories, CDSL and NSDL, which experienced a 32% year-over-year (yoy) increase, bringing the total number of demat accounts to 151mn – up from 114mn in the previous year.

### Demat Accounts (in mn)



Source: IIFL Research

### Investment Banking

Globally, deal values experienced a significant decline, dropping from over \$5trn in 2021 to \$2.5trn in 2023, with deal volumes also decreasing by 17% during the same period. However, there was a significant shift towards growth funding and a revival in Venture Capital transactions. During the year, controlling stake deals increased, portfolio exits through capital markets and IPOs rose, and Private Equity (PE) operating models evolved towards buyouts, platforms, and add-ons. Globally, there was also a decrease in the number of new unicorns.

The IPO activity in India saw a significant resurgence in 2023. In FY24, a total of 78 IPOs raised ₹676 bn, compared to 39 IPOs raising ₹530 bn in FY23. Most IPOs were heavily oversubscribed and mean oversubscription was over 35x. 18 IPOs delivered over 100% return on listing. The top 10 IPOs by value creation accounted for nearly 70% of the total market cap accretion, highlighting strong investor interest in larger issues as well. FY24 was thus marked by positive returns, substantial market cap addition, and high investor engagement; setting a promising tone for the IPO market in FY25.

Despite an overall decrease in deal activity, PE transactions continued to outpace traditional Mergers and Acquisitions (M&A). There were 156 mergers and acquisitions among start-ups in CY23, with 127 occurring domestically and several involving international transactions; highlighting the Investment Banking sector's pivotal role in enabling these transactions.

PE investments in India totalled \$36.5bn in CY23, representing a substantial 36% drop from the previous year. Despite this decline, the average investment size per deal increased to

\$46mn from \$42mn last year; indicating a potential shift towards larger opportunities.

The value for bulk and block deals have been rising strongly over the past five years. In FY24, block deals grew by 55% to ₹5.25trn vs. ₹3.38trn recorded in FY23. Despite a slight decrease in volume, block deals remained a vital exit strategy for private equity firms. In 2023, the M&A activity involving start-ups totaled 156 deals, primarily domestic transactions with one start-up achieving unicorn status compared to 21 in the previous year. In India, Software as a Service (SaaS) has emerged as the primary sector for creating unicorns, with FinTech closely following, having a total of 16 unicorns during CY23. Bengaluru, NCR, and Mumbai remained the primary hubs for start-up activity in India, accounting for approximately 83% of the total funding.

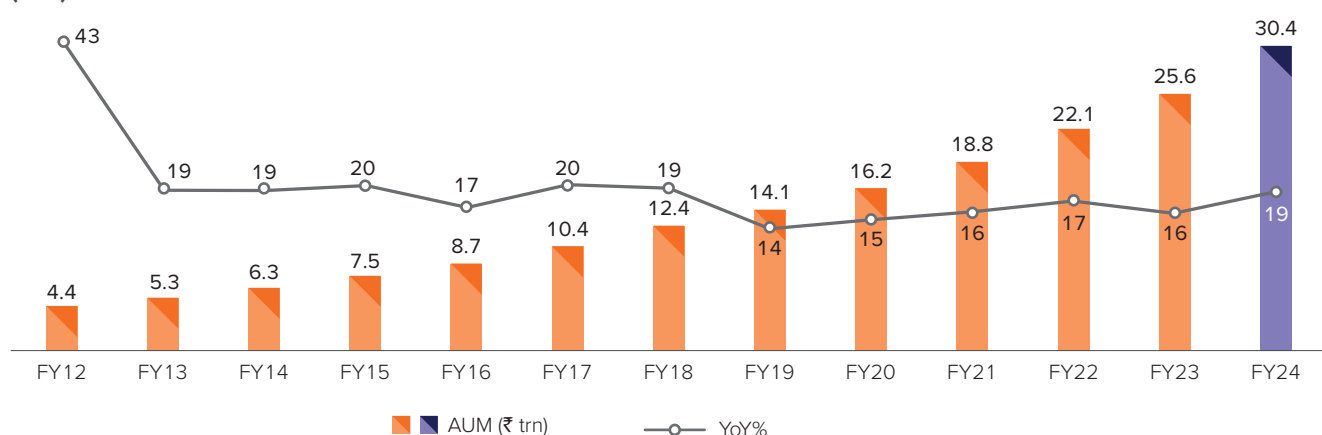
Source: PWC

### Portfolio Management Services (PMS)

Portfolio managers have gained significant advantages from better-organised information, broader distribution networks, and differentiated products. These factors have drawn substantial investment into different portfolio management strategies. These factors, along with the perception of higher returns, have fueled the PMS industry's growth in recent years. Going forward, the PMS industry appears to have a promising future, with a growing number of HNIs and the expectation of generating superior risk-adjusted returns through investments in diversified strategies. There's also increasing interest from first-time PMS investors, as well as UHNI's and Family Offices allocating more toward well-performing PMSs. The industry has seen a 19% yoy increase in value of assets under PMS; total assets under the PMS crossed the ₹30trn mark in FY24.

### PMS Schemes – AUM growth over the years

(₹trn)



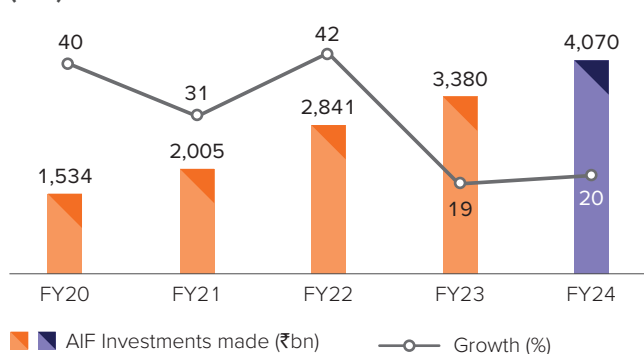
Source: SEBI, IIFL Research

### Alternative Investment Funds (AIF)

AIFs are pooled investment vehicles and invest in all categories of financial assets including equities both listed and unlisted, pre-IPO, private equity and venture cap, InVITs and REITs, high yield credit etc. AIFs as a category is less than a decade old, yet has seen a robust AUM growth. As of end FY24, total investments stood at ₹4,070bn, a growth of over 20%.

#### AIF Investments

(₹bn)



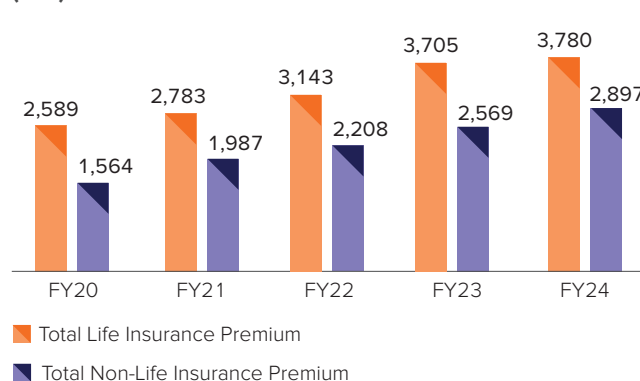
Source: SEBI

### Insurance

India's insurance sector is on a secular growth path. Over the past two decades, life insurance premiums have grown at a steady 14.1% Cagr. As at end FY24, total life insurance premium collections stood at ₹3,780bn. Premiums earned in the non-life segment comprising of segments like motor, health, marine, fire, crop etc., totalled ₹2,897bn. Rising penetration, improving disposable incomes and savings, favourable regulations, better product innovation, increasing awareness of risks are all driving the growth of the sector.

### Insurance Premiums

(₹bn)



Source: IRDAI

### Regulatory Changes

Some of the key regulatory changes in so far as it relates to the segments in which we operate during FY24 are summarized below:

- With effect from July 01, 2023, SEBI has designated certain stock brokers as QSBs (Qualified Stock Brokers). This designation is based on a number of factors including size and scale of operations. QSBs are required to meet enhanced obligations and discharge responsibilities to ensure appropriate governance structure, risk management policy and processes, scalable infrastructure and a proper framework for cyber security and investor services including online complaint redressal mechanism.
- SEBI has taken measures to safeguard customer funds with stockbrokers and clearing members, mandating



daily transfer of funds to Clearing Corporations. This aims to mitigate fund-related risks by placing surplus funds in low-risk instruments and providing independent daily confirmations to investors.

- To minimize the leverage risk and risk to client's funds, SEBI mandated no new Bank Guarantees (BGs) to be created out of clients' funds effective from May 01, 2023 and all existing BGs created out of clients' funds to be wound down by September 30, 2023.
- SEBI issued new regulations on short selling for both institutional and retail investors, aiming to improve transparency.
- BSE Limited (BSE) and National Stock Exchange of India Limited (NSE), under the guidance of SEBI, have established a technology-driven platform to streamline the process of data backup and repository concerning IPO, FPO (Follow on Public Offer), Rights Issue, and other capital market activities. This platform will serve as a repository for due diligence documents compiled and maintained by merchant bankers for various capital market transactions.
- SEBI introduced Online Dispute Resolution (ODR) as the primary method for resolving disputes in the Indian Securities market. The circular issued by SEBI provides a detailed framework for escalating cases to ODR, selecting ODR institutions, conducting various ODR processes, defining timelines for each process, and determining the associated costs.

- SEBI reduced the timeline for listing shares on stock exchanges after the closure of IPOs from T+6 days to T+3 days. This reduction in timelines – voluntary for public issues opening on or after September 1, 2023, and mandatory for issues after December 1, 2023 – benefits both issuers and investors.

- SEBI, through its Master Circular dated October 16, 2023, has outlined a comprehensive framework for Offer for Sale (OFS) of shares to employees via the stock exchange mechanism. Previously, OFS to the eligible company employees occurred outside the stock exchange mechanism. To enhance efficiency, ease compliance, and reduce costs, SEBI has amended the procedure, allowing promoters to offer shares to employees in OFS through the Stock Exchange Mechanism. This process, effective from February 23, 2024, aligns employee OFS with the retail category on T+1 day.

### Company Overview

IIFL Securities has a legacy of over two decades and is a key player in the Indian financials services sector. IIFL Securities provides broking services, financial product distribution, PMS / AIF, institutional research, and investment banking services. Its clientele includes corporates, institutional investors, sovereign wealth funds, international portfolio investors, mutual funds, insurance companies, banks, pension funds, alternative investment funds, trusts, high-net-worth individuals, and retail investors. As at end FY24, the firm had a total AUM of ₹1,883bn.

### Product Offerings - Providing comprehensive solutions for all capital market needs

#### COMPREHENSIVE SUITE OF PRODUCTS ACROSS CUSTOMER SEGMENTS



IIFL Securities has over 100 branches in India and also has 6,000+ partners. Our Company's global presence extends across Singapore, London and New York. The Company has more than 900 clients in the institutional segment and over 3 mn clients in the non-institutional segment. IIFL's institutional research is highly ranked and the team covers over 270 companies.

### Strengths

#### Reputed Brand Identity

Since 1996, being affiliated with the IIFL Group, IIFL Securities has built a strong reputation and customer-centric ethos, consolidating its position as a reliable and trustworthy entity in the industry.



### Experienced Leadership and Skilled Team

Under the direction of a highly experienced leadership team, IIFL Securities leverages a methodical and data-centric approach to decision-making. Our Relationship Managers are distinguished by their exceptional academic qualifications and professional expertise, enabling them to address the unique needs of our clients. This dedication to comprehensive research and personalised service ensures that our clients receive well-informed, bespoke financial strategies tailored to achieve their specific objectives and aspirations.

### Increased Emphasis on the Investment Banking and Institutional Broking Businesses

IIFL Securities excels in the Investment Banking sector, benefiting from a deep understanding of both customers and markets across various segments. The Company has a experienced team of 100+ employees across sales, research & trading with a proven track record of executing large block placements for financial sponsors, public market funds & promoters.

### Access to Diverse Asset Classes and Tailored Investment Services

The Company serves as a one-stop destination for all financial requirements, offering access to various asset classes such as equities, fixed income, commodities, currencies, derivatives, mutual funds, alternative investments, portfolio management services & digital platforms like tradebox, sensibull, grobox, algo trading, etc. This wide range of offerings caters to diverse investment preferences and risk appetites.

### Nationwide Presence

With a presence of 6,000+ partners & 100+ branches across pan India, the Company enjoys nationwide market access, facilitating outreach to clients and markets throughout the country. This expansive presence not only boosts brand visibility and fosters trust but also enables the Company to leverage local expertise, forge partnerships, attract talent, ensure regulatory compliance, and establish a foundation for scalability and future growth.

Opportunities	Threats
<p><b>Focusing on the Fast growing HNI Segment</b></p> <p>Focusing on the high-net-worth individuals and affluent segment is an opportunity to penetrate a market with substantial purchasing power. This strategy is anticipated to drive profitability and higher returns on investment.</p>	<p><b>Cybersecurity</b></p> <p>Cybersecurity presents a significant threat, with potential risks including data breaches, financial losses, service disruptions, and regulatory consequences. The cyber security breaches pose a significant risk to the Company, potentially compromising sensitive client data and financial information, disrupting trading and critical business operations, and eroding market integrity.</p>
<p><b>Untapped Market</b></p> <p>With the expansion of Indian economy and spread of digitalisation, the future of capital market business in India seems promising. Factors such as low financial literacy, limited access to financial services and a burgeoning middle class contribute to this under penetrated market. By leveraging technology, tailoring product offerings to local preferences and educating the potential investors, the Company can enter these markets, expand customer base and contribute to the development of financial markets in these regions.</p>	<p><b>Global Economic Slowdown</b></p> <p>Global economic slowdown will have a negative impact on the macro environment. It may also lead to reduced liquidity which may impact the industry's growth rate.</p>
<p><b>Harnessing Technology to facilitate best practices and processes</b></p> <p>The Company acknowledges the vast potential of leveraging technology to implement best practices and streamline processes. This presents a valuable opportunity to enhance customer experiences, introduce innovative features that contribute to clients' financial success, and ultimately upscale revenues. Moreover, automating various operational processes can substantially cut costs, resulting in heightened efficiency and profitability. By embracing this technological opportunity, the Company can position itself as a leader in the industry and foster sustainable growth.</p>	



## Operational Review

In FY24, the Company achieved a consolidated revenue growth of 63%, totaling ₹22,313mn compared to ₹13,704mn in FY23. The consolidated profit for the period increased by 106% to ₹5,121mn from ₹2,480mn in FY23.

The Company's Distribution business revenue saw a significant increase of 59% to ₹3,869mn in FY24 vs the previous year. This growth in the distribution business has helped the

company to diversify its revenue mix. AUM of the company's AIF business rose to ₹39bn by end FY24, while that of the PMS business to ₹24bn.

During the year, the Company completed 59 transactions, including 20 IPOs, 14 Qualified Institutional Placements, 19 advisory/private placement transactions, as well as various advisory transactions, buybacks, offer for sale, and open offers. The company also managed placements of a number of marquee blocks on behalf of sponsors and PE funds.

## Financial Performance

(₹ in mn)

Particulars	Year Ended	
	March 31, 2024 Audited	March 31, 2023 Audited
<b>1. Income</b>		
a. Interest Income	3,288.2	2,024.9
b. Rental income	192.6	173.1
c. Fees and commission Income	18,132.0	11,322.8
<b>Total Revenue from operations (a)+(b)+(c)</b>	<b>21,612.8</b>	<b>13,520.8</b>
2. Other Income	700.1	183.0
<b>3. Total Revenue (1+2)</b>	<b>22,312.9</b>	<b>13,703.8</b>
<b>4. Expenses</b>		
a. Employee benefits expense	1,480.3	3,581.3
b. Finance cost	4,771.4	755.5
c. Depreciation and amortization expense	4,570.5	668.4
d. Fees and commission expense	1,137.8	2,738.7
e. Administration and other expense	3,526.9	2,551.2
<b>Total Expenses (a+b+c+d+e)</b>	<b>15,486.9</b>	<b>10,295.1</b>
<b>5. Profit before tax (3-4)</b>	<b>6,826.0</b>	<b>3,408.7</b>
6. Tax Expenses		
a. Current Tax	1,791.7	969.3
b. Deferred Tax	(43.3)	(56.1)
c. Tax adjustment for prior years	(55.9)	(2.7)
<b>Total Tax Expenses (a+b+c)</b>	<b>1,692.5</b>	<b>910.6</b>
<b>7. Profit for the period (5-6)</b>	<b>5,133.5</b>	<b>2,498.1</b>

### Income

#### Revenue from Operations

The Company's revenue primarily comprises income from retail and institutional brokerage, investment banking, and distribution across various asset classes.

#### Interest Income

Interest income constitutes 15% of the Company's consolidated total income. It saw a yoy growth of 62%; reaching ₹3,288mn in FY24 from ₹2,025mn in FY23, driven by an increase in the client funding book and interest earned on fixed deposits lying with stock exchanges.

#### Brokerage & Related Income

Brokerage & related income rose by 58% from ₹7,600mn in FY23 to ₹12,017mn in FY24. This growth is attributed to a significant rise in Average Daily Turnover (ADTO), which has increased by 71% from ₹1,536bn in FY23 to ₹2,631bn in FY24, and also due to the stellar growth in the Institutional Broking business.

#### Investment Banking Income

Investment Banking revenues witnessed a strong growth in line with the industry trends. Income in this segment grew by 74% to ₹2,245mn in FY24 from ₹1,287 Million in FY23.

### Financial Products Distribution Income

Financial Products Distribution (FPD) income, accounting for 17% of the consolidated total income, increased by 59% in FY24. This growth is attributed to focused efforts in acquiring new relationships in the Affluent segment, with FPD AUM rising from ₹196bn in FY23 to ₹261bn in FY24.

### Other Income

Other income, primarily comprising investment income, interest income on inter-corporate deposits, income tax refunds, and profit resulting from changes in the fair value of investments and property sales.

### Expenses

#### Finance Costs

Finance costs, comprising of interest on borrowings, debt securities, and other financial expenses like bank guarantee commissions increased during the year. The increase came on the back of increased working capital requirements and emerging needs of margin funding book.

#### Fees and Commission Expense

Fees and commission expenses, including sub-brokerage fees, referral fees, and related expenses, amounted to ₹4,771mn in FY24; reflecting a 74% yoy increase, primarily due to higher revenue generated by partners in FY24 vis-à-vis FY23.

### Employee Benefit Expenses

Employee benefit expenses, covering salaries, wages, provident fund contributions, share-based payments, staff welfare, leave encashment, and gratuities, rose during the year due to variable pay/bonus compared to the previous year.

### Depreciation, Amortization and Impairment

Depreciation, amortization, and impairment expenses include depreciation of property, plant, and equipment, as well as Amortization/impairment of intangible assets.

### Other Expenses

Other expenses, comprising of technology, marketing, advertising, commission expenses, communication, legal and professional charges, office expenses, and electricity etc., increased by 38% compared to the previous year.

### Liquidity and Capital Resources

In terms of liquidity and capital resources, the Company consistently maintained liquidity through cash from operations and bank borrowings. As of March 31, 2024, cash, bank balances, and fixed deposits totaled ₹44,675mn. The company has sufficient cash reserves to fund its capital expenditure and working capital needs.

## Segment-wise Performance

(₹in mn)

Segments	For the year ended			
	March 31, 2024		March 31, 2023	
	Segment Revenue	Segment Results	Segment Revenue	Segment Results
Capital market activity	19,404	6,610	12,402	3,187
Insurance Broking and ancillary	2,587	382	980	218
Facilities and ancillary	564	(166)	827	4
Less: Inter Segment Revenue/unallocated	(242)	-	504	-
<b>Total</b>	<b>22,313</b>	<b>6,826</b>	<b>13,704</b>	<b>3,409</b>

Revenue from capital market activity surged from ₹12,402mn in FY23 to ₹19,404mn in FY24, marking a 56% yoy increase. This growth was primarily fueled by the Broking and Investment Banking business.

Revenue from the Insurance Broking and Ancillary segments grew from ₹980mn in FY23 to ₹2,587mn in FY24, representing a 164% yoy increase.

In contrast, the revenue from Facilities and Ancillary segments declined from ₹827mn in FY23 to ₹564mn in FY24.

### Key Financial Ratios

Details of significant changes in key financial ratios (i.e., change of 25% or more as compared to the immediately previous financial year)

Key Ratios	FY24	FY23	Variance %
Debt/Equity Ratio	0.65	0.36	79%
Net Profit Ratio	23%	18%	27%
Return on Average Net Worth	33%	20%	66%



### Explanation:

**Debt Equity Ratio** – The debt-to-equity ratio increased from 0.36 in FY23 to 0.65 in FY24, primarily due to an increase in borrowings from ₹4,858mn as on March 31, 2023 to ₹11,538mn as on March 31, 2024. Higher borrowings were principally used to grow margin funding book and working capital needs.

**Net Profit Ratio and Return on Average Net Worth** - The Net Profit Ratio and Return on Average Net Worth increased mainly due to increase in total profit from ₹2,480mn in FY23 compared to ₹5,121mn in FY24.

### Business Outlook

Given the tailwinds of a growing economy and the cyclical uptrend in the equity markets, we believe the business environment for the Company is very favourable. While remaining focused on further growing the broking and investment banking businesses, the Company is also building on the gains made in the financial products distribution business. Wealth management is a new area of focus. The goal is to add annuity streams of income to an otherwise cyclical business. We will continue to invest in upgrading technology, people resources and branding to fully capitalize on the current and emerging opportunities.

### Risk & Concerns

IIFL Securities, being a Financial services company, faces various internal and external risks including Regulatory Risk, Operational Risk, Technology Risk, Credit Risk, ESG Risk and Liquidity Risk, which could impact its performance and reputation. Effective risk management is crucial to address and mitigate these risks.

The Company has established a comprehensive Enterprise Risk Management (ERM) Policy. This policy aids in identifying, assessing, mitigating, and monitoring risks, thereby safeguarding clients' assets, maintaining its reputation, and capitalising on business opportunities.

*Please refer to the Directors' Report and the Narrative section for details on the Company's Risk Management framework and Risk and Concerns.*

### Human Resources

The Company prioritises providing its employees with a discrimination-free environment that promotes diversity and inclusion. It acknowledges the diverse characteristics, experiences, requirements, and aspirations of its workforce. The Company promotes employee engagement through robust frameworks, facilitating the development and retention of a highly motivated team. It's mission and strategy are supported by specialised training initiatives, empowering employees to develop technical and behavioural skills essential for their professional and personal growth. The Company is deeply invested in the overall wellbeing of its workforce ensuring holistic growth. As of March 31, 2024, the Company employed 1,486 skilled individuals, with women constituting around 23% of the workforce.

*For further details, refer to the Social under ESG Overview in the Narrative section.*

### Internal Controls

The Company's systems are adequate and effective, aligned with the nature and size of its business operations. The Company ensures adherence to applicable statutes and regulations through well-defined processes, guidelines, and procedures. These are regularly reviewed to stay updated with changes in the business environment and relevant laws. The Company maintains a well-defined internal audit framework, covering processes and systems to safeguard assets, prevent and detect errors and frauds, ensure accuracy and completeness of accounting transactions, and timely preparation of reliable financial information. Internal auditors assess the adequacy of internal controls, with their reports reviewed by the Audit Committee. Based on recommendations, necessary actions are taken to enhance systems and processes.

# Independent Auditor's Report

## To the Members of IIFL Securities Limited

### Report on the Audit of the Standalone Ind AS financial statements

#### Opinion

We have audited the standalone Ind AS financial statements of **IIFL Securities Limited**, which comprise Balance Sheet as at March 31, 2024, the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

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

#### Key Audit Matters

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

Sr No. Key Audit Matter	Response to Key Audit Matter
<p><b>1. Information technology (IT) systems used in financial reporting process.</b></p> <p>The Holding company's operational and financial processes are dependent on IT systems due to large volume of transactions that are processed daily.</p> <p>We therefore identified IT systems and controls over financial reporting as a key audit matter for the Holding Company.</p>	<p>We obtained an understanding of the Holding Company's IT control environment relevant to the audit.</p> <p>We tested the design, implementation and operating effectiveness of the Holding Company's General IT controls over the key IT systems which are critical to financial reporting.</p> <p>We also tested key automated and manual controls and logic for system generated reports relevant to the audit that would materially impact the financial statements.</p> <p>In addition to above, we have also relied on the work of the internal auditors and system auditors.</p>
<p><b>2. Contingent Liabilities</b></p> <p>The Company is involved in various disputes with regulatory authorities and others for which final outcomes cannot be easily predicted and which could potentially result in significant liabilities. The assessment of the risks associated with the litigations is based on complex assumptions, which require the use of judgment and such judgment relates, primarily, to the assessment of the uncertainties connected to the prediction of the outcome of the proceedings and to the adequacy of the disclosures in the financial statements. Because of the judgment required, the materiality of such litigations and the complexity of the assessment process, this is identified as a Key Audit Matter. (Refer Note No.31 of the Financial Statements regarding disclosure of contingent liabilities).</p>	<p><b>Our audit procedure in response to this key Audit Matter inter-alia included:</b></p> <ul style="list-style-type: none"> <li>Assessment of the process and relevant controls implemented to identify litigations and pending administrative proceedings.</li> <li>Assessment of assumptions used in the evaluation of potential legal risks performed by the legal of the Company considering the legal precedence and other rulings in similar cases.</li> <li>Inquiry with the legal department personnel regarding the status of the most significant disputes and perusal of the key relevant documentation.</li> <li>Analysis of opinion obtained by the Company from external experts, wherever available.</li> <li>Review of the adequacy of the disclosures in the notes to the financial statements.</li> </ul>



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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's Annual Report, but does not include the financial statements Auditors Report(s) thereon. The Company's Annual Report is expected to be made available to us after the date of this Auditor's Report.

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

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

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

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

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

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

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from

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

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and

timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the financial statements.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
  - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account maintained for the purpose or preparation of the financial statements.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
 

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 managing director 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, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note No 31 of the financial statements;
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses- Refer Note No 40(3) of the financial statements;
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company- Refer Note No 40(4) of the financial statements;
  - (iv) (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries - Refer Note No 40(1) of the financial statements;
  - (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by



the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries - Refer Note No 40(2) of the financial statements; and

- (c) In our opinion and based on the audit procedures, we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- (v) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act;
- (vi) Based on our examination, which included test checks, the Company has used accounting

software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being trampled with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

**For V. Sankar Aiyar & Co.,**

Chartered Accountants  
(FRN 109208W)

**(S Nagabushanam)**

(M.No.107022)

Place: Mumbai

Date: May 16, 2024

UDIN: 24107022BKFGJG1277



# Annexure A

## to the Independent Auditor's Report

### Annexure referred to in our report of even date to the members of IIFL Securities Limited on the accounts for the year ended 31st March 2024

- (i) (a) (A) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of Right of use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) As explained to us, the company has a phased programme of verification of fixed assets once in 3 years which in our opinion is reasonable considering the size of the company and nature of its fixed assets. Based on the information and the explanation given to us and on verification of the records of the Company, no material discrepancies were observed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties which are freehold and disclosed in the financial statements are held in the name of the Company.
- (d) According to the information and explanation given to us and records of the Company examined by us, the Company has not revalued its Property Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanation given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act 1988 (45 of 1988) and rules made thereunder and accordingly, the requirements of paragraph 3(i)(e) of the Order are not applicable to the Company.
- (ii) (a) The Company is not carrying on any trading or manufacturing activity. Therefore Para 3(ii)(a) of the Order is not applicable to the Company.
- (b) In our opinion and according to the information and explanation given to us and records of the Company examined by us, the Company has availed working capital limits from Banks on the basis of security of current assets. The quarterly returns or statements filed by the Company with the banks are generally in agreement with the books of accounts of the Company.

- (iii) During the year, the Company has not made any investment, provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to Companies, firm, Limited Liability Partnerships or any other parties except the following: -

The Company has granted unsecured loans to subsidiary Companies, during the year: -

- (a) According to the information and explanations given to us and records of the Company examined by us, during the year the Company has provided loans to companies, firms, Limited Liability Partnerships or any other parties as follows:

<b>Loans</b>	
(₹ in Millions)	
Aggregate amount granted / provided during the year	
- Others	128,073.69
- Subsidiaries	122,177.69
- Other related parties	5,896.00
Balance outstanding as at balance sheet date in respect of above cases	
- Others	9,164.28
- Subsidiaries	395.00
- Other related parties	-

During the year the Company has not provided advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on these is not applicable to the Company.

- (b) During the year the terms and conditions of the grant of all loans to companies, firms, Limited Liability Partnerships or any other parties are not prejudicial to the Company's interest.

During the year the Company has not made investments, provided guarantees, given security and granted advances in the nature of loans and guarantees to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on these is not applicable to the Company.

- (c) In respect of loan granted by the Company, where the schedule of repayment of principal and payment of interest has been stipulated, the repayments



of principal amounts and receipts of interest have generally been regular.

The Company has not granted advances in the nature of loans during the year to companies, firms, Limited Liability Partnerships or any other parties where the schedule of repayment of principal and payment of interest has been stipulated. Accordingly, the requirement to report on this is not applicable to the Company.

- (d) There are no amounts of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

The Company has not granted advances in the nature of loans during the year to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on this is not applicable to the Company.

- (e) There were no loans granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

The Company has not granted advances in the nature of loans during the year to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on this is not applicable to the Company.

- (f) The Company has granted loans or advances repayable on demand or without specifying any terms or period of repayment to companies or other parties. Of these following are the details of the aggregate amount of loans granted to promoters or related parties as defined in clause (76) of Section 2 of the Companies Act, 2013.

Particulars	Amount in ₹)		
	All Parties	Related Parties	Promoters
Aggregate mount of loans		-	-
-Repayable on demand	128,073.69 million	-	-
Percentage of loans to total loans	100%	-	-

The Company has not granted advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to Companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on these is not applicable to the Company.

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

- (v) According to the information and explanations given to us and based on our verification of the records, the Company has not accepted any deposits from the public, within the meaning of Section 73 to 76 or any other relevant provisions of the Act and Rules framed thereunder. We are further informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or other tribunal.

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

- (vii) (a) According to the information and explanations given to us and based on our verification of the records of the Company, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, service tax, sales tax, value added tax, goods and services tax, cess and other statutory dues as applicable to the Company with the appropriate authorities. Further as explained to us, there are no undisputed statutory dues outstanding for more than six months as at March 31, 2024 from the date they became payable;

- (b) According to the information and explanations given to us and records of the Company examined by us, there are no cases of non-deposit of disputed dues of sales tax or goods and services tax or duty of customs or duty of excise. However, according to the information and explanations given to us, the following dues of service tax and income tax has not been deposited by the Company on account of dispute:

Nature of the Statute	Nature of the Dispute	Amount of Tax (₹ in Millions)	Period to which amount relates	Forum where dispute is pending
Service Tax, 1994	Service Tax on Delayed Payment Charges	₹ 338.88 Outstanding out of total demand of ₹ 346.63.	01.04.2014 to 31.03.2016	CESTAT
Service Tax, 1994	Service Tax on FII – Brokerage	₹ 142.58 Outstanding out of total demand of ₹ 146.52.	01.04.2014 to 30.09.2014	CESTAT
Income Tax Act, 1961	Income Tax	₹ Nil Outstanding out of total demand of ₹ 22.41.	Financial Year 2013-14	CIT (Appeal)
Income Tax Act, 1961	Income Tax	₹ 257.49 Outstanding out of total demand of ₹ 367.99	Financial Year 2014-15	Rectification Filed
Income Tax Act, 1961	Income Tax	₹ 37.13 Outstanding out of total demand of ₹ 46.42.	Financial Year 2015-16	CIT (Appeal)
Income Tax Act, 1961	Income Tax	₹ Nil Outstanding out of total demand of ₹ 103.91.	Financial Year 2018-19	Assessing Officer
Income Tax Act, 1961	Income Tax	₹ NIL Outstanding out of total demand of ₹ 9.51.	Financial Year 2019-20	CIT (Appeal)
Income Tax Act, 1961	Income Tax	₹ 75.84 Outstanding out of total demand of ₹ 87.18.	Financial Year 2020-21	CIT (Appeal)

(viii) In our opinion and according to the information and explanation given to us and records of the Company examined by us, in respect of tax assessments made under the Income Tax Act, 1961, there are no transactions which have been surrendered or disclosed as income by the Company. Accordingly, there are no previously unrecorded income and related assets which have been accounted in the books of account during the year.

(ix) According to information and explanation given to us and records of the Company examined by us,

- the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- In our opinion, the Company has utilized the money obtained by way of term loans during the year for the purpose for which they were obtained.
- And based on the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used long-term purposes by the Company.

e. the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, and it's associate and hence reporting on clause 3(ix)(e) of the Order not applicable.

f. the Company has not raised any loans during the year on pledge of securities held in its subsidiaries, and it's associate and hence reporting on clause 3(ix)(f) of the Order not applicable.

(x) (a) In our opinion and according to the information and explanation given to us and records of the Company examined by us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under the clause 3(x)(a) is not applicable.

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under the clause 3(x)(b) is not applicable.

(xi) (a) Based upon the audit procedures performed and information and explanations given by the management, 2 cases of fraud have been reported during the year as below:



Nature of Fraud	Amount Involved (As determined by Management)
Ponzi scheme wherein Relationship Manager had promised assured returns and was involved in forging documents of clients. We are informed that the services of the Relationship Manager had since been terminated by the Company.	₹ 25 Lakhs
Lucknow Authorized Person had mapped his contact details in client details. We are informed that the services of the Authorized Person has since been terminated.	We are informed that no FIR has been filed and no compensation has been claimed by the Client

(b) We have not filed Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government since we have not come across any instances of fraud by the Company or on the Company during the year.

(c) The Company has a whistle blower policy system in place and according to the information and explanation received, no complaints have been received by the Company during the year (and up to the date of this report).

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

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

(xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business;

(b) We have considered the internal audit reports for the year under audit, issued to the Company and till date, in determining the nature, timing and extent of our audit procedures.

(xv) In our opinion and according to the information and explanations given to us and records examined by us, the Company has not entered into any non-cash transactions with Directors or persons connected with him during the year.

(xvi) (a) In our opinion and according to information and explanation given to us, the Company is not required

to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence reporting under clause 3 (xvi)(a), (b) and (c) of the order are not applicable to the Company.

(b) In our opinion and according to information and explanation given to us, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3 (xvi) (d) of the order is not applicable to the Company.

(xvii) The company has not incurred any cash losses in the financial year and also in the immediately preceding financial year.

(xviii) There has been no resignation of statutory auditors during the year and accordingly the requirements of Clause 3(xviii) of the Order not applicable to the Company.

(xix) In our opinion and on the basis of examination of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the balance sheet date as and when they fall due within a period of one year from the balance sheet date. We however state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) According to information and explanation given to us and records examined by us, the Company does not have other than ongoing projects. Hence reporting under clause 3(xx)(a) of the Order is not applicable.

(b) According to information and explanation given to us and records examined by us, in respect of ongoing projects, the Company does not have any unspent Corporate Social Responsibility (CSR) amount. Hence reporting under clause 3(xx)(b) of the Order is not applicable.

**For V. Sankar Aiyar & Co.,**

Chartered Accountants  
(FRN 109208W)

**(S Nagabushanam)**

Place: Mumbai

(M.No.107022)

Date: May 16, 2024

UDIN: 24107022BKFGJG1277

# Annexure B

## to the Independent Auditor's Report

### **Annexure referred to in our report of even date to the members of IIFL Securities Limited on the standalone accounts for the year ended 31st March 2024**

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

We have audited the internal financial controls over financial reporting of IIFL Securities Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

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

#### **Auditors' Responsibility**

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

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

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

#### **Meaning of Internal Financial Controls Over Financial Reporting**

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

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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



## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For V. Sankar Aiyar & Co.,**

Chartered Accountants  
(FRN 109208W)

**(S Nagabushanam)**

Place: Mumbai

(M.No.107022)

Date: May 16, 2024

UDIN: 24107022BKFGJG1277

# Standalone Balance Sheet

as at March 31, 2024

Particulars	Note No.	(₹ in Million)	
		As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>(1) Financial Assets</b>			
(a) Cash and cash equivalents	3	3,664.05	1,383.15
(b) Bank Balance other than (a) above	4	40,162.55	26,634.42
(c) Receivables			
(i) Trade receivables	5	379.35	184.43
(ii) Other receivables	5	22.91	114.82
(d) Loans	6	9,559.28	4,950.86
(e) Investments	7	1,884.09	1,090.62
(f) Other financial assets	8	17,228.79	11,932.95
<b>Sub-total</b>		<b>72,901.02</b>	<b>46,291.25</b>
<b>(2) Non-Financial Assets</b>			
(a) Current tax assets		280.37	204.31
(b) Deferred tax assets (net)	9	210.03	193.58
(c) Property, Plant and Equipment	10	262.02	99.69
(d) Capital work-in-progress	10	6.26	6.49
(e) Other intangible assets	10	37.67	718.52
(f) Right-of-use assets	11	597.22	280.84
(g) Other non-financial assets	12	222.50	253.15
<b>Sub-total</b>		<b>1,616.07</b>	<b>1,756.58</b>
<b>Total Assets</b>		<b>74,517.09</b>	<b>48,047.83</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>(1) Financial Liabilities</b>			
(a) Payables			
(i) Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises		0.10	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	13	16.02	16.96
(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	13	1,745.36	676.62
(b) Debt securities	14	4,292.99	-
(c) Borrowings (Other than debt securities)	15	5,551.95	3,079.59
(d) Other financial liabilities	16	46,314.25	32,324.43
<b>Sub-total</b>		<b>57,920.67</b>	<b>36,097.60</b>
<b>(2) Non-Financial Liabilities</b>			
(a) Current tax liabilities		-	39.85
(b) Provisions	17	66.94	56.82
(c) Other non-financial liabilities	18	447.17	351.13
<b>Sub-total</b>		<b>514.11</b>	<b>447.80</b>
<b>(3) Equity</b>			
(a) Equity share capital	19	615.73	611.06
(b) Other equity	20	15,466.58	10,891.37
<b>Sub-total</b>		<b>16,082.31</b>	<b>11,502.43</b>
<b>Total Liabilities and Equity</b>		<b>74,517.09</b>	<b>48,047.83</b>
See accompanying notes forming part of Standalone Financial statements		1 - 40	

As per our attached report of even date

**For V Sankar Aiyar & Co.**

Chartered Accountants

Firm's Registration No. 109208W

**S. Nagabushanam**

Partner

Membership No.: 107022

Place: Mumbai

Date : May 16, 2024

**For and on behalf of Board of Directors**
**R. Venkataraman**

Chairman & Non Executive Director  
(DIN: 00011919)

**Ronak Gandhi**

Chief Financial Officer

**Nemkumar H**

Managing Director  
(DIN: 00350448)

**Meghal Shah**

Company Secretary



# Standalone Statement of Profit and Loss

For the year ended March 31, 2024

(₹ in Million)

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>1. Revenue from operations</b>			
(a) Interest income	21	3,288.25	2,024.82
(b) Fees and commission income	22	15,504.99	10,187.37
<b>Total revenue from operations (a+b)</b>		<b>18,793.24</b>	<b>12,212.19</b>
<b>2. Other income</b>	<b>23</b>	<b>867.67</b>	<b>478.12</b>
<b>3. Total income (1+2)</b>		<b>19,660.91</b>	<b>12,690.31</b>
<b>4. Expenses</b>			
(a) Finance costs	24	1,342.07	598.52
(b) Fees and commission expense	25	4,011.76	2,644.81
(c) Employee benefits expenses	26	3,931.17	3,126.73
(d) Depreciation, amortization and impairment	27	1,072.38	599.89
(e) Other expenses	28	2,380.00	2,054.89
<b>Total expenses (a+b+c+d+e)</b>		<b>12,737.38</b>	<b>9,024.84</b>
<b>5. Profit before tax (3-4)</b>		<b>6,923.53</b>	<b>3,665.47</b>
<b>6. Tax Expense:</b>			
(a) Current Tax	29	1,646.42	848.43
(b) Deferred Tax	29	(12.23)	(13.99)
(c) Short/(excess)	29	(55.93)	(3.28)
<b>Total Tax Expenses (a+b+c)</b>		<b>1,578.26</b>	<b>831.16</b>
<b>7. Profit for the period (5-6)</b>		<b>5,345.27</b>	<b>2,834.31</b>
<b>8. Other Comprehensive Income</b>			
<b>(A)</b>			
(i) Items that will not be reclassified to profit or (loss)			
a) Remeasurements of the defined benefit plans		(16.75)	(21.13)
(ii) Income tax relating to items that will not be reclassified to profit or (loss)		4.22	5.32
<b>Subtotal (A)</b>		<b>(12.53)</b>	<b>(15.81)</b>
<b>(B)</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		-	-
<b>Subtotal (B)</b>		<b>-</b>	<b>-</b>
<b>Other Comprehensive Income (A + B)</b>		<b>(12.53)</b>	<b>(15.81)</b>
<b>9. Total Comprehensive Income for the Year (7+8)</b>		<b>5,332.74</b>	<b>2,818.50</b>
<b>Earnings per equity share</b>			
Basic (in ₹)	30	17.46	9.31
Diluted (in ₹)	30	17.11	9.24
See accompanying notes forming part of Standalone Financial statements	1-40		

As per our attached report of even date

**For V Sankar Aiyar & Co.**

Chartered Accountants

Firm's Registration No. 109208W

**S. Nagabushanam**

Partner

Membership No.: 107022

Place: Mumbai

Date : May 16, 2024

**For and on behalf of Board of Directors**

**R. Venkataraman**

Chairman & Non Executive Director

(DIN: 00011919)

**Ronak Gandhi**

Chief Financial Officer

**Nemkumar H**

Managing Director

(DIN: 00350448)

**Meghal Shah**

Company Secretary



# Statement of Changes in Equity

for the year ended March 31, 2024

## A. Equity share capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	(₹ in Million)	No. of Shares	(₹ in Million)
<b>At the beginning of the year</b>	<b>305,528,966</b>	<b>611.06</b>	<b>303,936,230</b>	<b>607.87</b>
Changes in Equity Share Capital due to prior period errors	-	-	-	-
<b>Restated balance at the beginning of the current reporting period</b>	<b>305,528,966</b>	<b>611.06</b>	<b>303,936,230</b>	<b>607.87</b>
Add: Shares issued during the year under ESOP scheme	2,337,563	4.67	1,592,736	3.19
<b>Closing at the end of year</b>	<b>307,866,529</b>	<b>615.73</b>	<b>305,528,966</b>	<b>611.06</b>

## B. Other equity

Particulars	Reserves and Surplus				Other items of Other Comprehensive Income	Total		
	Capital Reserve	Capital Redemption reserve	Securities Premium	General Reserve			Retained Earnings	Share options outstanding account
<b>Balance as at April 01, 2023</b>	<b>670.91</b>	<b>34.00</b>	<b>1,227.55</b>	<b>20.13</b>	<b>8,872.83</b>	<b>92.67</b>	<b>(26.72)</b>	<b>10,891.37</b>
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-
<b>Restated balance at the beginning of the current reporting period</b>	<b>670.91</b>	<b>34.00</b>	<b>1,227.55</b>	<b>20.13</b>	<b>8,872.83</b>	<b>92.67</b>	<b>(26.72)</b>	<b>10,891.37</b>
Transfer from/to reserve	-	-	24.90	4.08	-	(28.98)	-	-
Additions/(deletions) during the year	-	-	86.37	-	-	79.21	(12.53)	153.05
Total comprehensive income for the year	-	-	-	-	5,345.27	-	-	5,345.27
Appropriation towards dividend paid	-	-	-	-	(923.11)	-	-	(923.11)
<b>Balance as at March 31, 2024</b>	<b>670.91</b>	<b>34.00</b>	<b>1,338.83</b>	<b>24.21</b>	<b>13,294.99</b>	<b>142.90</b>	<b>(39.25)</b>	<b>15,466.58</b>

(₹ in Million)



# Statement of Changes in Equity

for the year ended March 31, 2024

Particulars	Reserves and Surplus					Share options outstanding account	Other Comprehensive Income	Total
	Capital Reserve	Capital Redemption reserve	Securities Premium	General Reserve	Retained Earnings			
<b>Balance as at April 01, 2022</b>	670.91	34.00	1,150.18	5.61	6,953.08	81.34	(10.91)	8,884.21
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-
<b>Restated balance at the beginning of the current reporting period</b>	670.91	34.00	1,150.18	5.61	6,953.08	81.34	(10.91)	8,884.21
Transfer from/to reserve	-	-	23.62	14.52	-	(38.14)	-	-
Additions/(deletions) during the year	-	-	53.75	-	-	49.47	(15.81)	87.41
Total comprehensive income for the year	-	-	-	-	2,834.31	-	-	2,834.31
Appropriation towards dividend paid	-	-	-	-	(914.56)	-	-	(914.56)
<b>Balance as at March 31, 2023</b>	670.91	34.00	1,227.55	20.13	8,872.83	92.67	(26.72)	10,891.37

See accompanying notes forming part of Standalone Financial statements (1 - 40)

As per our attached report of even date

**For V Sankar Aiyar & Co.**

Chartered Accountants

Firm's Registration No. 109208W

**S. Nagabushanam**

Partner

Membership No.: 107022

**For and on behalf of Board of Directors**

**R. Venkataraman**

Chairman & Non Executive Director  
(DIN: 00011919)

**Nemkumar H**

Managing Director  
(DIN: 00350448)

Place: Mumbai

Date : May 16, 2024

**Ronak Gandhi**

Chief Financial Officer

**Meghal Shah**

Company Secretary

# Standalone Cash Flow Statement

For the year ended March 31, 2024

(₹ in Million)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Cash flows from operating activities</b>		
Net profit before taxation	6,923.53	3,665.47
<b>Adjustments for:</b>		
Depreciation, amortisation and impairment	1,072.38	599.89
Interest expenses	1,342.07	598.52
Net loss/(gain) on termination of lease	(2.54)	1.38
Dividend income	(252.34)	(427.93)
Provision for gratuity	9.41	7.68
Provision for leave encashment	66.94	56.82
Provision for expenses	762.85	670.91
Employee share based payment	79.21	49.47
Interest income	(68.58)	(24.93)
Net loss/(gain) on financial instrument measured at fair value	(464.07)	54.83
Net loss/(gain) on sale of fixed assets	(24.45)	0.19
<b>Operating profit before working capital changes</b>	<b>9,444.41</b>	<b>5,252.30</b>
(Increase)/Decrease in other bank balances	(13,528.12)	(451.93)
(Increase)/Decrease in loan	(4,608.42)	(66.62)
(Increase)/Decrease in trade and other receivables	(103.01)	31.23
(Increase)/Decrease in other financial assets	(5,322.00)	(2,354.30)
(Increase)/Decrease in other non-financial assets	30.66	(142.73)
Increase/(Decrease) in trade and other payable	305.06	(816.83)
Increase/(Decrease) in other financial liabilities	13,589.33	(8,580.88)
Increase/(Decrease) in provisions	(56.82)	(57.76)
Increase/(Decrease) in other non-financial liabilities	96.04	42.60
<b>Cash used in operations</b>	<b>(152.87)</b>	<b>(7,144.92)</b>
Current tax expense	(1,706.40)	(953.27)
<b>Net cash used in operating activities (A)</b>	<b>(1,859.27)</b>	<b>(8,098.19)</b>
<b>Cash flows from investing activities</b>		
Purchase of Fixed Assets	(271.28)	(104.00)
Sale of Fixed Assets	33.74	14.81
Interest income	68.58	18.37
Dividend income	252.34	427.93
(Purchase)/Sale of Current Investments (net)	1.25	9.72
Purchase of Investment	(580.35)	(49.93)
Sale of Investment	249.69	475.49
<b>Net cash (used in) / generated from investing activities (B)</b>	<b>(246.03)</b>	<b>792.39</b>
<b>Cash flows from financing activities</b>		
Proceed from issuance of equity shares	91.04	56.93
Dividend paid	(923.11)	(914.56)
Increase/(decrease) in short term debt securities	4,292.99	-
Increase/(decrease) in short term borrowings	2,472.36	(283.29)
Repayment of Lease Liabilities	(286.66)	(343.80)
Interest expenses	(1,260.42)	(558.19)
<b>Net cash generated / (used in) from financing activities (C)</b>	<b>4,386.20</b>	<b>(2,042.91)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>2,280.90</b>	<b>(9,348.71)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>1,383.15</b>	<b>10,731.86</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>3,664.05</b>	<b>1,383.15</b>

See accompanying notes forming part of Standalone Financial statements (1 - 40)

As per our attached report of even date

**For V Sankar Aiyar & Co.**

Chartered Accountants

Firm's Registration No. 109208W

**S. Nagabushanam**

Partner

Membership No.: 107022

Place: Mumbai

Date : May 16, 2024

**For and on behalf of Board of Directors**
**R. Venkataraman**

Chairman &amp; Non Executive Director

(DIN: 00011919)

**Ronak Gandhi**

Chief Financial Officer

**Nemkumar H**

Managing Director

(DIN: 00350448)

**Meghal Shah**

Company Secretary



# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024

## Note 1. Corporate Information:

IIFL Securities Limited the Company was incorporated on March 21, 1996. The Company is in financial services spaces offering equity, currency and commodity broking, depository participant services, merchant banking and distribution of financial product besides holding investments in subsidiaries.

### Note: 1.1 Purpose and Basis of Accounting and Preparation 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 and measurements that have some similarities to fair value but are not fair value, such value in use.

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.

### a) Key Accounting Estimates And Judgements

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

The Company makes certain judgments and estimates for valuation and impairment of financial instruments, fair valuation of employee stock options, useful life of property, plant and equipment, deferred tax assets, retirement benefit obligations and lease arrangements. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable.

### b) Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Sec 133 of the Companies Act ("the Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter and under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value (refer accounting policy on financial instruments).

Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31 March, 2024, the Statement of Profit and Loss for the year ended 31 March 2024, the Statement of Cash Flows for the year ended 31 March 2024 and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'Standalone Financial Statements' or 'financial statements').

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

## c) Basis of Preparation of Standalone financial statements:

These Financial Statements of the Company are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA). 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. These Financial Statements of the Company are presented in Indian Rupees (INR) which is also the Company's functional currency. The Financial Statements are presented in million, except when otherwise indicated. Amount which is less than ₹ 0.01 million is shown as ₹ 0.00 million.

The Standalone financial statements for the year ended March 31, 2024 are being authorized for issue in accordance with a resolution of the Board of Directors on May 16, 2024.

## Note 2. Material Accounting Policies

### a) Business Combinations:

Business combinations (not involving entities under common control) are accounted for using the acquisition method. At the acquisition date, identifiable assets acquired and liabilities assumed are measured at fair value. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. The consideration transferred is measured at fair value at acquisition date and includes the fair value of any contingent consideration. However, deferred tax asset or liability and any liability or asset relating to employee benefit arrangements arising from a business combination are measured and recognized in accordance with the requirements of Ind AS 12, Income Taxes and Ind AS 19, Employee Benefits, respectively.

Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of a bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets acquired and liabilities assumed, the difference is accumulated in equity as capital reserve. The costs of acquisition excluding those relating to issue

of equity or debt securities are charged to the Statement of Profit and Loss in the period in which they are incurred.

Business combinations involving entities under common control are accounted for using the pooling of interests method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonise accounting policies. Any excess or shortfall of the consideration paid over the share capital of transferor entity or business is recognised as capital reserve under other equity.

### b) Goodwill:

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. Goodwill is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed, measured in accordance with Ind AS 103 – Business Combinations. Goodwill is considered to have indefinite useful life and hence is not subject to amortization but tested for impairment at least annually. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination, is from the acquisition date, allocated to each of the Company cash generating units (CGUs) that are expected to benefit from the combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Each CGU or a combination of CGUs to which goodwill is so allocated represents the lowest level at which goodwill is monitored for internal management purpose and it is not larger than an operating segment of the Company.

A CGU to which goodwill is allocated is tested for impairment annually, and whenever there is an indication that the CGU may be impaired, by comparing the carrying amount of the CGU, including the goodwill, with the recoverable amount of the CGU. If the recoverable amount of the CGU exceeds the carrying amount of the CGU, the CGU and the goodwill allocated to that CGU is regarded as not impaired. If the carrying amount of the CGU exceeds the recoverable amount of the CGU, the Company recognizes an impairment loss by first reducing the carrying amount of any goodwill allocated to the CGU and then to other assets of the CGU pro-rata based on the carrying amount of each asset in the CGU. Any impairment loss on goodwill is recognized in the Statement of Profit



# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

and Loss. An impairment loss recognized on goodwill is not reversed in subsequent periods.

On disposal of a CGU to which goodwill is allocated, the goodwill associated with the disposed CGU is included in the carrying amount of the CGU when determining the gain or loss on disposal.

## c) **Property, plant and equipment:**

Measurement at recognition: An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of PPE are carried at its cost less accumulated depreciation and accumulated impairment losses.

The Company identifies and determines cost of each part of an item of PPE separately, if the part has a cost which is significant to the total cost of that item of PPE and has useful life that is materially different from that of the remaining item.

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

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefit associates with these will flow into the Company and the cost of the item can be measured reliably. Items of Property, plant and equipment that have been retired from active use and held for disposal are stated at the lower of their net book value or net realisable value and are shown separately in the financial statements.

Gains or losses arising from disposal or retirement of tangible Property, plant and equipment are

measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised net, within "Other Income" or "Other Expenses", as the case maybe, in the Statement of Profit and Loss in the year of disposal or retirement. When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property as its carrying amount on the date of reclassification. On transition to Ind AS, the Company has elected to continue with the carrying value for all of its PPE recognized as at April 1, 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of the PPE.

## **Depreciation:**

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

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

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

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

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

## Estimates of useful lives of property, plant and equipment

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

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

Depreciation / Amortization is charged on pro-rata on monthly basis on assets, from / upto the month of capitalization / sale, disposal / earmarked for disposal.

## Capital work in progress and Capital advances:

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

## d) Intangible assets:

### Measurement at recognition:

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

Expenditure on software development eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

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

### Amortization:

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

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

Estimated useful economic life of the assets is as under:

Class of assets	Useful life in years
Software	3
Commercial rights	5

### Derecognition:

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

## e) Investment Property

### Measurement at recognition:

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

### Depreciation:

Depreciation on each item of Investment property is provided using the Straight-Line Method based on the useful lives of the assets as estimated by the management and is charged to the Statement of Profit and Loss. The estimate of the useful life of the assets has been



# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

assessed based on technical advice which considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc. Freehold land is not depreciated.

## **Derecognition:**

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

The fair values of investment property is disclosed in the notes.

## **f) Impairment of Non-Financial Assets:**

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

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

depreciation/ amortisation is provided on the revised carrying amount of the assets over its remaining life.

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

## **g) 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.

When the terms of an equity-settled award are modified, the minimum expense recognized is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the statement of profit and loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

## **Securities premium includes:**

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

## **h) Financial Instruments:**

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

Financial instruments also covers contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial



# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

## Financial assets

### Initial recognition and measurement:

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

All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

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

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

### Subsequent measurement:

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

- i) The Company business model for managing the financial asset and
- ii) The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

- i) Financial assets measured at amortized cost
- ii) Financial assets measured at fair value through other comprehensive income (FVTOCI)
- iii) Financial assets measured at fair value through profit or loss (FVTPL)

### i. Financial assets measured at amortized cost:

A financial asset is measured at the amortized cost if both the following conditions are met:

- a) The Company business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

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

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



# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

This category generally applies to cash and bank balances, trade receivables, loans and other financial assets of the Company. Such financial assets are subsequently measured at amortized cost using the effective interest method.

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

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

## ii. Financial assets measured at FVTOCI:

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

## iii. 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 profit or loss on disposal of the investments. Dividend from these investments are recognised in the statement of profit and loss when the Company right to receive dividends is established. As at the reporting dates, there are no equity instruments measured at FVOCI.

## iv. Investments in equity instruments of subsidiaries

Investments in equity instruments of subsidiaries are measured at cost.

## v. Financial assets measured at FVTPL:

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

## 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

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

period following the change in business model that results in reclassifying the Company's financial assets. During the current financial year and previous accounting period there was no change in the business model under which the Company holds financial assets and therefore no reclassifications were made. Changes in contractual cash flows are considered under the accounting policy on modification and derecognition of financial assets described below.

### Derecognition:

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

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
- iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- iv. The Company neither transfers nor retains, substantially all risk and rewards of ownership, and does not retain control over the financial asset.

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

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

### Impairment of financial assets:

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

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

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

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

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

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

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

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

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



# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

historically observed default rates and changes in the forward-looking estimates are updated.

The Company reviews its carrying value of investment carried at cost (net of impairment, if any) annually or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying value then impairment loss is accounted for in the statement of profit & loss.

## Financial Liabilities and equity:

### Initial recognition and measurement:

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

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

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

### Subsequent measurement:

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

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

through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

### Equity instruments:

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

### Derecognition:

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

### i) Fair Value:

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

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

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 — inputs for assets or liabilities that are not based on observable market data.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

## j) Foreign Currency Translation:

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

### i. Functional and presentation currencies:

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

### ii. Transactions & Balances:

Foreign currency transactions are translated into the functional currency at the exchange rates on the date of transaction. Foreign exchange gains and losses resulting from settlement of such transactions and from translation of monetary assets and liabilities at the year-end exchange rates are generally recognized in the Statement Profit and Loss. They are deferred in equity if they relate to qualifying cash flow hedges.

All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis.

Non-monetary foreign currency items are carried at cost and accordingly the investments in shares

of foreign subsidiaries are expressed in Indian currency at the rate of exchange prevailing at the time when the original investments are made or fair values determined.

### iii) Foreign operations:

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate as on that balance sheet date, and
- income and expenses are translated at average exchange rates

On disposal of a foreign operation, the associated exchange differences are reclassified to Statement of Profit and Loss as part of the gain or loss on disposal.

## \k) Income Taxes:

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

### Current tax:

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



# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

## Deferred tax:

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

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

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

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

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

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

## Presentation of current and deferred tax:

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

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

## I) Provisions and Contingencies:

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

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

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

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote (based on the judgement

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

of the management considering factors including experience with similar matters, past history, precedents, relevant and other evidence and facts specified to the matter), no provision or disclosure is made.

Contingent assets are disclosed only where an inflow of economic benefits is probable.

## m) Statement of Cash Flows :

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

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

Cash and cash equivalents (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.

## n) 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. Those that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

## o) Revenue Recognition

### Revenue from contracts with customers

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on

account of various discounts and schemes offered by the Company as part of the contract.

The Company recognizes revenue from contracts with customers based on a five-step model as set out in Ind AS 115

**Step 1:** Identify contract(s) with a customer. A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

**Step 2:** Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

**Step 3:** Determine the transaction price: The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

**Step 4:** Allocate the contract price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

**Step 5:** Recognise revenue when (or as) the Company satisfies a performance obligation.

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

Income from services rendered as a broker is recognised upon rendering of the services on a trade date basis, in accordance with the terms of contract. Fees for subscription based services are received periodically but are recognised as earned on a pro-rata basis over the term of the contract. Commissions from distribution of financial products are recognised upon allotment of the securities to the applicant. Commission and fees recognized as aforesaid are exclusive of goods and service tax, securities transaction tax, stamp duties and other levies by SEBI and stock exchanges.



# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

The Company recognised revenue from various activities as follows:

## i. Interest Income

Interest income is recognised using effective interest rate by considering all the contractual term of the financial instruments in estimating the cash flow.

## ii. Fees & Commission

Fees and commission income is recognised based on five step model set out in Ind AS 115.

- Brokerage income earned on secondary market operations is accounted on trade date basis.

- Investment banking & Financial Product Distribution Income is accounted on accrual basis.

## iii. 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.

## p) Employee Benefits

### Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. If the company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

### Post-Employment Benefits:

#### I. Defined contribution plans:

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions into state managed retirement benefit schemes and will have no legal or constructive obligation to pay further contributions, if any, if the state managed funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. The Company contributions to defined contribution plans are recognised in the Statement of Profit and Loss in the financial year to which they relate. The Company and its Indian subsidiaries

operate defined contribution plans pertaining to Employee State Insurance Scheme and Government administered Pension Fund Scheme for all applicable employees and the Company operates a Superannuation scheme for eligible employees.

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

#### II. Defined benefit plans:

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

#### Recognition and measurement of defined benefit plans:

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

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



# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

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

## Other Employee Benefits

Compensated absences which accrue to employees and which can be carried to future periods but are expected to be availed in twelve months immediately following the year in which the employee has rendered service are reported as expenses during the year in which the employees perform the services that the benefit covers and the liabilities are reported at the undiscounted amount of the benefits.

## q) Lease accounting :

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

### As a Lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as

those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

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

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

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

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

Lease liability and the right of use asset have been separately presented in the balance sheet.

### Short-term leases and leases of low-value assets

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

## r) Goods and Services tax input credit

Goods and Services tax input credit is accounted for in the books in the period in which the supply of goods



# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

or service received is accounted and when there is no uncertainty in availing/utilising the credits.

## s) **Borrowing Cost:**

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

## t) **Earning Per Share:**

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

## u) **Segment Reporting :**

The Company's business is to provide capital market services in primary & secondary market. All other activities of the Company are ancillary to the main business. As such, there are no reportable segments that need to be reported separately as defined in Ind AS 108, Operating Segments.

## 2.2 KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

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

### **Critical accounting estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

## a. **Income taxes**

The Company tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. Further Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases.

## b. **Determination of the estimated useful lives of tangible and intangible assets**

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

## c. **Defined Benefit Obligation**

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds corresponding to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. Further details are disclosed in note no 26.

## d. **Fair value measurement of Financial Instruments**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

## e. **Impairment of financial assets**

The provision for expected credit loss involves estimating the probability of default and loss given default

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

based on the Company own experience & forward looking estimation.

**f. Provision for litigations:**

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

**g. Fair valuation of employee share options**

The fair valuation of the employee share options is based on the Black-Scholes model used for valuation of options. Key assumptions made with respect to expected volatility includes share price, expected dividends and discount

rate, under this option pricing model. Further details are disclosed in note no.- 33.

**h. Determining whether an arrangement contains a lease**

In determining whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease date if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in the arrangement.

**i. Discount rate**

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

## NOTE 3 : CASH AND CASH EQUIVALENTS

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	1.01	0.69
Cheques in hand	5.66	16.77
<b>Balances with banks :</b>		
- In current accounts	2,959.07	320.37
- In client accounts	698.31	1,045.32
<b>Total</b>	<b>3,664.05</b>	<b>1,383.15</b>

## NOTE 4 : BANK BALANCE OTHER THAN ABOVE

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Earmarked Bank Balances - Unclaimed Dividend	96.61	2.62
(b) Lien marked Fixed Deposit with banks*	40,065.94	26,631.80
<b>Total</b>	<b>40,162.55</b>	<b>26,634.42</b>

\* Company has pledged fixed deposits with the banks for bank guarantee with the stock exchange for margin purpose.

## NOTE 5 : RECEIVABLES

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(i) Trade receivables</b>		
- Receivables considered good - unsecured	345.22	131.00
- Receivables which have significant increase in credit risk	44.31	59.93
- Receivables - credit impaired	33.70	4.65
<b>Total (i) Gross</b>	<b>423.23</b>	<b>195.58</b>
- Less : Impairment loss allowance	(43.88)	(11.15)
<b>Total (i) Net</b>	<b>379.35</b>	<b>184.43</b>
<b>(ii) Other receivables</b>		



# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

Particulars	As at March 31, 2024	As at March 31, 2023
- Receivables considered good - unsecured	22.91	114.82
<b>Total (ii) Net</b>	<b>22.91</b>	<b>114.82</b>
<b>Total (i+ii)</b>	<b>402.26</b>	<b>299.25</b>

- a) No trade or other receivables are due from directors or from other officers of the Company either severally or jointly with any other person nor any trade or other receivables are due from firms or private companies respectively in which any directors is a partner, director or a member as at March 31, 2024 and March 31, 2023.
- b) No trade receivables and other receivables are interest bearing.

## Trade Receivable ageing schedule

(₹ in Million)

Particulars	Unbilled	As at 31-March-2024					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	22.91	345.22	-	-	-	-	368.13
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	29.94	14.38	-	-	-	44.32
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	32.68	1.02	-	33.70
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-

(₹ in Million)

Particulars	Unbilled	As at 31-March-2023					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	114.82	131.00	-	-	-	-	245.82
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	53.16	6.77	-	-	-	59.93
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	4.47	0.18	-	4.65
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-

## Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

### NOTE 6 : LOANS

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Loan repayable on demand</b>		
Margin trading facility	9,164.28	4,905.86
Loan to related parties	395.00	45.00
<b>Total</b>	<b>9,559.28</b>	<b>4,950.86</b>

Particulars	As at March 31, 2023		As at March 31, 2023	
	Amount of loan or advance in the nature of loan outstanding	% of the total loans & advances in the nature of loan	Amount of loan or advance in the nature of loan outstanding	% of the total loans & advances in the nature of loan
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties (Refer note 36)	395.00	4%	45.00	1%

### NOTE 7 : INVESTMENTS

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>I) At cost</b>		
<b>Investment in equity shares of Subsidiaries &amp; Associates</b>		
- IIFL Facilities Services Limited	321.40	321.40
- IIFL Commodities Limited *	111.87	20.00
- Livlong Insurance Brokers Limited (Formerly IIFL Insurance Brokers Limited)	43.41	43.41
- IIFL Management Services Limited	10.00	10.00
- IIFL Wealth (UK) Limited	11.20	11.20
- IIFL Capital Inc	40.29	40.29
- Livlong Protection & Wellness Solutions Limited (Formerly IIFL Corporate Services Limited) (Formerly IIFL Asset Reconstruction Limited)	41.93	41.93
- IIFL Securities Services IFSC Limited	5.00	5.00
- IIFL Securities Alternate Asset Management Ltd **	90.00	-
<b>II) At fair value through profit or loss</b>		
<b>Investment in AIF</b>		
- India Alternative Private Equity Fund - Category II - AIF Class S	3.77	48.11
- IIFL Fintech Fund (A Category II AIF Scheme)	497.11	155.66
- IIFL Securities Dynamic Fund - Class A3 (A Category III AIF scheme)	73.79	56.61
- IIFL Large Value Fund-Series-1A (A Category III AIF scheme)	49.95	-
- IIFL Derivatives Advantage Fund (A Category III AIF scheme)	93.78	-
- IIFL Real Estate Fund (Domestic) – Series 2 Category II- AIF	-	169.66



# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Investment in equity shares</b>		
- Bombay Stock Exchange Limited	490.59	84.04
<b>Investment in debt Instruments</b>		
- IIFL Home Finance Limited Sr D7 8.20 NCD 28SP26	-	83.31
<b>Total -Gross (A)</b>	<b>1,884.09</b>	<b>1,090.62</b>
- Less: Allowance for impairment loss (B)	-	-
<b>Total -Net (C) = (A) - (B)</b>	<b>1,884.09</b>	<b>1,090.62</b>
- Investment outside India	51.49	51.49
- Investment in India	1,832.60	1,039.13
<b>Total Net ( C )</b>	<b>1,884.09</b>	<b>1,090.62</b>

\* During the year company had subscribed in Right issue of IIFL Commodities Limited (wholly owned subsidiary)

\*\* A wholly owned subsidiary IIFL Alternate Assets Management Limited was incorporated during the year.

## NOTE 8 : OTHER FINANCIAL ASSETS

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Clients receivables (net of provision) #	11,851.49	10,275.57
Exchanges receivables	3,700.68	897.00
Interest accrued & not due on deposits and investments	563.47	283.73
Deposit with exchanges	79.00	79.00
Margin with exchanges	690.05	58.30
Security deposit with landlords and others*	256.67	269.34
Receivable from related parties (Refer note 36)	33.97	19.30
Other financial assets	53.46	50.71
<b>Total</b>	<b>17,228.79</b>	<b>11,932.95</b>

# Include receivable from directors & key managerial personnel of ₹ 0.00 million (As at March 31, 2023 ₹ 0.00 million) (Refer note 36)

\* Include deposit with related party of ₹ 79.42 million (As at March 31, 2023 ₹ 100.70 million) & directors and its relatives of ₹ 50.00 million (As at March 31, 2023 ₹ 50.00 million) (Refer note 36)

## Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

### NOTE 9 : DEFERRED TAX ASSETS (NET)

Particulars	As at March 31, 2024			
	Opening balance	Recognised in profit or loss	Recognised in /reclassified from OCI	Closing balance
<b>Deferred tax assets:</b>				
Depreciation on property, plant and equipment	18.79	137.47	-	156.26
Provisions for doubtful receivables/other financial asset (Including expected credit loss)	141.86	(82.17)	-	59.69
Lease Liabilities	7.01	21.17	-	28.18
Compensated absences and retirement benefits	15.61	(1.51)	4.22	18.32
Unrealised profit on investments	10.31	(62.73)	-	(52.42)
<b>Total deferred tax assets</b>	<b>193.58</b>	<b>12.23</b>	<b>4.22</b>	<b>210.03</b>
<b>Deferred tax liabilities:</b>				
<b>Total deferred tax liabilities</b>	-	-	-	-
<b>Deferred tax assets (Net)</b>	<b>193.58</b>	<b>12.23</b>	<b>4.22</b>	<b>210.03</b>

Particulars	As at March 31, 2023			
	Opening balance	Recognised in profit or loss	Recognised in /reclassified from OCI	Closing balance
<b>Deferred tax assets:</b>				
Depreciation on property, plant and equipment	5.67	13.12	-	18.79
Provisions for doubtful receivables/other financial asset (Including expected credit loss)	127.29	14.57	-	141.86
Lease Liabilities	16.02	(9.01)	-	7.01
Compensated absences and retirement benefits	13.41	(3.12)	5.32	15.61
Unrealised profit on investments	11.88	(1.57)	-	10.31
<b>Total deferred tax assets</b>	<b>174.27</b>	<b>13.99</b>	<b>5.32</b>	<b>193.58</b>
<b>Deferred tax liabilities:</b>				
<b>Total deferred tax liabilities</b>	-	-	-	-
<b>Deferred tax assets (Net)</b>	<b>174.27</b>	<b>13.99</b>	<b>5.32</b>	<b>193.58</b>

### NOTE 10 : PROPERTY, PLANT AND EQUIPMENT

Tangible Assets:

(₹ in Million)

Particulars	Building	Computer	Electrical Equipment	Furniture & Fixture	Office Equipment	Total
<b>Cost:</b>						
<b>As at April 01, 2022</b>	<b>7.22</b>	<b>269.63</b>	<b>38.00</b>	<b>82.65</b>	<b>53.23</b>	<b>450.73</b>
Additions	-	49.11	3.37	3.41	4.76	60.65
Disposals/Adjustments	-	(27.15)	(1.06)	(1.94)	(2.76)	(32.91)
<b>As at March 31, 2023</b>	<b>7.22</b>	<b>291.59</b>	<b>40.31</b>	<b>84.12</b>	<b>55.23</b>	<b>478.47</b>
Additions	-	26.64	18.11	182.27	28.24	255.26
Disposals/Adjustments	(7.22)	(19.72)	(7.48)	(18.15)	(12.22)	(64.79)
<b>As at March 31, 2024</b>	<b>-</b>	<b>298.51</b>	<b>50.94</b>	<b>248.24</b>	<b>71.25</b>	<b>668.94</b>



## Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

Particulars	Building	Computer	Electrical Equipment	Furniture & Fixture	Office Equipment	Total
<b>Accumulated Depreciation:</b>						
<b>As at April 01, 2022</b>	<b>3.50</b>	<b>197.97</b>	<b>26.91</b>	<b>53.48</b>	<b>39.21</b>	<b>321.07</b>
Depreciation charge for the year	0.70	48.75	6.44	13.32	6.41	75.62
Deductions/Adjustments	-	(14.35)	(0.86)	(1.39)	(1.31)	(17.91)
<b>As at March 31, 2023</b>	<b>4.20</b>	<b>232.37</b>	<b>32.49</b>	<b>65.41</b>	<b>44.31</b>	<b>378.78</b>
Depreciation charge for the year	0.18	42.58	5.99	26.73	8.15	83.63
Deductions/Adjustments	(4.38)	(18.44)	(7.09)	(14.56)	(11.02)	(55.49)
<b>As at March 31, 2024</b>	<b>-</b>	<b>256.51</b>	<b>31.39</b>	<b>77.58</b>	<b>41.44</b>	<b>406.92</b>

### Net Book Value:

(₹ in Million)

Particulars	Building	Computer	Electrical Equipment	Furniture & Fixture	Office Equipment	Total
As at March 31, 2023	3.02	59.22	7.82	18.71	10.92	99.69
<b>As at March 31, 2024</b>	<b>-</b>	<b>42.00</b>	<b>19.55</b>	<b>170.66</b>	<b>29.81</b>	<b>262.02</b>

### Capital Work In Progress (CWIP) Ageing Schedule

(₹ in Million)

Capital Work In Progress	As at 31-March-2024				
	Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	Total
Projects in Progress	6.26	-	-	-	6.26
Projects temporarily suspended	-	-	-	-	-

### Capital Work In Progress (CWIP) Ageing Schedule

(₹ in Million)

Capital Work In Progress	As at 31-March-2023				
	Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	Total
Projects in Progress	1.99	4.50	-	-	6.49
Projects temporarily suspended	-	-	-	-	-

### Other intangible assets (other than internally generated):

(₹ in Million)

Particulars	Commercial rights	Software	Total
<b>Cost:</b>			
<b>As at April 01, 2022</b>	<b>1,137.61</b>	<b>155.81</b>	<b>1,293.42</b>
Other additions	-	47.85	47.85
Deductions/Adjustments	-	-	-
<b>As at March 31, 2023</b>	<b>1,137.61</b>	<b>203.66</b>	<b>1,341.27</b>
Other additions	-	16.25	16.25
Deductions/Adjustments	-	-	-
<b>As at March 31, 2024</b>	<b>1,137.61</b>	<b>219.91</b>	<b>1,357.52</b>



## Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

Particulars	Commercial rights	Software	Total
<b>Accumulated depreciation/ Impairment loss:</b>			
<b>As at April 01, 2022</b>	<b>237.88</b>	<b>126.90</b>	<b>364.78</b>
Depreciation charge for the year	228.66	29.31	257.97
Deductions/Adjustments	-	-	-
<b>As at March 31, 2023</b>	<b>466.54</b>	<b>156.21</b>	<b>622.75</b>
Depreciation charge for the year	227.47	26.03	253.50
Provision for impairment loss *	443.60	-	443.60
Deductions/Adjustments	-	-	-
<b>As at March 31, 2024</b>	<b>1,137.61</b>	<b>182.24</b>	<b>1,319.85</b>

\* During the year intangible assets has been tested for impairment & accordingly provided provision for impairment loss of ₹ 443.60 Million.

### Net Book Value:

(₹ in Million)

Particulars	Commercial rights	Software	Total
As at March 31, 2023	671.07	47.45	718.52
<b>As at March 31, 2024</b>	<b>-</b>	<b>37.67</b>	<b>37.67</b>

### NOTE 11 : RIGHT-OF-USE ASSETS

#### A) Carrying value of right of use assets at the end of the reporting period by class

(₹ in Million)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Premises	Vehicle	Total	Premises	Vehicle	Total
<b>Balance at the beginning of the year</b>	<b>232.63</b>	<b>48.21</b>	<b>280.84</b>	<b>516.44</b>	<b>31.32</b>	<b>547.76</b>
Additions during the year	632.15	27.86	660.01	104.31	30.85	135.16
Deletions during the year	(33.97)	(18.01)	(51.98)	(135.78)	-	(135.78)
Depreciation charged for the year	(275.14)	(16.51)	(291.65)	(252.34)	(13.96)	(266.30)
<b>Balance at the end of the year</b>	<b>555.67</b>	<b>41.55</b>	<b>597.22</b>	<b>232.63</b>	<b>48.21</b>	<b>280.84</b>

#### B) Maturity analysis of lease liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Maturity analysis – contractual undiscounted cash flows</b>		
- Less than one year	244.95	171.47
- One to five years	574.62	203.78
- More than five years	39.06	29.10
<b>Total undiscounted lease liabilities at March 31</b>	<b>858.63</b>	<b>404.35</b>
<b>Lease liabilities included in the statement of financial position at March 31</b>	<b>709.17</b>	<b>308.69</b>
Current lease liability	189.79	151.40
Non current lease liability	519.38	157.29



# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

## C) Amounts recognised in profit or loss

Particulars	As at March 31, 2024	As at March 31, 2023
Interest on lease liabilities	81.64	40.33
Expenses relating to short-term leases	22.05	4.51
Depreciation charged for the year	291.65	266.30
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	2.20	3.60
<b>Total</b>	<b>397.54</b>	<b>314.74</b>

## D) Amounts recognised in the statement of cash flows

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Total cash outflow for leases</b>	<b>286.66</b>	<b>343.80</b>

## NOTE 12 : OTHER NON-FINANCIAL ASSETS

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Prepaid expense	142.84	89.43
Capital advances	7.10	106.32
Other advances	72.56	57.40
<b>Total</b>	<b>222.50</b>	<b>253.15</b>

## NOTE 13 : PAYABLES

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(I) Trade Payable</b>		
- Total outstanding dues of micro enterprises and small enterprises	0.10	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	16.02	16.96
<b>Total (I)</b>	<b>16.12</b>	<b>16.96</b>
<b>(II) Other Payable</b>		
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		
(a) Provision for expenses	762.85	533.47
(b) Accrued salaries & bonus provision	976.38	138.46
(c) Others	6.13	4.69
<b>Total (II)</b>	<b>1,745.36</b>	<b>676.62</b>
<b>Total (I)+(II)</b>	<b>1,761.48</b>	<b>693.58</b>

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

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

## Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

Particulars	FY 2023-24	FY 2022-23
(a) Principal amount remaining unpaid to any supplier at the year end	0.10	-
(b) Interest due thereon remaining unpaid to any supplier at the year end	-	-
(c) Amount of interest paid and payments made to the supplier beyond the appointed day during the year	-	-
(d) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
(e) Amount of interest accrued and remaining unpaid at the year end	-	-
(f) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the act	-	-

### Trade Payable ageing schedule

(₹ in Million)

Particulars	Provision	As at 31-Mar-24				
		Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	Total
(i) MSME	-	0.10	-	-	-	0.10
(ii) Others	1,745.36	14.40	1.15	0.19	0.28	1,761.38
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

Particulars	Provision	As at 31-Mar-23				
		Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	676.62	13.23	0.45	3.17	0.11	693.58
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

### NOTE 14 : DEBT SECURITIES

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Measured at amortised cost</b>		
<b>Unsecured</b>		
Commercial Papers	4,292.99	-
<b>Total</b>	<b>4,292.99</b>	-
Debt securities in India	4,292.99	-
Debt securities outside India	-	-
<b>Total</b>	<b>4,292.99</b>	-

Rate of interest is ranging from 8.30% to 9.50% for commercial papers outstanding.

#### Terms of repayment

The aforesaid debt securities are repayable on maturity and tenure is 90 days to 365 days.



# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

## NOTE 15 : BORROWINGS (OTHER THAN DEBT SECURITIES)

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Loans repayable on demand (from banks)</b>		
- Working capital demand loan and revolving credit facilities	5,477.50	2,109.13
- Bank overdraft against fixed deposit	74.45	970.46
<b>Total</b>	<b>5,551.95</b>	<b>3,079.59</b>
Borrowings in India	5,551.95	3,079.59
Borrowings outside India	-	-
<b>Total</b>	<b>5,551.95</b>	<b>3,079.59</b>

### (a) Security :

Working Capital Demand Loan (WCDL) and revolving credit facilities are secured by way of first pari-passu charge on receivable & Bank overdraft are secured against fixed deposits pledge with the banks. Refer note 34 for details of asset pledged.

### (b) Tenor of repayment :

WCDL and revolving credit facilities varies from 7 days to 365 days and bank overdraft upto validity of facility.

### (c) Interest Rate :

Interest rate is ranging from 8.30% to 10.25%.

## NOTE 16 : OTHER FINANCIAL LIABILITIES

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Clients payables #	27,198.45	16,801.91
Exchange payables	17,525.05	14,579.94
Book overdraft	9.87	10.16
Deposits received from franchisee and others *	371.30	396.49
Payable to related parties (Refer note 36)	60.92	48.28
Provision for gratuity (funded) (Refer note 26)	9.41	7.68
Lease obligation	709.17	308.69
Other payable	430.08	171.28
<b>Total</b>	<b>46,314.25</b>	<b>32,324.43</b>

# Include payable to directors, key managerial personnel & their relatives & other related parties of ₹26.44 million (As at March 31, 2023 ₹6.31 million) (Refer note 36)

\* Include deposit of related party of ₹ 0.00 million (As at March 31, 2023 ₹ 3.53 million) (Refer note 36)

## NOTE 17 : PROVISIONS

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for leave encashment	66.94	56.82
<b>Total</b>	<b>66.94</b>	<b>56.82</b>

## Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

### NOTE 18 : OTHER NON-FINANCIAL LIABILITIES

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Income received in advance	14.20	11.98
Statutory dues (net of input credit)	432.97	339.15
<b>Total</b>	<b>447.17</b>	<b>351.13</b>

### NOTE 19 : EQUITY SHARE CAPITAL

#### a. The Authorised, Issued, Subscribed and Paid up Share Capital:

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Authorised Share Capital</b>		
At the beginning of the year	1,000.00	1,000.00
<b>Add: Increase in authorised share capital</b>	-	-
Closing at the end of year	1,000.00	1,000.00
<b>Issued, Subscribed and Paid-up Share Capital</b>		
307,866,529 Equity Shares of ₹ 2 each fully paid up (305,528,966 Equity Shares of ₹ 2 each fully paid up)	615.73	611.06

#### b. Reconciliation of the shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	(₹ in Million)	No. of Shares	(₹ in Million)
<b>Equity Shares</b>				
At the beginning of the year	305,528,966	611.06	303,936,230	607.87
Add: Shares issued during the year under ESOP scheme	2,337,563	4.67	1,592,736	3.19
<b>Closing at the end of year</b>	<b>307,866,529</b>	<b>615.73</b>	<b>305,528,966</b>	<b>611.06</b>

#### c. Terms/Rights attached to Equity Shares

The company has only one class of shares referred to as equity shares having a par value of ₹ 2/- each. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees.

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



# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

## d. Details of shareholders holding more than 5% shares in the Company:

The List of the shareholders to whom the shares to be issued under the Composite Scheme of Arrangement & having more than 5% shareholdings are as under:

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	% of holding in the class	No. of Shares	% of holding in the class
<b>Equity share of ₹ 2 each fully paid up</b>				
FIH Mauritius Investments Limited	84,641,445	27.49%	84,641,445	27.70%
Nirmal Bhanwarlal Jain	46,964,282	15.25%	46,964,282	15.37%
HWIC Asia Fund Class A shares	10,362,530	3.37%	28,362,530	9.28%

## e. Other details of equity shares for a period of five years immediately preceding March 31, 2024

- (i) In FY 2019-20, fresh 319,234,462 equity shares of ₹ 2/- each allotted through composite Scheme of Arrangement as approved by NCLT, Mumbai.
- (ii) In FY 2020-21, 17,000,394 equity shares bought back for an aggregate amount of ₹ 866.82 million. Consequently the paid-up equity share capital had reduced by ₹ 34.00 million.
- f. Shares reserved for issue under options and contracts/commitments for sale of shares/disinvestments, including the terms and amount, Refer Note 33 for details of shares reserved for issue under Employees Stock Option Plan of the Company.

## g. Shareholding of Promoters

Shares held by promoters at the end of the year 31-Mar-24					Shares held by promoters at the end of the year 31-Mar-23				
S. No.	Promoter name	No. of Shares	% of total shares	% Change during the year	S. No.	Promoter name	No. of Shares	% of total shares	% Change during the year
1	Nirmal Bhanwarlal Jain	46,964,282	15.25%	(0.77%)	1	Nirmal Bhanwarlal Jain	46,964,282	15.37%	(0.52%)
2	Madhu N Jain	12,075,000	3.92%	(0.77%)	2	Madhu N Jain	12,075,000	3.95%	(0.52%)
3	Venkataraman Rajamani	11,184,432	3.63%	(0.77%)	3	Venkataraman Rajamani	11,184,432	3.66%	(0.52%)
4	Mansukhlal Jain & Harshita Jain (in their capacity as Trustee of Nirmal Madhu Family Private Trust)	10,000,000	3.25%	(0.77%)	4	Mansukhlal Jain & Harshita Jain (in their capacity as Trustee of Nirmal Madhu Family Private Trust)	10,000,000	3.27%	(0.52%)
5	Aditi Avinash Athavankar (in the capacity as Trustee of Kalki Family Private Trust)	9,000,000	2.92%	(0.77%)	5	Aditi Avinash Athavankar (in the capacity as Trustee of Kalki Family Private Trust)	9,000,000	2.95%	(0.52%)
6	Aditi Athavankar	200,000	0.06%	(0.77%)	6	Aditi Athavankar	200,000	0.07%	(0.52%)
7	Orpheus Trading Pvt Ltd	3,019,500	0.98%	(0.77%)	7	Orpheus Trading Pvt Ltd	3,019,500	0.99%	(0.52%)
8	Ardent Impex Pvt Ltd	2,700,000	0.88%	(0.77%)	8	Ardent Impex Pvt Ltd	2,700,000	0.88%	(0.52%)
<b>Total</b>		<b>9,51,43,214</b>	<b>30.90%</b>		<b>Total</b>		<b>9,51,43,214</b>	<b>31.14%</b>	

## Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

### NOTE 20 : OTHER EQUITY

(₹ in Million)

Particulars	Reserves and Surplus							Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Share options outstanding account	Other items of Other Comprehensive Income	
<b>Balance as at April 01, 2023</b>	<b>670.91</b>	<b>34.00</b>	<b>1,227.55</b>	<b>20.13</b>	<b>8,872.83</b>	<b>92.67</b>	<b>(26.72)</b>	<b>10,891.37</b>
Transfer from/to reserve	-	-	24.90	4.08	-	(28.98)	-	-
Additions /(deletions) during the year	-	-	86.37	-	-	79.21	(12.53)	153.05
Total comprehensive income for the year	-	-	-	-	5,345.27	-	-	5,345.27
Appropriation towards dividend paid	-	-	-	-	(923.11)	-	-	(923.11)
<b>Balance as at March 31, 2024</b>	<b>670.91</b>	<b>34.00</b>	<b>1,338.83</b>	<b>24.21</b>	<b>13,294.99</b>	<b>142.90</b>	<b>(39.25)</b>	<b>15,466.58</b>
<b>Balance as at April 01, 2022</b>	<b>670.91</b>	<b>34.00</b>	<b>1,150.18</b>	<b>5.61</b>	<b>6,953.08</b>	<b>81.34</b>	<b>(10.91)</b>	<b>8,884.21</b>
Transfer from/to reserve	-	-	23.62	14.52	-	(38.14)	-	-
Additions /(deletions) during the year	-	-	53.75	-	-	49.47	(15.81)	87.41
Total comprehensive income for the year	-	-	-	-	2,834.31	-	-	2,834.31
Appropriation towards dividend paid	-	-	-	-	(914.56)	-	-	(914.56)
<b>Balance as at March 31, 2023</b>	<b>670.91</b>	<b>34.00</b>	<b>1,227.55</b>	<b>20.13</b>	<b>8,872.83</b>	<b>92.67</b>	<b>(26.72)</b>	<b>10,891.37</b>

#### Footnotes: Nature and purpose reserves

- i) **Capital reserves** : Capital reserve was created due to slump sale transaction and as per the Composite Scheme of Arrangement.
- ii) **Capital Redemption Reserve:** Nominal value of the shares cancelled through buyback is transferred to Capital Redemption Reserve.
- iii) **Securities premium** : Securities premium represents the surplus of proceeds received over the face value of shares, at the time of issue of shares.
- iv) **General Reserve:** This reserve can be distributed/utilised by the Company, in accordance with the Companies Act, 2013.
- v) **Retained earnings** : The balance in retained earnings primarily represents the net profit after payment of dividend and transfer to reserves.
- vi) **Share options outstanding account** : This reserve is created on account of ESOP granted by the Company.

### NOTE 21 : INTEREST INCOME

Particulars	FY 2023-24	FY 2022-23
Interest on deposits with banks	2,137.95	1,157.12
Interest on margin funding facility	1,150.30	867.70
<b>Total</b>	<b>3,288.25</b>	<b>2,024.82</b>



# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

## NOTE 22 : FEES AND COMMISSION INCOME

(₹ in Million)

Particulars	FY 2023-24	FY 2022-23
Brokerage & related income	12,017.46	7,602.20
Investment banking income	2,245.43	1,286.79
Financial Products Distribution Income	1,242.10	1,298.38
<b>Total</b>	<b>15,504.99</b>	<b>10,187.37</b>

## NOTE 23 : OTHER INCOME

(₹ in Million)

Particulars	FY 2023-24	FY 2022-23
<b>Gain/(Loss) on financial assets measured at fair value through Profit &amp; Loss account</b>		
- Realised	(83.93)	35.65
- Unrealised	548.00	(90.48)
Gain / (loss) on termination on lease	2.54	(1.38)
<b>Interest Income on</b>		
- Income tax refund	4.53	-
- Inter corporate deposit	55.85	18.37
- Investment	8.19	6.56
Dividend income #	252.34	427.93
Gain on derecognition of property, plant and equipment	24.45	-
Infrastructure support income	46.51	61.07
Other income	9.19	20.40
<b>Total</b>	<b>867.67</b>	<b>478.12</b>

# During the year, Company has received dividend of ₹ 250.00 million (PY ₹ 425.00 million) from subsidiaries (Refer note 36)

## NOTE 24 : FINANCE COST MEASURED AT AMOTISED COST

(₹ in Million)

Particulars	FY 2023-24	FY 2022-23
Interest on borrowings	733.14	273.88
Interest on debt securities	96.21	9.96
Interest on lease	81.64	40.33
Other borrowing cost	431.08	274.35
<b>Total</b>	<b>1,342.07</b>	<b>598.52</b>

## NOTE 25 : FEES AND COMMISSION EXPENSE

Particulars	FY 2023-24	FY 2022-23
Sub brokerage expense and Referral fees	3,551.48	2,416.25
Others	460.28	228.56
<b>Total</b>	<b>4,011.76</b>	<b>2,644.81</b>



# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

## NOTE 26 : EMPLOYEE BENEFITS EXPENSES

Particulars	FY 2023-24	FY 2022-23
Salaries and wages	3,722.14	2,953.25
Contribution to provident and other funds	62.97	68.20
Share based payments (Refer note 33)	77.89	49.41
Staff welfare expenses	32.69	32.30
Gratuity	15.19	13.80
Leave encashment	20.29	9.77
<b>Total</b>	<b>3,931.17</b>	<b>3,126.73</b>

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

### A Defined Benefit Plans:

#### (i) Reconciliation of opening and closing balances of Defined Benefit Obligation

Particulars	FY 2023-24	FY 2022-23
<b>Defined Benefit Obligation at beginning of the year</b>	<b>184.27</b>	<b>163.69</b>
Interest cost	13.65	11.20
Current service cost	14.62	14.31
Liability transferred In/ acquisitions	0.26	2.18
(Liability transferred out/ divestments)	(0.47)	(2.02)
(Benefit paid from the fund)	(27.63)	(20.19)
Actuarial (gains)/losses on obligations - due to change in financial assumptions	3.25	(7.99)
Actuarial (gains)/losses on obligations - due to experience	16.16	23.09
<b>Defined Benefit Obligation at year end</b>	<b>204.11</b>	<b>184.27</b>

#### (ii) Reconciliation of opening and closing balances of fair value of Plan Assets

Particulars	FY 2023-24	FY 2022-23
<b>Change in the fair value of plan assets</b>		
<b>Fair value of plan assets at beginning of the year</b>	<b>176.59</b>	<b>171.11</b>
Interest income	13.09	11.70
Contributions by the employer	30.00	20.00
Expected return on plan assets (excluding interest)	2.65	(6.03)
(Benefit paid from the fund)	(27.63)	(20.19)
<b>Fair value of Plan Assets at the end of the year</b>	<b>194.70</b>	<b>176.59</b>

#### (iii) Amount Recognized in the Balance Sheet

Particulars	FY 2023-24	FY 2022-23
<b>(Present Value of Benefit Obligation at the end of the year)</b>	<b>(204.11)</b>	<b>(184.27)</b>
Fair value of Plan Assets at the end of the year	194.70	176.59
Net (liability)/Asset recognized in the balance sheet (surplus/ (deficit))	(9.41)	(7.68)



# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

## (iv) Expenses recognised during the year

Particulars	FY 2023-24	FY 2022-23
<b>In Income statement</b>		
Current service cost	14.62	14.31
Net interest cost	0.57	(0.51)
<b>Expense recognised in the Statement of Profit and Loss under "Employee benefits expenses"</b>	<b>15.19</b>	<b>13.80</b>
<b>In other comprehensive income</b>		
Actuarial (gains)/Losses on obligation for the period	19.40	15.10
Return on plan assets, excluding interest income	(2.65)	6.03
<b>Net (income)/expense for the year recognized in OCI</b>	<b>16.75</b>	<b>21.13</b>

## (v) Balance sheet reconciliation

Particulars	FY 2023-24	FY 2022-23
<b>Opening net liability</b>	<b>7.68</b>	<b>(7.41)</b>
Expenses Recognized in Statement of Profit or Loss	15.19	13.80
Expenses Recognized in OCI	16.75	21.13
Net Liability/(Asset) Transfer In	0.26	2.18
Net (Liability)/Asset Transfer Out (Employer's Contribution)	(0.47)	(2.02)
<b>Net liability/(asset) recognized in the balance sheet</b>	<b>9.41</b>	<b>7.68</b>

## (vi) Investment Details :

Particulars	FY 2023-24	FY 2022-23
<b>Category of assets</b>		
Insurance fund	194.69	176.59
<b>Total</b>	<b>194.69</b>	<b>176.59</b>

## (vii) Actuarial assumptions

Particulars	FY 2023-24	FY 2022-23
Expected return on plan assets	7.19%	7.41%
Rate of discounting	7.19%	7.41%
Rate of salary increase	5.00%	5.00%
Rate of employee turnover	For service 4 years and below 31% p.a. & thereafter 6% p.a.	For service 4 years and below 31% p.a. & thereafter 6% p.a.
Mortality rate during employment	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

## Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

- (a) The estimate of future salary increase, considered in the actuarial valuation, takes into account inflation, seniority, promotion, increments and other relevant factors.
- (b) The Expected Rate of Return on Plan Assets is determined considering several applicable factors, mainly the composition of Plan Assets held assessed risks, historical results of return on Plan Assets and the Company's policy for Plan Assets Management.

### (viii) Sensitivity Analysis

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

Particulars	FY 2023-24	FY 2022-23
Projected Benefit Obligation on Current Assumptions	204.11	184.27
Delta Effect of +1% Change in Rate of Discounting	(14.05)	(12.64)
Delta Effect of -1% Change in Rate of Discounting	15.99	14.42
Delta Effect of +1% Change in Rate of Salary Increase	13.00	11.93
Delta Effect of -1% Change in Rate of Salary Increase	(12.07)	(11.01)
Delta Effect of +1% Change in Rate of Employee Turnover	3.82	3.69
Delta Effect of -1% Change in Rate of Employee Turnover	(4.25)	(4.12)
Weighted Average Duration of the Projected Benefit Obligation	11.00	11.00

These plans typically expose the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

**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.

**Interest risk :-** A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.

**Longevity risk :-** The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**Salary risk :-** The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

### (ix) Maturity Analysis of the Benefit Payments: From the Fund

Particulars	FY 2023-24	FY 2022-23
1st Following Year	22.78	24.04
2nd Following Year	15.62	13.79
3rd Following Year	17.08	13.86
4th Following Year	16.80	15.19
5th Following Year	16.32	14.80
Sum of Years 6 To 10	86.76	78.79
Sum of Years 11 and above	217.21	205.09



# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

## B. Defined Contribution Plans:

The company have recognised the following amounts as an expense in the Statement of Profit and Loss:

Particulars	FY 2023-24	FY 2022-23
Contribution to provident fund	40.87	41.20
Contribution to ESIC	0.37	1.27
Contribution to labour welfare fund	0.07	0.09
Contribution to EPS	15.18	20.56
Contribution to NPS	6.48	5.08
<b>Total</b>	<b>62.97</b>	<b>68.20</b>

## NOTE 27 : DEPRECIATION, AMORTIZATION AND IMPAIRMENT

Particulars	FY 2023-24	FY 2022-23
Depreciation on property, plant and equipment	83.63	75.62
Depreciation on right of use asset	291.65	266.30
Amortization of intangible assets (including impairment provision)	697.10	257.97
<b>Total</b>	<b>1,072.38</b>	<b>599.89</b>

## NOTE 28 : OTHER EXPENSES

Particulars	FY 2023-24	FY 2022-23
Communication expense	66.87	42.50
Corporate social responsibility expenses (Refer note 32)	54.22	51.92
Directors commission & sitting fees	6.40	6.01
Exchange, Custodian and Statutory Charges	194.29	195.60
Provision for Expected credit loss	77.13	50.60
Franking, Bank charges & Infrastructure support charges	24.31	20.74
Legal and professional charges	383.04	348.66
Marketing, Advertisement and commission expenses	713.02	529.03
Office expenses	98.80	81.26
Printing and stationery & Postage and courier	18.69	20.25
Rent, electricity, rates & taxes, insurance	52.08	39.69
Repairs & Maintenance	8.21	6.13
Remuneration to Auditors :		
- As auditors - Statutory Audit	4.80	3.85
- Certification work and other matters	-	0.05
- Out of pocket expenses	-	-
Technology expenses	542.72	541.26
Travelling & conveyance and Meeting, Seminar & subscription	115.97	114.11
Miscellaneous expenses	19.45	3.23
<b>Total</b>	<b>2,380.00</b>	<b>2,054.89</b>

## Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

### NOTE 29 : INCOME TAX

Amount Recognised in profit or loss

Particulars	FY 2023-24	FY 2022-23
<b>Current tax expenses</b>		
Current year	1,646.42	848.43
Changes in estimates related to prior years	(55.93)	(3.28)
<b>Deferred tax expenses</b>		
Origination and reversal of temporary differences	(12.23)	(13.99)
<b>Total</b>	<b>1,578.26</b>	<b>831.16</b>

Reconciliation of effective tax rates :

Particulars	FY 2023-24	FY 2022-23
Profit before tax	6,923.53	3,665.47
Tax using domestic tax rates	25.168%	25.168%
Tax amount	1,742.51	922.53
<b>Tax effect of :</b>		
Non-deductible expenses	13.61	6.98
Income Tax Interest	3.64	-
<b>Tax on Eliminated Income</b>		
Dividend	(63.51)	(107.70)
Others	(1.73)	(1.90)
Income taxable at different rate	(48.63)	24.12
Differential Tax Treatment	-	(7.61)
Adjustment in respect of current income tax of prior years	(55.93)	(3.28)
Recognition of previously unrecognised deductible temporary differences	(11.70)	(1.98)
<b>Total Income Tax Expense</b>	<b>1,578.26</b>	<b>831.16</b>
<b>Effective tax rate</b>	<b>22.80%</b>	<b>22.68%</b>

### NOTE 30 : EARNINGS PER EQUITY SHARE

Particulars		FY 2023-24	FY 2022-23
Face value of equity shares in ₹ fully paid up		2.00	2.00
<b>BASIC</b>			
Profit after tax as per statement of profit and loss (₹ in Million)	A	5,345.27	2,834.31
Weighted average number of equity shares outstanding	B	306,224,539	304,371,508
<b>Basic EPS In ₹</b>	<b>A/B</b>	<b>17.46</b>	<b>9.31</b>
<b>DILUTED</b>			
Weighted average number of equity shares for computation of basic EPS		306,224,539	304,371,508
Add: Potential equity shares on account conversion of Employees Stock Options		6,198,624	2,348,746
Weighted average number of equity shares for computation of diluted EPS	C	312,423,163	306,720,254
<b>Diluted EPS In ₹</b>	<b>A/C</b>	<b>17.11</b>	<b>9.24</b>



# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

## NOTE 31 : CAPITAL, OTHER COMMITMENTS AND CONTINGENT LIABILITIES AT BALANCE SHEET DATE

### Capital and other commitment

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Capital commitment	92.40	214.24
(ii) Other commitment	15.00	60.00

### Contingent Liabilities

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) In respect of Income tax demands (see note 1)	162.92	81.13
(ii) In respect of Service tax & GST demands (see note 2)	146.64	137.04
(iii) Bank guarantees (see note 3)	12,623.20	16,400.00
(iv) In respect of Other Legal case	262.32	247.67
<b>Total</b>	<b>13,195.08</b>	<b>16,865.84</b>

#### Notes :

- Amount paid under protest with respect to income tax demand ₹ 54.08 million (As at March 31, 2023 ₹ 52.54 million)
- Amount paid under protest with respect to service tax & GST demand ₹ 11.81 million (As at March 31, 2023 ₹ 11.69 million).
- Bank Guarantees given as collateral to various stock exchanges against fixed deposits of ₹ 6,311.60 million (Previous year ₹ 8,200.00 million).
- SEBI vide its order dated June 19, 2023 prohibited the company from onboarding new clients for a period of two years in respect of its business as a stock broker consequent to certain findings of SEBI inspections with respect to segregation of client funds and own funds for different periods from April 2011 to 2017. Securities Appellate Tribunal (SAT). vide its order dated December 07, 2023 has set aside the aforesaid order. SEBI has preferred appeal before the Hon'ble Supreme Court and the same is pending.

## NOTE 32 : CORPORATE SOCIAL RESPONSIBILITY

During the period ended March 31, 2024 the Company has spent ₹ 54.22 million (Previous year ₹ 51.92 million including earlier year shortfall) out of the total amount of ₹ 54.08 million (Previous year ₹ 42.59 million) required to be spent as per section 135 of the Companies Act 2013 in respect of Corporate Social Responsibility [CSR].

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Amount required to be spent by the company during the year	54.08	42.59
Amount of expenditure incurred*	54.22	51.92
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	9.33
Reason for shortfall	NA	NA
Details of related party transactions	Contributed to India Infoline Foundation ₹ 54.08 million	Contributed to India Infoline Foundation ₹ 51.92 million

\* interest earned on funded amount to implementation agency also spent during the year.

## Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

The Company undertakes the following activities in the nature of Corporate social responsibility (CSR):

- Promoting education among children and women, especially of girls from marginalised and vulnerable communities along with promoting digital learning initiatives and strengthening government schools
- Promoting employment enhancing vocational skills, especially among youths, through livelihood enhancement projects in aspirational districts and encouraging entrepreneurship
- Promoting healthcare, including preventive health and sanitation,
- Promoting gender equality, empowering women and taking measures to reduce inequalities faced by socially and economically backward groups
- Maintenance of green spaces to promote physical and mental wellbeing of the community

For a detailed report, please refer to annexure -1 “Corporate Social Responsibility (CSR)” in the Director report.

### NOTE 33 : SHARE BASED PAYMENTS

a) The details of Employee Stock Option Schemes are as under:

Particulars	ESOP 2018	ESOP 2019
Method of Accounting	Fair Value	Fair Value
Vesting Plan	Options granted would vest over a period of five years subject to a minimum period of one year or three years from the date of grant of options as per the terms & conditions of Grant	
Exercise Period	Seven years from the date of grant	
Grant Date	October 30, 2019, January 07, 2021, October 08, 2021 and January 18, 2024	April 29, 2017
Grant Price (₹ per share)	₹ 30.85, ₹ 49.00, ₹ 99.40 and ₹ 2.00	₹ 218.71

b) (i) Movement of options during the year ended March 31, 2024 of ESOP 2019 (Demerger Scheme)

Particulars	Options Outstanding	Range of exercise price (in ₹)	Weight average exercise price (in ₹)	Weight average remaining contractual life (Years)
<b>Outstanding as on April 01, 2023</b>	<b>12,000</b>	<b>218.71</b>	<b>218.71</b>	<b>1.08</b>
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Expired during the year	-	-	-	-
Exercised during the year	-	-	-	-
<b>Outstanding as on March 31, 2024</b>	<b>12,000</b>	<b>218.71</b>	<b>218.71</b>	<b>0.08</b>
<b>Exercisable as on March 31, 2024</b>	<b>12,000</b>	<b>218.71</b>	<b>218.71</b>	<b>0.08</b>



## Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

### b) (ii) Movement of options during the year ended March 31, 2024 of ESOP 2018 Scheme

Particulars	Options Outstanding	Range of exercise price (in ₹)	Weight average exercise price (in ₹)	Weight average remaining contractual life (Years)
<b>Outstanding as on April 01, 2023</b>	<b>9,187,309</b>	<b>30.85 - 99.40</b>	<b>68.19</b>	<b>4.64</b>
Granted during the year	5,000,000	2.00	2.00	-
Forfeited during the year	(455,995)	30.85 - 99.40	75.48	-
Expired during the year	(163,355)	30.85 - 99.40	72.59	-
Exercised during the year	(2,337,563)	30.85 - 99.40	38.95	-
<b>Outstanding as on March 31, 2024</b>	<b>11,230,396</b>	<b>2.00 - 99.40</b>	<b>44.45</b>	<b>5.21</b>
<b>Exercisable as on March 31, 2024</b>	<b>3,942,247</b>	<b>30.85 - 99.40</b>	<b>66.42</b>	<b>3.59</b>

### c) (i) Movement of options during the year ended March 31, 2023 of ESOP 2019 (Demerger Scheme)

Particulars	Options Outstanding	Range of exercise price (in ₹)	Weight average exercise price (in ₹)	Weight average remaining contractual life (Years)
<b>Outstanding as on April 01, 2022</b>	<b>273,416</b>	<b>82.02 - 218.71</b>	<b>88.02</b>	<b>0.99</b>
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Expired during the year	(251,194)	82.02	82.02	-
Exercised during the year	(10,222)	82.02	82.02	-
<b>Outstanding as on March 31, 2023</b>	<b>12,000</b>	<b>218.71</b>	<b>218.71</b>	<b>1.08</b>
<b>Exercisable as on March 31, 2023</b>	<b>12,000</b>	<b>218.71</b>	<b>218.71</b>	<b>1.08</b>

### c) (ii) Movement of options during the year ended March 31, 2023 of ESOP 2018 Scheme

Particulars	Options Outstanding	Range of exercise price (in ₹)	Weight average exercise price (in ₹)	Weight average remaining contractual life (Years)
<b>Outstanding as on April 01, 2022</b>	<b>13,117,938</b>	<b>30.85 - 99.40</b>	<b>63.83</b>	<b>5.57</b>
Granted during the year	-	-	-	-
Forfeited during the year	(2,099,417)	30.85 - 99.40	65.86	-
Expired during the year	(248,698)	30.85 - 99.40	66.35	-
Exercised during the year	(1,582,514)	30.85 - 49.00	35.45	-
<b>Outstanding as on March 31, 2023</b>	<b>9,187,309</b>	<b>30.85 - 99.40</b>	<b>68.19</b>	<b>4.64</b>
<b>Exercisable as on March 31, 2023</b>	<b>3,006,978</b>	<b>30.85 - 99.40</b>	<b>59.46</b>	<b>4.39</b>

#### Fair Value Methodology:

The fair value of the shares are measured using Black scholes formula. 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 .



## Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

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

Particulars	ESOP 2018	
	2023-24	2022-23
Stock price (₹)	155.35	-
Volatility	50%	-
Risk-free Rate	7.19%	-
Exercise price (₹)	2.00	-
Time to Maturity (Years)	7	-
Dividend yield	3.70%	-
Weight Average Value (₹)	127.72	-

**Stock Price:** The average of weekly high & low of volume weighted average price (VWAP) of shares during the two week preceding the date of grant.

**Volatility:** The daily volatility of the stock prices on NSE, over a period prior to the date of grant, corresponding with the expected life of the Options has been considered to calculate the fair value.

**Risk-free rate of return:** The risk-free rate being considered for the calculation is the India Government Bond Generic Bid Yield with a maturity about equal to the expected life of the options.

**Exercise Price:** Price of each specific grant has been considered.

**Time to Maturity:** Time to Maturity / Expected Life of Options is the period for which the Company expects the Options to be live. The minimum life of a stock option is the minimum period before which the Options cannot be exercised and the maximum life is the period after which the Options cannot be exercised.

**Expected dividend yield:** Expected dividend yield has been calculated as an average of dividend yields for the three financial years preceding the date of the grant. The dividend yield for the year is derived by dividing the dividend per share by the average price per share of the respective period.

### NOTE 34 : ASSETS PLEDGED AS SECURITY

The carrying amounts of assets pledged as security for borrowings are:

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Financial assets</b>		
Receivable & Loan	13,300.00	4,000.00
Fixed deposit	1,153.50	1,807.50
Investments	490.59	-
<b>Total assets pledged as security</b>	<b>14,944.09</b>	<b>5,807.50</b>

### NOTE 35 : FINANCIAL RISK MANAGEMENT

#### Financial risk management objectives and policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's risk management policy is approved by the board committee.

The company has adopted the 'three lines-of-defence' (3 LOD) model wherein management control at the business entity level is the first line of defence in risk management. Various risk control and compliance oversight functions, established by the management are the second line of defence. Finally, the third line comprises the internal audit/ assurance function. All three lines play a distinct role within Company wider governance framework.



## Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

The Company is exposed to market risk, credit risk, liquidity risk etc. The Company senior management oversees the management of these risks. The Company senior management is overseen by the audit committee with respect to risks and facilitates appropriate financial risk governance framework for the Company. Financial risks are identified, measured and managed in accordance with the Company policies and risk objectives. The Board of Directors reviews and agrees policies for managing key risks, which are summarised below.

### 35 A.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 and other financial asset.

#### Credit quality analysis

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

(₹ in Million)

Particulars	As at March 31, 2024			
	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Total
Trade receivables	345.22	44.31	33.70	423.23
Less : Impairment loss allowance	-	(10.18)	(33.70)	(43.88)
<b>Carrying amount</b>	<b>345.22</b>	<b>34.13</b>	<b>-</b>	<b>379.35</b>
Other financial assets	17,223.68	7.03	138.15	17,368.86
Less: Impairment loss allowance	-	(1.92)	(138.15)	(140.07)
<b>Carrying amount</b>	<b>17,223.68</b>	<b>5.11</b>	<b>-</b>	<b>17,228.79</b>

Particulars	As at March 31, 2023			
	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Total
Trade receivables	131.00	59.93	4.65	195.58
Less: Impairment loss allowance	-	(6.50)	(4.65)	(11.15)
<b>Carrying amount</b>	<b>131.00</b>	<b>53.43</b>	<b>-</b>	<b>184.43</b>
Other financial assets	11,882.25	70.95	529.85	12,483.05
Less : Impairment loss allowance	-	(20.25)	(529.85)	(550.10)
<b>Carrying amount</b>	<b>11,882.25</b>	<b>50.70</b>	<b>-</b>	<b>11,932.95</b>

## Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

### Movement of ECL (Trade receivable and other financial assets) (₹ in Million)

Particulars	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Total
<b>April 01, 2022</b>	<b>16.44</b>	<b>489.50</b>	<b>505.94</b>
Increase/(decrease) net	10.31	45.00	55.31
<b>March 31, 2023</b>	<b>26.75</b>	<b>534.50</b>	<b>561.25</b>
Increase/(decrease) net	(14.65)	(362.65)	(377.30)
<b>March 31, 2024</b>	<b>12.10</b>	<b>171.85</b>	<b>183.95</b>

### 35 A.2. COLLATERAL HELD

The Company holds collateral of securities and other credit enhancements against its credit exposures.

### 35 A.3. MEASUREMENT OF EXPECTED CREDIT LOSS

### 35 B. LIQUIDITY RISK

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

The table below analyse the company financial liability into relevant maturity companying based on their contractual maturity. The amount disclosed in the table are the contractual undiscounted cash flows. Balance due within 1 year equals their carrying balances as the impact of discounting is not significant.

### As at March 31, 2024 (₹ in Million)

Particulars	Total	Up to 1 year	1-5 years	5-10 years	More than 10 years
Trade & other payable	1,761.48	1,761.48	-	-	-
Commercial paper	4,292.99	4,292.99	-	-	-
Bank overdraft	74.45	74.45	-	-	-
Working capital demand loan	5,477.50	5,477.50	-	-	-
Other financial liabilities	46,463.70	45,478.79	945.84	39.06	-
<b>Total liabilities</b>	<b>58,070.12</b>	<b>57,085.21</b>	<b>945.84</b>	<b>39.06</b>	<b>-</b>

### As at March 31, 2023 (₹ in Million)

Particulars	Total	Up to 1 year	1-5 years	5-10 years	More than 10 years
Trade & other payable	693.58	693.58	-	-	-
Bank overdraft	970.46	970.46	-	-	-
Working capital demand loan	2,109.13	2,109.13	-	-	-
Other financial liabilities	32,420.09	31,794.32	596.67	29.10	-
<b>Total liabilities</b>	<b>36,193.26</b>	<b>35,567.49</b>	<b>596.67</b>	<b>29.10</b>	<b>-</b>

### 35 C. MARKET RISK

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



## Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

The Company manages market risk through a treasury department, which evaluate and exercises control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by senior management and the Audit/ Investment committee. The activities of this department include management of cash resources, borrowing strategies, and ensuring compliance with market risk limit and policies.

### 35 C.1. INTEREST RATE RISK

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate change does not affects significantly short term borrowing and current investment therefore the Company's exposure to the risk of changes in market interest rates relates primarily to the Company's Non current investment.

Company business is volatile and hence borrowings are done bases on requirement, generally borrowings are done for short term and are on market based interest rate.

The following table shows sensitivity analysis for impact on interest cost.

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Commercial Papers	4,292.99	-
Bank overdraft	74.45	970.46
Working capital demand loan & revolving credit facilities	5,477.50	2,109.13
<b>Total</b>	<b>9,844.94</b>	<b>3,079.59</b>
Weighted average interest rate	9.22%	8.12%
Annualised interest cost	907.95	249.97

Sensitivity analysis for impact on interest cost

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Increase in 1% change in ROI	98.45	30.80
Decrease in 1% change in ROI	(98.45)	(30.80)

### 35 C.2. EXPOSURE TO CURRENCY RISKS

The Company is operating internationally and is exposed to foreign exchange risk arising form foreign currency transaction. Below is table showing net gap between foreign asset and liability

Particulars	As at March 31, 2024		As at March 31, 2023	
	Foreign currency in million	₹ in million	Foreign currency in million	₹ in million
<b>Foreign Currency Assets</b>				
USD	1.83	152.39	0.29	23.75
GBP	0.00	0.50	0.01	0.62
<b>Foreign Currency Liabilities</b>				
USD	0.53	44.09	0.40	32.85
<b>Net Gap</b>				
USD	1.30	108.30	(0.11)	(9.10)
GBP	0.00	0.50	0.01	0.62

## Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

### Sensitivity :

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

The effect of upward movement of 5% in the exchange rate reduce the profit/reserve by ₹ 5.44 million (increase in profit/reserve ₹ 0.42 million for previous year) and downward movement of 5% will increase profit/reserve by ₹ 5.44 million (reduce in profit/reserve ₹ 0.42 million for previous year) for FY 2023-24.

### 35 C.3. EXPOSURE TO PRICE RISK

The Company exposure to price risk arising from investment held by the company and is classified in the balance sheet through fair value through profit & loss account. Company has majorly invested in Debt Fund and Alternate Investment Funds under various scheme and its exposure.

(₹ in Million)

Particulars	Debt Securities	Equity Shares (Other than subsidiaries)	Alternate Investment Funds	Total
<b>Market Value as on March 31, 2024</b>	-	490.59	718.40	1,208.99
Market Value as on March 31, 2023	83.31	84.04	430.04	597.39

### Sensitivity

The effect of upward movement of 5% in the price affects the projected net income by ₹ 60.45 million (₹ 29.87 million for previous year) and for forward downward movement of 5% the projected net loss will be ₹ 60.45 million (₹ 29.87 million for previous year) for FY 2023-24.

### 35 D. CAPITAL MANAGEMENT

The company's objective when managing capital are to

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using debt equity ratio.



# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

The company's strategy is to maintain gearing ratio as per industry norms. The gearing ratio is as follows :

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Total debt	9,844.94	3,079.59
Cash & cash equivalent (excluding client bank balance)	(2,960.09)	(321.06)
<b>Net debt</b>	<b>6,884.85</b>	<b>2,758.53</b>
Total equity	16,082.31	11,502.43
Net debt to equity	0.43	0.24

## 35 E. FAIR VALUES OF FINANCIAL INSTRUMENTS

The Company measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Subjective estimate - The valuation of level 3 financial instruments held at fair value through profit or loss or through other comprehensive income may be misstated due to the application of valuation techniques which often involve the exercise of judgement and the use of assumptions and estimates. A subjective estimate exists for instruments where the valuation method uses significant unobservable inputs which is principally the case for level 3 financial instruments. The estimate measurement of fair value is more judgemental in respect of Level 3 assets, these are valued based on models that use a significant degree of non-market-based unobservable inputs.

Observable prices or model inputs are usually available in the market for listed debt and equity securities. The availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determining fair values.

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.

## 34 E.1. : Fair Value of Financial Instruments - Financial Instrument by Category

(₹ in Million)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Fair Value through Profit or loss	Amortised Cost	Carrying Value	Fair Value through Profit or loss	Amortised Cost	Carrying Value
<b>Financial Asset</b>						
Cash and cash equivalents	-	3,664.05	3,664.05	-	1,383.15	1,383.15
Bank Balance other than (a) above	-	40,162.55	40,162.55	-	26,634.42	26,634.42

## Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Fair Value through Profit or loss	Amortised Cost	Carrying Value	Fair Value through Profit or loss	Amortised Cost	Carrying Value
Receivables						
(I) Trade receivables	-	379.35	379.35	-	184.43	184.43
(II) Other receivables	-	22.91	22.91	-	114.82	114.82
Loans	-	9,559.28	9,559.28	-	4,950.86	4,950.86
Investments						
- Equity Shares	490.59	675.08	1,165.67	84.04	493.23	577.27
- Debt Instruments	-	-	-	83.31	-	83.31
- Alternate Investment Fund	718.40	-	718.40	430.04	-	430.04
Other financial assets	-	17,228.79	17,228.79	-	11,932.95	11,932.95
<b>Total</b>	<b>1,208.99</b>	<b>71,692.01</b>	<b>72,901.00</b>	<b>597.39</b>	<b>45,693.86</b>	<b>46,291.25</b>
Financial Liabilities						
Trade payables	-	16.12	16.12	-	16.96	16.96
Other payables	-	1,745.36	1,745.36	-	676.62	676.62
Debt securities	-	4,292.99	4,292.99	-	-	-
Borrowings (Other than debt securities)	-	5,551.95	5,551.95	-	3,079.59	3,079.59
Other financial liabilities	-	46,314.25	46,314.25	-	32,324.43	32,324.43
<b>Total</b>	<b>-</b>	<b>57,920.67</b>	<b>57,920.67</b>	<b>-</b>	<b>36,097.60</b>	<b>36,097.60</b>

### 35 E. 2. FAIR VALUE HIERARCHY - FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

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.

(₹ in Million)

Financial instruments measured at fair value - recurring fair value measurements	As at March 31, 2024			
	Level 1	Level 2	Level 3	Total
Equity instruments	490.59	-	-	<b>490.59</b>
Debt Instruments	-	-	-	-
Alternate Investment Funds	-	-	718.40	<b>718.40</b>
<b>Total Assets</b>	<b>490.59</b>	<b>-</b>	<b>718.40</b>	<b>1,208.99</b>

(₹ in Million)

Financial instruments measured at fair value - recurring fair value measurements	As at March 31, 2023			
	Level 1	Level 2	Level 3	Total
Equity instruments	84.04	-	-	<b>84.04</b>
Debt Instruments	-	83.31	-	<b>83.31</b>
Alternate Investment Funds	-	-	430.04	<b>430.04</b>
<b>Total Assets</b>	<b>84.04</b>	<b>83.31</b>	<b>430.04</b>	<b>597.39</b>

### 35 E. 3. VALUATION METHODOLOGIES OF FINANCIAL INSTRUMENTS NOT MEASURED AT FAIR VALUE

The following table sets out the fair values of financial instruments not measured at fair value and analyses them by the level in the fair value hierarchy into which each fair value measurement is categorised.



## Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

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.

(₹ in Million)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Carrying Value	Fair Value	Fair Value Hierarchy	Carrying Value	Fair Value	Fair Value Hierarchy
<b>Assets</b>						
Cash and cash equivalents	3,664.05	3,664.05	-	1,383.15	1,383.15	-
Bank Balance other than above	40,162.55	40,162.55	-	26,634.42	26,634.42	-
Receivables						
(I) Trade receivables	379.35	379.35	-	184.43	184.43	-
(II) Other receivables	22.91	22.91	-	114.82	114.82	-
Loans	9,559.28	9,559.28	-	4,950.86	4,950.86	-
Security deposit with landlord	225.08	196.86	Level 3	236.80	217.55	Level 3
Security deposit others	31.59	31.59	-	32.54	32.54	-
Other financial asset	16,972.12	16,972.12	-	11,663.61	11,663.61	-
<b>Total Assets</b>	<b>71,016.93</b>	<b>70,988.71</b>		<b>45,200.63</b>	<b>45,181.38</b>	
<b>Liabilities</b>						
Trade payables	16.12	16.12	-	16.96	16.96	-
Other payables	1,745.36	1,745.36	-	676.62	676.62	-
Debt securities	4,292.99	4,292.99	-	-	-	-
Borrowings (Other than debt securities)	5,551.95	5,551.95	-	3,079.59	3,079.59	-
Security deposit from tenants	-	-	-	3.53	1.85	Level 3
Security deposit others	371.30	371.30	-	392.96	392.96	-
Other financial liabilities	45,942.95	45,942.95	-	31,927.94	31,927.94	-
<b>Total Liabilities</b>	<b>57,920.67</b>	<b>57,920.67</b>		<b>36,097.60</b>	<b>36,095.92</b>	

### 35 E. 4. MOVEMENTS IN LEVEL 3 FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE :

(₹ in Million)

Particulars	Alternate Investment fund	Total
<b>Balances as at April 1, 2023</b>	<b>430.04</b>	<b>430.04</b>
Purchase	398.47	398.47
Sale/Redemption of financial instrument	(174.49)	(174.49)
Total gain/(losses) recognised in profit and loss	64.38	64.38
<b>Balances as at March 31, 2024</b>	<b>718.40</b>	<b>718.40</b>



# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

(₹ in Million)

Particulars	Alternate Investment fund	Total
<b>Balances as at April 1, 2022</b>	<b>350.99</b>	<b>350.99</b>
Purchase	49.94	49.94
Sale/Redemption of financial instrument	-	-
Total gain/(losses) recognised in profit and loss	29.11	29.11
<b>Balances as at March 31, 2023</b>	<b>430.04</b>	<b>430.04</b>

## 35 E. 5. MEASUREMENT OF FAIR VALUE

The fair values of Investments in Equity share and Bonds is based on last traded price and Alternate Investment Fund, Mutual Funds is based on the net asset value (NAV) as stated by the issuers of these alternate asset funds in the published statements as at the Balance Sheet date. NAV represents the price at which the issuer will issue further units of alternate asset fund and the price at which issuers will redeem such units from the investors.

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

Type	Valuation technique	Significant unobservable inputs	Range	Sensitivity of the input to fair value Change in discount rate by 500 basis points would increase / (decrease) as below
<b>Financial Assets:</b>				
Investment in Alternate Investment Funds	Alternate Investment Fund is based on the net asset value (NAV) as stated by the issuers of these alternate asset funds in the published statements as at the Balance Sheet date. NAV represents the price at which the issuer will issue further units of alternate asset fund and the price at which issuers will redeem such units from the investors.	Not Applicable	Not Applicable	Not Applicable
Investment in Debt Instrument	These indicates thinly traded / non traded securities as defined in SEBI Regulations and Guidelines and the fair value is estimated considering the valuation declared by fund houses for respective instruments during every reporting date.	Not Applicable	Not Applicable	Not Applicable
Investment in Preference shares/ Equity share	These indicates thinly traded / non traded securities as defined in SEBI Regulations and Guidelines and the fair value is estimated considering the valuation declared by fund houses for respective instruments during every reporting date.	Not Applicable	Not Applicable	Not Applicable
<b>Financial Liabilities:</b>				
Deposit	Discounted cash flow technique- The fair value is estimated considering net present value calculated using discount rates derived from quoted prices of similar instruments with similar maturity and credit rating that are traded in active markets, adjusted by an illiquidity factor.	Discount Rate	6.00% - 7.00% (Previous year 6.25% - 7.00%) based on SBI FD rate for respective period of deposit	Not Applicable



# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

## NOTE 36 : RELATED PARTY TRANSACTION

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

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

Nature of relationship	Name of party #
<b>Directors &amp; their relatives</b>	Mr. R. Venkataraman– Chairman & Managing Director (till May 14, 2024) ,Chairman & Non-Executive Director (w.e.f. May 15, 2024)
	Mr. Nemkumar H - Whole Time Director (w.e.f. October 17, 2023) & Managing Director (w.e.f. May 15, 2024)
	Mr. Narendra Jain - Whole Time Director
	Mr. Anand Bathiya - Independent Director
	Mr. Viswanathan Krishnan - Independent Director
	Ms. Rekha Warriar - Independent Director
	Mrs. Aditi Athavankar (wife of Mr. R. Venkataraman)
	Mr. Shamik Das Sharma - Independent Director
<b>Subsidiaries Company</b>	IIFL Commodities Limited
	India Infoline Foundation (a section 8 Company)
	Livlong Insurance Brokers Limited (Formerly IIFL Insurance Brokers Limited)
	IIFL Management Services Limited
	Livlong Protection & Wellness Solutions Limited (Formerly IIFL Corporate Services Limited) (Formerly IIFL Asset Reconstruction Limited)
	IIFL Facilities Services Limited
	IIFL Securities Alternate Asset Management Limited
	IIFL Capital Inc
	IIFL Securities Services IFSC Limited
	IIFL Wealth (UK) Limited
Meenakshi Towers LLP	
<b>Step Down Subsidiaries</b>	Shreyans Foundation LLP
<b>Other Related Parties</b>	IIFL Finance Limited
	IIFL Sales Limited
	5paisa Capital Limited
	IIFL Home Finance Limited
	360 ONE Wam Limited (Formerly known as IIFL Wealth Management Limited)
	FIH Mauritius Investments Limited
	360 One Prime Limited ( Formerly IIFL Wealth Finance Limited)
	360 One Asset Management Limited
	360 One Distribution Services Limited ( Formerly IIFL Wealth Distribution Services Limited) (Formerly known as IIFL Distribution Services Limited)
	IIFL Open Fintech Private Limited
	IIFL Samasta Finance Limited (Formerly Samasta Microfinance Limited)
	Orpheus Trading Private Limited
	Ardent Impex Private Limited
	Mr. Nirmal Jain - Promoter
	Mrs. Madhu Jain - (wife of Nirmal Jain)

# The above list includes related parties with whom transactions have been carried out during the year.

## Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

### (B) Significant Transactions with Related Parties

	(₹ in Million)	
Nature of transaction	FY 2023-24	FY 2022-23
<b>Subscription to equity share capital :-</b>		
<b>a) Subsidiaries</b>		
IIFL Commodities Limited	91.87	-
IIFL Securities Alternate Asset Management Limited	90.00	-
<b>Brokerage Income/Delayed Payin Charges, etc. :-</b>		
<b>a) Subsidiaries</b>		
IIFL Facilities Services Limited	0.09	0.37
IIFL Management Services Limited	0.02	1.85
<b>b) Other Related Parties</b>		
IIFL Finance Limited	0.95	2.61
360 One Prime Limited	9.96	-
IIFL Home Finance Limited	0.69	-
Nirmal Jain	1.51	-
Ardent Impex Private Limited	0.26	-
Orpheus Trading Private Limited	0.25	-
FIH Mauritius Investments Limited	62.87	-
<b>c) Directors &amp; their relatives, Key Managerial Personnel</b>		
Madhu Jain	5.97	0.02
Aditi Athavankar	0.02	0.06
R. Venkataraman	1.99	0.86
Narendra Jain	0.00	0.00
<b>Interest Income - Inter Corporate Deposit/Others :-</b>		
<b>a) Subsidiaries</b>		
Livlong Protection & Wellness Solutions Limited	7.07	0.13
IIFL Commodities Limited	10.11	4.12
IIFL Management Services Limited	2.91	13.21
IIFL Facilities Services Limited	33.35	0.92
<b>b) Other Related Parties</b>		
IIFL Finance Limited	2.41	-
<b>Distribution Income:-</b>		
<b>a) Subsidiaries</b>		
IIFL Management Services Limited	0.42	1.40
Livlong Protection & Wellness Solutions Limited	0.21	0.04
<b>b) Other Related Parties</b>		
IIFL Finance Limited	50.89	69.30
360 One Asset Management Limited	89.08	169.41
360 One Prime Limited	7.52	-
IIFL Samasta Finance Limited	42.65	-
FIH Mauritius Investments Limited	87.76	-



# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

(₹ in Million)

Nature of transaction	FY 2023-24	FY 2022-23
<b>Remuneration:-</b>		
Directors	91.89	66.51
<b>Director's commission / Sitting Fees:-</b>		
Anand Bhatiya	1.72	1.57
Rekha Warriar	1.56	1.54
Viswanathan Krishnan	1.64	1.59
Shamik Das Sharma	1.44	1.32
<b>Rent Income :-</b>		
<b>a) Other Related Parties</b>		
5Paisa Capital Limited	0.88	6.18
<b>Dividend Income:-</b>		
<b>a) Subsidiaries</b>		
Livlong Insurance Brokers Limited	250.00	200.00
IIFL Facilities Services Limited	-	225.00
<b>Interest Expenses on Inter Corporate Deposit:-</b>		
<b>a) Subsidiaries</b>		
IIFL Facilities Services Limited	-	1.20
<b>b) Other Related Parties</b>		
IIFL Finance Limited	33.72	51.33
IIFL Home Finance Limited	88.14	1.51
<b>Corporate Social Responsibility Expenses:-</b>		
<b>a) Subsidiaries</b>		
India Infoline Foundation	54.08	51.92
<b>Rent Expenses</b>		
<b>a) Subsidiaries</b>		
IIFL Facilities Services Limited	161.39	200.35
<b>b) Other Related Parties</b>		
360 ONE Wam Limited	23.01	46.03
<b>c) Director or their relatives</b>		
Aditi Athavankar	2.40	2.40
<b>Marketing &amp; Commission &amp; Brokerage:-</b>		
<b>a) Subsidiaries</b>		
IIFL Capital Inc	213.00	136.36
<b>b) Other Related Parties</b>		
360 ONE Wam Limited	-	1.02
360 One Distribution Services Limited	177.50	0.09
IIFL Samasta Finance Limited	0.02	-

## Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

(₹ in Million)

Nature of transaction	FY 2023-24	FY 2022-23
<b>Inter Corporate Deposit Taken :-</b>		
<b>a) Subsidiaries</b>		
IIFL Facilities Services Limited	90.00	3,245.00
<b>b) Other Related Parties</b>		
IIFL Finance Limited	10,750.00	10,650.00
IIFL Home Finance Limited	10,250.00	3,700.00
<b>Inter Corporate Deposit Taken &amp; Repaid :-</b>		
<b>a) Subsidiaries</b>		
IIFL Facilities Services Limited	90.00	3,245.00
<b>b) Other Related Parties</b>		
IIFL Finance Limited	10,750.00	10,650.00
IIFL Home Finance Limited	10,250.00	3,700.00
<b>Inter Corporate Deposit Given :-</b>		
<b>a) Subsidiaries</b>		
IIFL Facilities Services Limited	1,229.00	760.00
IIFL Management Services Limited	3,519.40	1,520.00
IIFL Commodities Limited	78.06	60.00
Livlong Protection & Wellness Solutions Limited	70.00	10.00
<b>b) Other Related Parties</b>		
IIFL Finance Limited	1,000.00	-
<b>Inter Corporate Deposit Given &amp; Received Back :-</b>		
<b>a) Subsidiaries</b>		
IIFL Facilities Services Limited	865.00	760.00
IIFL Management Services Limited	3,519.40	1,680.00
IIFL Commodities Limited	92.06	15.00
Livlong Protection & Wellness Solutions Limited	70.00	10.00
<b>b) Other Related Parties</b>		
IIFL Finance Limited	1,000.00	-
<b>Deposit - Received Back</b>		
<b>a) Subsidiaries</b>		
IIFL Facilities Services Limited	21.27	12.70
<b>Deposit - Taken/(Return Back)</b>		
<b>a) Other Related Parties</b>		
5Paisa Capital Limited	(3.53)	0.46
<b>Allocation / Reimbursement of expenses Paid :-</b>		
<b>a) Subsidiaries</b>		
IIFL Facilities Services Limited	19.61	22.11
IIFL Management Services Limited	1.20	0.68
<b>b) Other Related Parties</b>		
IIFL Home Finance Limited	4.86	6.59
IIFL Finance Limited	36.47	28.79
5paisa Capital Limited	27.38	13.97



# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

(₹ in Million)

Nature of transaction	FY 2023-24	FY 2022-23
<b>Allocation / Reimbursement of expenses Received :-</b>		
<b>a) Subsidiaries</b>		
IIFL Facilities Services Limited	0.27	-
Livlong Insurance Brokers Limited	0.56	4.65
Livlong Protection & Wellness Solutions Limited	9.87	9.83
IIFL Management Services Limited	1.43	0.33
<b>b) Other Related Parties</b>		
IIFL Sales Limited	0.13	0.15
IIFL Finance Limited	110.41	95.01
IIFL Home Finance Limited	31.81	32.12
5paise Capital Limited	41.73	54.53
IIFL Open Fintech Private Limited	0.01	-
<b>Others Paid :-</b>		
<b>a) Subsidiaries</b>		
IIFL Facilities Services Limited	1.48	0.15
Livlong Protection & Wellness Solutions Limited	0.04	0.11
IIFL Commodities Limited	0.02	0.01
IIFL Management Services Limited	0.05	0.40
Livlong Insurance Brokers Limited	0.08	1.78
India Infoline Foundation	-	0.10
<b>b) Other Related Parties</b>		
IIFL Finance Limited	0.82	7.83
5paise Capital Limited	0.24	3.71
IIFL Home Finance Limited	0.19	3.61
<b>Others Received :-</b>		
<b>a) Subsidiaries</b>		
IIFL Facilities Services Limited	0.44	0.71
IIFL Commodities Limited	0.00	-
IIFL Management Services Limited	0.96	0.60
Livlong Protection & Wellness Solutions Limited	0.01	2.76
India Infoline Foundation	-	0.20
Livlong Insurance Brokers Limited	0.53	1.78
IIFL Securities Services IFSC Limited	0.66	0.63
<b>b) Other Related Parties</b>		
IIFL Finance Limited	2.21	8.30
IIFL Sales Limited	-	0.02
5paise Capital Limited	0.22	2.16
IIFL Home Finance Limited	0.15	2.12

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

## (C) Closing Balance

(₹ in Million)

Nature of transaction	As at March 31, 2024	As at March 31, 2023
<b>Sundry Payable :-</b>		
<b>a) Subsidiaries</b>		
IIFL Capital Inc	44.09	32.85
IIFL Management Services Limited	-	0.08
IIFL Commodities Limited	0.00	0.00
IIFL Facilities Services Limited	-	1.08
<b>b) Other Related Parties</b>		
IIFL Finance Limited	-	6.94
IIFL Home Finance Limited	-	0.36
5Paisa Capital limited	-	6.98
360 One Distribution Services Limited	16.80	-
IIFL Samasta Finance Limited	0.03	-
<b>c) Director &amp; their relatives, Key Managerial Persons</b>		
R. Venkataraman	17.37	-
Nirmal Jain	0.19	-
Mrs. Aditi Athavankar	0.00	-
Madhu Jain	8.88	6.31
<b>Security Deposit Taken</b>		
<b>a) Other Related Parties</b>		
5paisa Capital Limited	-	3.53
<b>Sundry Receivable :-</b>		
<b>a) Subsidiaries</b>		
IIFL Facilities Services Limited	0.35	-
IIFL Management Services Limited	0.76	-
India Infoline Foundation	-	0.10
Livlong Protection & Wellness Solutions Limited	12.03	14.11
IIFL Securities Services IFSC Limited	3.78	3.11
Livlong Insurance Brokers Limited	0.06	1.20
<b>b) Other Related Parties</b>		
IIFL Home Finance Limited	3.07	-
IIFL Finance Limited	8.65	-
IIFL Asset Management Limited	-	0.78
IIFL Sales Limited	0.00	0.00
5paisa Capital Limited	5.26	-
Ardent Impex Private Limited	0.00	-
IIFL Open Fintech Private Limited	0.00	-
<b>c) Director</b>		
R. Venkataraman	-	0.00



# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

(₹ in Million)

Nature of transaction	As at March 31, 2024	As at March 31, 2023
<b>Inter Corporate Deposit Given:-</b>		
<b>a) Subsidiaries</b>		
IIFL Facilities Services Limited	364.00	-
IIFL Commodities Limited	31.00	45.00
<b>Security Deposit Given:-</b>		
<b>a) Subsidiaries</b>		
IIFL Facilities Services Limited	79.42	100.70
<b>b) Director &amp; their relatives</b>		
Mrs. Aditi Athavankar	50.00	50.00
<b>Interest accrued but not due:-</b>		
<b>a) Other related parties</b>		
IIFL Home Finance Limited	3.28	3.31
<b>Investment in market linked debenture:-</b>		
<b>a) Other related parties</b>		
IIFL Home Finance Limited	-	80.00
<b>Investment in equity shares of subsidiaries:-</b>		
IIFL Facilities Services Limited	321.40	321.40
IIFL Commodities Limited	111.87	20.00
Livlong Insurance Brokers Limited	43.41	43.41
IIFL Management Services Limited	10.00	10.00
IIFL Wealth (UK) Limited	11.20	11.20
IIFL Capital Inc	40.29	40.29
Livlong Protection & Wellness Solutions Limited	41.93	41.93
IIFL Securities Services IFSC Limited	5.00	5.00
IIFL Securities Alternate Asset Management Ltd	90.00	-

**Note:-**

- Amount is less than ₹ 0.01 Million, hence shown ₹ 0.00 Million, wherever applicable.
- As the future liability for retirement and other employee benefits is provided on an actuarial basis for the Company as a whole, the amount pertaining to directors and key managerial personnel is not included above.
- 360 ONE Wam Limited (Formerly known as IIFL Wealth Management Limited) has provided a letter of undertaking-cum-indemnity to the Company towards a civil suit pending against IIFL Wealth (UK)Ltd., a wholly owned subsidiary of the Company, inter-alia, to defend the said suit and indemnify the Company and its directors against claims, if any, arising from the same.

**NOTE 37 : DISCLOSURE AS PER IND AS -108 “SEGMENT REPORTING”**

The Company's business is to provide capital market services in primary & secondary market. All other activities of the Company are ancillary to the main business. As such, there are no reportable segments that need to be reported separately as defined in Ind AS 108, Operating Segments.



## Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

**NOTE 38 : THE TABLE BELOW SHOWS AS ANALYSIS OF ASSETS AND LIABILITIES ANALYSED ACCORDING TO WHEN THEY ARE EXPECTED TO BE RECOVERED OR SETTLED.**

(₹ in Million)

Particulars	As at Mar 31, 2024			As at Mar 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>ASSETS</b>						
<b>(1) Financial Assets</b>						
(a) Cash and cash equivalents	3,664.05	-	3,664.05	1,383.15	-	1,383.15
(b) Bank Balance other than above	40,159.58	2.97	40,162.55	24,232.14	2,402.28	26,634.42
(c) Receivables						
(I) Trade receivables	379.35	-	379.35	184.43	-	184.43
(II) Other receivables	22.91	-	22.91	114.82	-	114.82
(d) Loans	9,164.28	395.00	9,559.28	4,905.86	45.00	4,950.86
(e) Investments	494.37	1,389.72	1,884.09	301.09	789.53	1,090.62
(f) Other financial assets	16,926.77	302.02	17,228.79	11,699.85	233.10	11,932.95
<b>Sub-total</b>	<b>70,811.31</b>	<b>2,089.71</b>	<b>72,901.02</b>	<b>42,821.34</b>	<b>3,469.91</b>	<b>46,291.25</b>
<b>(2) Non-Financial Assets</b>						
(a) Current tax assets (net)	-	280.37	280.37	-	204.31	204.31
(b) Deferred tax assets (net)	-	210.03	210.03	-	193.58	193.58
(c) Property, Plant and Equipment	-	262.02	262.02	-	99.69	99.69
(d) Capital work-in-progress	6.26	-	6.26	1.99	4.50	6.49
(e) Other intangible assets	-	37.67	37.67	-	718.52	718.52
(f) Right-of-use assets	-	597.22	597.22	-	280.84	280.84
(g) Other non-financial assets	219.56	2.94	222.50	246.63	6.52	253.15
<b>Sub-total</b>	<b>225.82</b>	<b>1,390.25</b>	<b>1,616.07</b>	<b>248.62</b>	<b>1,507.96</b>	<b>1,756.58</b>
<b>Total Assets</b>	<b>71,037.13</b>	<b>3,479.96</b>	<b>74,517.09</b>	<b>43,069.96</b>	<b>4,977.87</b>	<b>48,047.83</b>
<b>LIABILITIES</b>						
<b>(1) Financial Liabilities</b>						
(a) Payables						
(I) Trade payables						
(i) Total outstanding dues of micro enterprises and small enterprises	0.10	-	0.10	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	16.02	-	16.02	16.96	-	16.96
(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	1,745.36	-	1,745.36	676.62	-	676.62



# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

(₹ in Million)

Particulars	As at Mar 31, 2024			As at Mar 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
(b) Debt securities	4,292.99	-	4,292.99	-	-	-
(c) Borrowings (Other than debt securities)	5,551.95	-	5,551.95	3,079.59	-	3,079.59
(d) Other financial liabilities	45,423.64	890.61	46,314.25	31,774.25	550.18	32,324.43
<b>Sub-total</b>	<b>57,030.06</b>	<b>890.61</b>	<b>57,920.67</b>	<b>35,547.42</b>	<b>550.18</b>	<b>36,097.60</b>
<b>(2) Non-Financial Liabilities</b>						
(a) Current tax liabilities (net)	-	-	-	39.85	-	39.85
(b) Provisions	10.10	56.84	66.94	9.19	47.63	56.82
(c) Other non- financial liabilities	447.17	-	447.17	351.13	-	351.13
<b>Sub-total</b>	<b>457.27</b>	<b>56.84</b>	<b>514.11</b>	<b>400.17</b>	<b>47.63</b>	<b>447.80</b>
<b>(3) Equity</b>						
(a) Equity share capital	-	615.73	615.73	-	611.06	611.06
(b) Other equity	-	15,466.58	15,466.58	-	10,891.37	10,891.37
<b>Sub-total</b>	<b>-</b>	<b>16,082.31</b>	<b>16,082.31</b>	<b>-</b>	<b>11,502.43</b>	<b>11,502.43</b>
<b>Total Liabilities and Equity</b>	<b>57,487.32</b>	<b>17,029.76</b>	<b>74,517.09</b>	<b>35,947.59</b>	<b>12,100.24</b>	<b>48,047.83</b>

## NOTE 39 : DISCLOSURE OF FINANCIAL RATIOS

Additional regulatory information required under (WB)(xvi) of Division III of Schedule III amendment, disclosure of ratios, is not applicable to the Company as it is in broking business and not an NBFC registered under Section 45-IA of Reserve Bank of India Act, 1934.

## NOTE 40 : OTHER DISCLOSURE UNDER SCHEDULE - III

- No funds have been advanced or loaned or invested by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- No funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The Company does not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.
- There were no amounts which were required to be transferred to the Investor Education and Protection by the Company.
- No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).
- The Company has not been declared as wilful defaulter by any bank or financial Institution or other lender.
- During the year, the company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

## Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

- 8) There are no transactions which have not been recorded in the books of accounts and which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- 9) The quarterly returns / statements of current assets filed by the Company, with banks from whom borrowings have been availed on the basis of security of current assets, are in agreement with the books of account.
- 10) There are no charges or satisfaction yet to be registered with the registrar of companies beyond the statutory period.
- 11) The company does not have layers beyond the number prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- 12) The company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

As per our attached report of even date

**For V Sankar Aiyar & Co.**

Chartered Accountants

Firm's Registration No. 109208W

**S. Nagabushanam**

Partner

Membership No.: 107022

Place: Mumbai

Date : May 16, 2024

**For and on behalf of Board of Directors**

**R. Venkataraman**

Chairman & Non Executive Director

(DIN: 00011919)

**Ronak Gandhi**

Chief Financial Officer

**Nemkumar H**

Managing Director

(DIN: 00350448)

**Meghal Shah**

Company Secretary



# Independent Auditor's Report

## To the Members of IIFL Securities Limited Report on the Audit of the Consolidated Ind AS Financial Statements

### Opinion

We have audited the accompanying consolidated Ind AS financial statements of IIFL Securities Limited (hereinafter referred to as the 'Holding Company') and its subsidiary LLPs, and subsidiary Companies (Holding Company and its subsidiary LLPs and subsidiary companies together referred to as "the Group") which comprise the consolidated Balance Sheet as at March 31, 2024, the consolidated Statement of Profit and Loss, consolidated Statement of Changes in Equity and the consolidated Cash Flows statement for the year then ended, and notes to the consolidated Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act and the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, of consolidated profit, of consolidated total comprehensive income, of

consolidated changes in equity and its consolidated cash flows for the year then ended.

### Basis for Opinion

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

### Key Audit Matters

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

Sr No.	Key Audit Matter	Response to Key Audit Matter
1.	<p><b>Information technology (IT) systems used in financial reporting process.</b></p> <p>The Holding company's operational and financial processes are dependent on IT systems due to large volume of transactions that are processed daily.</p> <p>We therefore identified IT systems and controls over financial reporting as a key audit matter for the Holding Company.</p>	<p>We obtained an understanding of the Holding Company's IT control environment relevant to the audit.</p> <p>We tested the design, implementation and operating effectiveness of the Holding Company's General IT controls over the key IT systems which are critical to financial reporting.</p> <p>We also tested key automated and manual controls and logic for system generated reports relevant to the audit that would materially impact the financial statements.</p> <p>In addition to above, we have also relied on the work of the internal auditors and system auditors.</p>

Sr No.	Key Audit Matter	Response to Key Audit Matter
2.	<p><b>Contingent Liabilities</b></p> <p>The Group Company is involved in various disputes with regulatory authorities and others for which final outcomes cannot be easily predicted and which could potentially result in significant liabilities. The assessment of the risks associated with the litigations is based on complex assumptions, which require the use of judgment and such judgment relates, primarily, to the assessment of the uncertainties connected to the prediction of the outcome of the proceedings and to the adequacy of the disclosures in the financial statements. Because of the judgment required, the materiality of such litigations and the complexity of the assessment process, this is identified as a Key Audit Matter. (Refer Note No.31 to the Standalone Financial Statements regarding disclosure of contingent liabilities).</p>	<p>Our audit procedure in response to this key Audit Matter inter-alia included:</p> <ul style="list-style-type: none"> <li>• Assessment of the process and relevant controls implemented to identify litigations and pending administrative proceedings.</li> <li>• Assessment of assumptions used in the evaluation of potential legal risks performed by the legal of the Company considering the legal precedence and other rulings in similar cases.</li> <li>• Inquiry with the legal departments personnel regarding the status of the most significant disputes and perusal of the key relevant documentation.</li> <li>• Analysis of opinion obtained by the Company from external experts, wherever available.</li> <li>• Review of the adequacy of the disclosures in the notes to the financial statements.</li> </ul>

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

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the financial statements Auditors Report(s) thereon. The Holding Company's Annual Report is expected to be made available to us after the date of this Auditor's Report.

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

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies and Management of the LLPs included in the Group are responsible for maintenance of adequate accounting records

in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies and Management of the LLPs included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies and Management of the LLPs included in the Group are responsible for overseeing the financial reporting process of the Group.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, have adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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 entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for

the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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 consolidated 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.

### Other Matters

We did not audit the financial statements of 1 subsidiary company in India and 1 subsidiary company outside India, whose financial statements reflect total assets of ₹ 747.31 Millions as at March 31, 2024, total revenues of ₹ 1,366.83 Millions and net cash inflows amounting to ₹ 111.62 Millions for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of those subsidiary LLPs, and subsidiary companies, and our report in terms of sub-section (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiary LLPs and subsidiary companies, is based solely on the reports of the other auditors.

The Consolidated Financial Statements include the unaudited financial statements of one subsidiary outside India, whose financial statements reflect Group's share of total assets of ₹ 17.56 Millions as at March 31, 2024, Group's share of total

revenue of ₹ Nil for the year ended March 31, 2024 and Group's share of total net loss after tax of ₹ 0.84 Millions for the year ended March 31, 2024 as considered in the consolidated financial statement. These Unaudited Financial Statements have been furnished to us by the management of the said subsidiary and our opinion on the consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on such Unaudited Financial Statements. In our opinion and according to the information and explanations given to us by the management, these Financial Statements are not material to the Group.

Our opinion on the Consolidated Financial Statements is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Financial Statements certified by the management.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, 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 of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated statement of changes in equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of internal financial controls over financial reporting of the Companies incorporated in India and included in the Group and

the operating effectiveness of such controls, refer to our separate report in Annexure.

- 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 holding Company and its subsidiary companies incorporated in India to its managing director 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 37 to the consolidated financial statements;
- ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses Refer Note 45(iii) to the consolidated financial statements;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies incorporated in India Refer Note 45(iv) to the consolidated financial statements;
- iv. (a) The respective Managements of the Holding Company, its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, its subsidiaries ("Ultimate Beneficiaries") or provide any



guarantee, security or the like on behalf of the Ultimate Beneficiaries Refer Note 45(i) to the consolidated financial statements.;

- (b) The respective Managements of the Holding Company, its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds have been received by the Holding Company, its subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company, its subsidiaries shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries Refer Note 45(ii) to the consolidated financial statements.;
- (c) In our opinion and based on the audit procedures we have considered reasonable and appropriate in the circumstances performed by us on the Holding Company, its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. The interim dividend declared and paid by the Group during the year and until the date of this report is in compliance with Section 123 of the Act.
- vi. Based on our examination, which included test checks, performed by us on the Company and

its subsidiaries incorporated in India which are audited by us and based on the Audit Report of one wholly owned subsidiary audited by other auditors, the Companies in the Group have used accounting software for maintaining their respective books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being trampled with.

As provision to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. With respect to the matters specified in paragraphs 3 (xxi) and 4 of the Companies (Auditor's Report Order, 2020 (the "Order"/ "CARO") issued by Central Government in terms of Section 143(11) of the Act, to be included in the Auditors report, according to the information and explanation given to us, and based on the CARO report issued by us for the Holding Company and five subsidiaries and one subsidiary audited by another auditor which are companies incorporated in India, included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no material qualifications or adverse remarks in these CARO reports.

**For V. Sankar Aiyar & Co.,**

Chartered Accountants  
(FRN 109208W)

**(S Nagabushanam)**

Place: Mumbai  
Date: May 16, 2024

(M.No.107022)  
UDIN: 24107022BKFGJH2420



# Annexure

## to the Independent Auditor's Report

### **Annexure referred to in our report of even date to the members of IIFL Securities Limited on the consolidated accounts for the year ended 31st March 2024**

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

We have audited the internal financial controls over financial reporting of IIFL Securities Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies incorporated in India (hereinafter collectively referred to as "the Group") as of March 31, 2024, which are companies incorporated in India, as of that date

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company and its subsidiary companies are 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 ("the Guidance Note") 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding and its subsidiary companies which are incorporated in India, 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 internal financial controls system over financial reporting of the Parent and its subsidiary companies which are incorporated in India.

#### **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 Holding Company, its subsidiary companies incorporated in India have, 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, 2024 based on the internal control over financial reporting criteria established by the Company considering the essential

components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For V. Sankar Aiyar & Co.,**

Chartered Accountants  
(FRN 109208W)

**(S Nagabushanam)**

(M.No.107022)

Place: Mumbai

Date: May 16, 2024

UDIN: 24107022BKFGJH2420

# Consolidated Balance Sheet

as at March 31, 2024

(₹ in Million)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>(1) Financial Assets</b>			
(a) Cash and cash equivalents	3	4,082.79	1,694.40
(b) Bank Balance other than (a) above	4	40,592.55	26,674.00
(c) Receivables			
(i) Trade receivables	5	476.48	221.89
(ii) Other receivables	5	157.83	313.72
(d) Loans	6	9,164.28	4,905.86
(e) Investments	7	1,591.53	901.71
(f) Other financial assets	8	17,334.57	12,279.90
<b>Sub-total</b>		<b>73,400.03</b>	<b>46,991.48</b>
<b>(2) Non-Financial Assets</b>			
(a) Current tax assets		372.94	322.22
(b) Deferred tax assets (net)	9	353.32	303.35
(c) Investment property	10	765.79	765.79
(d) Property, Plant and Equipment	11	2,604.03	2,617.80
(e) Capital work-in-progress	11	12.71	6.55
(f) Other intangible assets	12	50.08	727.25
(g) Right of use asset	13	368.42	285.01
(h) Other non-financial assets	14	820.05	354.55
<b>Sub-total</b>		<b>5,347.34</b>	<b>5,382.52</b>
<b>Total Assets</b>		<b>78,747.37</b>	<b>52,374.00</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>(1) Financial Liabilities</b>			
(a) Payables			
(i) Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises	15	0.10	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	15	49.08	25.22
(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	15	2,345.90	863.38
(b) Debt securities	16	4,292.99	-
(c) Borrowings (Other than debt securities)	17	7,245.51	4,858.43
(d) Other financial liabilities	18	46,253.92	32,415.19
<b>Sub-total</b>		<b>60,187.50</b>	<b>38,162.22</b>
<b>(2) Non-Financial Liabilities</b>			
(a) Current tax liabilities		43.26	71.20
(b) Provisions	19	78.70	66.11
(c) Other non-financial liabilities	20	554.40	576.99
<b>Sub-total</b>		<b>676.36</b>	<b>714.30</b>
<b>(3) Equity</b>			
(a) Equity share capital	21	615.73	611.06
(b) Other equity	22	17,248.43	12,891.73
(c) Non controlling interest	23	19.35	(5.31)
<b>Sub-total</b>		<b>17,883.51</b>	<b>13,497.48</b>
<b>Total Liabilities and Equity</b>		<b>78,747.37</b>	<b>52,374.00</b>

See accompanying notes forming part of the consolidated financial statements

1 - 45

As per our attached report of even date

**For V Sankar Aiyar & Co.**

Chartered Accountants

Firm's Registration No. 109208W

**S. Nagabushanam**

Partner

Membership No.: 107022

**For and on behalf of Board of Directors**
**R. Venkataraman**

Chairman &amp; Non Executive Director

(DIN: 00011919)

**Nemkumar H**

Managing Director

(DIN: 00350448)

Place: Mumbai

Date : May 16, 2024

**Ronak Gandhi**

Chief Financial Officer

**Meghal Shah**

Company Secretary



# Consolidated Statement of Profit and Loss

For the year ended March 31, 2024

(₹ in Million)

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>1. Revenue from operations</b>			
(a) Interest income	24	3,288.25	2,024.89
(b) Rental income		192.55	173.13
(c) Fees and commission income	25	18,131.98	11,322.79
<b>Total revenue from operations (a+b+c)</b>		<b>21,612.78</b>	<b>13,520.81</b>
<b>2. Other income</b>	26	<b>700.09</b>	<b>183.04</b>
<b>3. Total income (1+2)</b>		<b>22,312.87</b>	<b>13,703.85</b>
<b>4. Expenses</b>			
(a) Finance costs	27	1,480.27	755.55
(b) Fees and commission expense	28	4,771.45	2,738.73
(c) Employee benefits expenses	29	4,570.45	3,581.27
(d) Depreciation, amortization and impairment	30	1,137.78	668.36
(e) Others expenses	31	3,526.91	2,551.21
<b>Total expenses (a+b+c+d+e)</b>		<b>15,486.86</b>	<b>10,295.12</b>
<b>5. Profit before tax (3-4)</b>		<b>6,826.01</b>	<b>3,408.73</b>
<b>6. Tax Expense:</b>			
(a) Current Tax	32	1,791.72	969.33
(b) Deferred Tax	32	(43.32)	(56.05)
(c) Short/(excess)	32	(55.86)	(2.65)
<b>Total Tax Expenses (a+b+c)</b>		<b>1,692.54</b>	<b>910.63</b>
<b>7. Profit for the period (5-6)</b>		<b>5,133.47</b>	<b>2,498.10</b>
Attributable to:			
Owners of the Company		5,123.44	2,501.57
Non controlling interest		10.03	(3.47)
<b>8. Other Comprehensive Income</b>			
<b>(A)</b>			
(i) Items that will not be reclassified to profit or (loss)			
a) Remeasurements of the defined benefit plans		(16.69)	(23.59)
(ii) Income tax relating to items that will not be reclassified to profit or loss		4.20	5.94
<b>Subtotal (A)</b>		<b>(12.49)</b>	<b>(17.65)</b>
<b>(B)</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		-	-
<b>Subtotal (B)</b>		<b>-</b>	<b>-</b>
<b>Other Comprehensive Income (A + B)</b>		<b>(12.49)</b>	<b>(17.65)</b>
<b>9. Total Comprehensive Income for the Year (7+8)</b>		<b>5,120.98</b>	<b>2,480.45</b>
Attributable to:			
Owners of the Company		5,110.95	2,483.92
Non controlling interest	23	10.03	(3.47)
<b>Earnings per equity share</b>			
Basic (in ₹)	33	16.73	8.22
Diluted (in ₹)	33	16.40	8.16

See accompanying notes forming part of Consolidated Financial statements 1-45

As per our attached report of even date

**For V Sankar Aiyar & Co.**

Chartered Accountants

Firm's Registration No. 109208W

**S. Nagabushanam**

Partner

Membership No.: 107022

**For and on behalf of Board of Directors**

**R. Venkataraman**

Chairman & Non Executive Director

(DIN: 00011919)

**Nemkumar H**

Managing Director

(DIN: 00350448)

Place: Mumbai

Date : May 16, 2024

**Ronak Gandhi**

Chief Financial Officer

**Meghal Shah**

Company Secretary

# Statement of Changes in Equity

for the year ended March 31, 2024

## A. Equity share capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	(₹ in Million)	No. of Shares	(₹ in Million)
<b>At the beginning of the year</b>	<b>305,528,966</b>	<b>611.06</b>	<b>303,936,230</b>	<b>607.87</b>
Changes in Equity Share Capital due to prior period errors	-	-	-	-
<b>Restated balance at the beginning of the current reporting period</b>	<b>305,528,966</b>	<b>611.06</b>	<b>303,936,230</b>	<b>607.87</b>
Add: Shares issued during the year under ESOP scheme	2,337,563	4.67	1,592,736	3.19
<b>Closing at the end of year</b>	<b>307,866,529</b>	<b>615.73</b>	<b>305,528,966</b>	<b>611.06</b>

## B. Other equity

Particulars	Reserves and Surplus				Share options outstanding account	Other items of Other Comprehensive Income	Exchange differences on translating the financial statements of a foreign operation	Total
	General Reserve	Capital Redemption reserve	Capital Reserve	Securities Premium				
<b>Balance as at April 01, 2023</b>	<b>479.34</b>	<b>34.00</b>	<b>660.72</b>	<b>1,227.56</b>	<b>10,403.46</b>	<b>93.26</b>	<b>23.79</b>	<b>12,891.73</b>
Changes in Equity Share Capital due to prior period errors	-	-	-	-	-	-	-	-
<b>Restated balance at the beginning of the current reporting period</b>	<b>479.34</b>	<b>34.00</b>	<b>660.72</b>	<b>1,227.56</b>	<b>10,403.46</b>	<b>93.26</b>	<b>23.79</b>	<b>12,891.73</b>
Total comprehensive income for the year	-	-	-	-	5,123.44	-	(12.49)	5,110.95
Appropriation towards dividend paid	-	-	-	-	(923.11)	-	-	(923.11)
Transfer to/from reserves	4.07	-	-	25.57	-	(29.64)	-	-
Other additions	-	-	-	86.37	-	80.55	1.94	168.86
<b>Balance as at March 31, 2024</b>	<b>483.41</b>	<b>34.00</b>	<b>660.72</b>	<b>1,339.50</b>	<b>14,603.79</b>	<b>144.17</b>	<b>(42.89)</b>	<b>17,248.43</b>

(₹ in Million)



# Statement of Changes in Equity

for the year ended March 31, 2024

Particulars	Reserves and Surplus				Share options outstanding account	Other items of Other Comprehensive Income	Exchange differences on translating the financial statements of a foreign operation	Total
	General Reserve	Capital Redemption reserve	Capital Reserve	Securities Premium				
<b>Balance as at April 01, 2022</b>	<b>464.82</b>	<b>34.00</b>	<b>660.72</b>	<b>1,150.19</b>	<b>81.33</b>	<b>(12.75)</b>	<b>17.13</b>	<b>11,211.89</b>
Changes in Equity Share Capital due to prior period errors	-	-	-	-	-	-	-	-
<b>Restated balance at the beginning of the current reporting period</b>	<b>464.82</b>	<b>34.00</b>	<b>660.72</b>	<b>1,150.19</b>	<b>81.33</b>	<b>(12.75)</b>	<b>17.13</b>	<b>11,211.89</b>
Total comprehensive income for the year	-	-	-	-	-	(17.65)	-	2,483.92
Appropriation towards dividend paid	-	-	-	-	-	-	-	(914.56)
Transfer to/from reserves	14.52	-	-	23.62	(38.14)	-	-	-
Other additions	-	-	-	53.75	50.07	-	6.66	110.48
<b>Balance as at March 31, 2023</b>	<b>479.34</b>	<b>34.00</b>	<b>660.72</b>	<b>1,227.56</b>	<b>93.26</b>	<b>(30.40)</b>	<b>23.79</b>	<b>12,891.73</b>

(₹ in Million)

See accompanying notes forming part of the consolidated financial statements (1 - 45)

As per our attached report of even date

**For V Sankar Aiyar & Co.**

Chartered Accountants

Firm's Registration No. 109208W

**S. Nagabushanam**

Partner

Membership No.: 107022

Place: Mumbai

Date : May 16, 2024

**For and on behalf of Board of Directors**

**R. Venkataraman**

Chairman & Non Executive Director  
(DIN: 00011919)

**Ronak Gandhi**

Chief Financial Officer

**Nemkumar H**

Managing Director  
(DIN: 00350448)

**Meghal Shah**

Company Secretary

# Consolidated Cash Flow Statement

For the year ended March 31, 2024

(₹ in Million)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Cash flows from operating activities</b>		
Net profit before taxation	6,826.01	3,408.73
<b>Adjustments for:</b>		
Depreciation, amortisation and impairment	1,137.78	668.36
Interest expenses	1,480.27	755.55
Foreign exchange fluctuation	1.94	6.66
Net loss/(gain) on termination of lease	(4.49)	0.56
Employee share based payment	80.55	50.09
Provision for gratuity	13.42	9.40
Provision for leave encashment	78.70	66.11
Provision for expenses	1,353.33	716.05
Dividend income	(2.40)	(2.99)
Interest income	(46.94)	(26.14)
Net (gain)/loss on financial instrument	(496.29)	(51.25)
Net (gain) on sale of fixed assets	(73.41)	(29.10)
<b>Operating profit before working capital changes</b>	<b>10,348.47</b>	<b>5,572.03</b>
(Increase)/decrease in other bank balances	(13,528.12)	(451.92)
(Increase)/decrease in loans	(4,258.42)	(172.55)
(Increase)/decrease in trade and other receivables	(98.70)	(75.59)
(Increase)/decrease in other financial assets	(5,084.79)	(2,415.54)
(Increase)/decrease in other non-financial assets	(465.50)	(175.68)
Increase/(decrease) in trade and other payable	153.14	(772.09)
Increase/(decrease) in other financial liabilities	13,663.74	(8,560.50)
Increase/(decrease) in provisions	(66.11)	(63.70)
Increase/(decrease) in non-financial liabilities	(22.59)	168.10
<b>Cash generated from / (used in) operations</b>	<b>641.12</b>	<b>(6,947.44)</b>
Current tax expense	(1,816.96)	(982.58)
<b>Net cash used in operating activities (A)</b>	<b>(1,175.84)</b>	<b>(7,930.02)</b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets	(311.92)	(131.63)
Sale of fixed assets	106.08	77.53
Redemption / (Investment) of fixed deposit	(390.43)	231.15
Interest income	48.61	26.04
Dividend income	2.40	2.99
Sale / (Purchase) of Current Investment (net)	93.40	1,002.16
Purchase of Investment	(580.56)	(54.93)
Sale of Investment	293.62	477.88
<b>Net cash (used in) / generated from investing activities (B)</b>	<b>(738.80)</b>	<b>1,631.19</b>
<b>Cash flows from financing activities</b>		
Proceed from issuance of equity shares	91.04	56.94
Dividend paid	(923.11)	(914.56)
Increase/(decrease) in short term debt securities	4,292.99	-
Repayment of borrowings	(150.49)	(130.37)
Increase/(decrease) in short term borrowings	2,537.56	(1,083.37)
Repayment of lease liabilities	(138.72)	(158.66)
Interest expenses	(1,420.87)	(725.03)
Change in Minority Interest	14.63	-
<b>Net cash generated from / (used in) financing activities (C)</b>	<b>4,303.03</b>	<b>(2,955.05)</b>
<b>Net Increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>2,388.39</b>	<b>(9,253.88)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>1,694.40</b>	<b>10,948.28</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>4,082.79</b>	<b>1,694.40</b>

See accompanying notes forming part of the consolidated financial statements (1 - 45)

As per our attached report of even date

**For V Sankar Aiyar & Co.**

Chartered Accountants

Firm's Registration No. 109208W

**S. Nagabushanam**

Partner

Membership No.: 107022

Place: Mumbai

Date : May 16, 2024

**For and on behalf of Board of Directors**
**R. Venkataraman**

Chairman &amp; Non Executive Director

(DIN: 00011919)

**Ronak Gandhi**

Chief Financial Officer

**Nemkumar H**

Managing Director

(DIN: 00350448)

**Meghal Shah**

Company Secretary



# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024

## Note 1. Corporate Information:

The financial statements comprise financial statements of IIFL Securities Limited ("the Holding Company") and its subsidiaries (collectively, the group) for the year ended March 31, 2024.

IIFL Securities Limited ("the Company") was incorporated on March 21, 1996. The Company is in financial services spaces offering equity, currency and commodity broking, depository participant services, merchant banking and distribution of financial products besides holding investments in subsidiaries. The group business also consist of other financial services, facilities & ancillary services and insurance broking services & ancillary services which are carried out by separate subsidiaries of the Company.

Information on other related party relationships of the group is provided in note 43.

### Note: 1.1 Purpose and Basis of Accounting and Preparation 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, 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 Group 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 116, and measurements that have some similarities to fair value but are not fair value, such 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 Group 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.

### a) Key Accounting Estimates And Judgements

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements. The Group makes certain judgments and estimates for valuation and impairment of financial instruments, fair valuation of employee stock options, useful life of property, plant and equipment, deferred tax assets, retirement benefit obligations and lease arrangements. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable.

### b) Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Sec 133 of the Companies Act ("the Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter and under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value (refer accounting policy on financial instruments).



## Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

Accordingly, the Group has prepared these Consolidated Financial Statements which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss, the Statement of Cash Flows for the year ended March 31, 2024 and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'Consolidated Financial Statements' or 'financial statements'). All the accounting policies adopted by the Group have been consistently applied in all the financial years presented in these financial statements.

### c) Basis of Preparation of financial statements:

These Financial Statements of the Group are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of

Corporate Affairs (MCA). 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. The Financial Statements are presented in Million, except when otherwise indicated. Amount which is less than ₹ 0.01 Million is shown as ₹ 0.00 Million.

The Consolidated financial statements for the year ended March 31, 2024 are being authorized for issue in accordance with a resolution of the directors on May 16, 2024.

### d) List of Subsidiaries Consolidated

The individual Balance Sheet as at March 31, 2024, Statement of Profit and Loss and cash flow statement for the year ended March 31, 2024 of following subsidiaries are included in consolidation:

Name of the entity	Country of Incorporation	% of holding and voting power either directly or indirectly through subsidiary	
		As at March 31, 2024	As at March 31, 2023
IIFL Commodities Limited	India	100%	100%
IIFL Management Services Limited	India	100%	100%
Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited)	India	100%	100%
IIFL Facilities Services Limited	India	100%	100%
IIFL Securities Services IFSC Limited	India	100%	100%
Livlong Protection & Wellness Solutions Limited (Formerly known as IIFL Corporate Services Limited) (Formerly known as IIFL Asset Reconstruction Limited)	India	80.11%	95%
IIFL Capital Inc.	United States of America	100%	100%
IIFL Wealth (UK) Limited	United Kingdom	100%	100%
Shreyans Foundation LLP	India	99%	99%
Meenakshi Towers LLP	India	100%	100%
IIFL Securities Alternate Asset Management Limited	India	100%	-

## Note 2. Material Accounting Policies

### a) Basis of consolidation

#### i) Subsidiaries

Company consolidates entities which it owns or controls. The consolidated financial statements comprise the financial statements of the Company and subsidiaries as

disclosed in Note 44. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are



# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

consolidated from the date control commences until the date control ceases. The financial statements of the Group Companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealised gain / loss from such transactions are eliminated upon consolidation. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies. Non-controlling interests, which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Company, are excluded.

## ii) Associates and joint ventures

An associate is an entity over which the Group has significant influence. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture.

The Group's investments in its associate and joint venture are accounted for under the equity method. Under the equity method the investment in a joint venture is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group's share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit and loss.

After application of the equity method, the Group determines whether it is necessary to recognise an

impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, and then recognize the loss as 'Share of profit of a joint venture' in the consolidated statement of profit or loss.

Upon loss of joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

## b) Business Combinations:

Business combinations (not involving entities under common control) are accounted for using the acquisition method. At the acquisition date, identifiable assets acquired and liabilities assumed are measured at fair value. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. The consideration transferred is measured at fair value at acquisition date and includes the fair value of any contingent consideration. However, deferred tax asset or liability and any liability or asset relating to employee benefit arrangements arising from a business combination are measured and recognized in accordance with the requirements of Ind AS 12, Income Taxes and Ind AS 19, Employee Benefits, respectively

Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of a bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets acquired and liabilities assumed, the difference is accumulated in equity as capital reserve. The costs of acquisition excluding those relating to issue of equity or debt securities are charged to the Statement of Profit and Loss in the period in which they are incurred.

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

Business combinations involving entities under common control are accounted for using the pooling of interests method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonise accounting policies. Any excess or shortfall of the consideration paid over the share capital of transferor entity or business is recognised as capital reserve under other equity.

## c) Goodwill:

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. Goodwill is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed, measured in accordance with Ind AS 103 – Business Combinations.

Goodwill is considered to have indefinite useful life and hence is not subject to amortization but tested for impairment at least annually. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

## d) Property, Plant & Equipment (PPE)

### Measurement at recognition:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The group identifies and determines cost of each part of an item of PPE separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

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

is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

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

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

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

### Depreciation:

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

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

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



# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

## Estimates of useful lives of property, plant and equipment

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

For the above class of assets, based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013. Depreciation / Amortization is charged on pro-rata on monthly basis on assets, from / upto the month of capitalization / sale, disposal / earmarked for disposal.

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

### Capital work in progress and Capital advances:

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

## e) Intangible assets:

### Measurement at Recognition:

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

with indefinite useful lives, that are acquired separately, are carried at cost/fair value at the date of acquisition less accumulated impairment loss, if any.

Expenditure on software development eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

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

### Amortization:

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

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

Estimated useful economic life of the assets is as under:

Class of assets	Useful life in years
Commercial Rights	5
Other Intangible assets	Remaining useful life of base asset
Software	3

### Derecognition:

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

## f) Investment Property

### Measurement at Recognition:

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at cost, including transaction costs. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

cost of bringing the asset to its working condition for the intended use. Subsequent to initial recognition, investment property are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Depreciation on investment property has been provided as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group. Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes.

Fair values are determined based on an annual evaluation performed by an accredited external independent valuer who holds a recognised and relevant professional qualification and has experience in the category of the investment property being valued.

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

## **Depreciation:**

Depreciation on each item of Investment property is provided using the Straight-Line Method based on the useful lives of the assets as estimated by the management and is charged to the Statement of Profit and Loss. The estimate of the useful life of the assets has been assessed based on technical advice which considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc. Freehold land is not depreciated.

## **Derecognition:**

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

## **g) Impairment of Non-Financial Assets:**

Assets that have an indefinite useful life, for example goodwill, are not subject to amortization and are tested for impairment annually and whenever there is an

indication that the asset may be impaired. Assets that are subject to depreciation and amortization are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

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

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

## **h) Assets held for sale:**

The Group classifies assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

Assets held for sale and disposal groups are measured at the lower of their carrying amount or the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet

Property, Plant and Equipment and Intangible Assets once classified as held for sale are not depreciated or amortised.



# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

## i) Financial Instruments:

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

Financial instruments also covers contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

### Financial assets

#### Initial recognition and measurement:

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

All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

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

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

#### Subsequent measurement:

For subsequent measurement, the Group classifies a financial asset in accordance with the below criteria:

- i) The Group business model for managing the financial asset and
- ii) The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Group classifies its financial assets into the following categories:

- i) Financial assets measured at amortized cost
- ii) Financial assets measured at fair value through other comprehensive income (FVTOCI)
- iii) Financial assets measured at fair value through profit or loss (FVTPL)

## i. Financial assets measured at amortized cost:

A financial asset is measured at the amortized cost if both the following conditions are met:

- a) The Group business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

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

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Group determines the business models at a level that reflects how financial assets are managed together to achieve a particular business

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

objective. The Group'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.

This category generally applies to cash and bank balances, trade receivables, loans and other financial assets of the Group. Such financial assets are subsequently measured at amortized cost using the effective interest method.

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

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

## ii. Financial assets measured at FVTOCI:

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

## iii. Investments in equity instruments at FVTOCI:

On initial recognition, the Group 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 profit or loss on disposal of the investments. Dividend from these investments are recognised in the statement of profit and loss when the Group's right to receive dividends is established. As at reporting date, there are no equity instruments measured at FVOCI.

## iv. Financial assets measured at FVTPL:

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

### Reclassifications:

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



# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

on Modification and derecognition of financial assets described below.

## Derecognition:

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

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The Group transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
- iii. The Group retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- iv. The Group neither transfers nor retains, substantially all risk and rewards of ownership, and does not retain control over the financial asset.

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

On Derecognition of a financial asset, (except as mentioned in ii above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

## Impairment of financial assets:

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

- i. Trade receivables and lease receivables
- ii. Financial assets measured at amortized cost (other than trade receivables and lease receivables)

iii. Financial assets measured at fair value through other comprehensive income (FVTOCI)

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

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

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

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

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

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

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

The group has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable



# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognized. Further, the group has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101

The company reviews its carrying value of investments carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss.

## Financial Liabilities and equity:

### Initial recognition and measurement:

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

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

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

### Subsequent measurement:

All financial liabilities are initially recognised at fair value net of transaction cost that are attributable to the separate liabilities. All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration

recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

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

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

### Equity instruments:

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

### Derecognition:

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

### j) Fair Value:

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

- In the principal market for the asset or liability, or



# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

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

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 — inputs for assets or liabilities that are not based on observable market data.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

## k) Foreign Currency Translation:

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

### i. Functional and presentation currencies:

Items included in the consolidated financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in INR which is the functional and presentation currency for Group.

### ii. Transactions & Balances:

Foreign currency transactions are translated into the functional currency at the exchange rates on the date of transaction. Foreign exchange gains and losses resulting from settlement of such transactions and from translation of monetary assets and liabilities at the year-end exchange rates are generally recognized in the Statement Profit and Loss. They are deferred in equity if they relate to qualifying cash flow hedges.

All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis.

Non-monetary foreign currency items are carried at cost and accordingly the investments in shares of foreign subsidiaries are expressed in Indian currency at the rate of exchange prevailing at the time when the original investments are made or fair values determined.

### iii) Group's foreign operations:

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate as on that balance sheet date, and
- income and expenses are translated at average exchange rates.

On disposal of a foreign operation, the associated exchange differences are reclassified to Statement of Profit and Loss as part of the gain or loss on disposal.

## l) Income Taxes:

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

### Current tax:

- i) Provision for current tax is made as per the provisions of the Income Tax Act 1961.
- ii) The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the group operates and generates taxable income.

## Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

- iii) Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.
- iv) Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).
- v) where there is uncertainty over income tax treatments, the Group determines the probability of the income tax authorities accepting each such tax treatment or group of tax treatments in computing the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.
  - (a) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
  - (b) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

### Deferred tax:

Deferred tax is provided using the balance sheet method on temporary differences between the tax bases of assets & liabilities & their carrying amounts for financial reporting purposes as at the reporting date. Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit in the countries where the group operates and generates taxable income.

Deferred tax liabilities are recognised for all taxable temporary differences except :

- (a) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transition, affects neither the accounting profit or loss;
- (b) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

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

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

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

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

### Presentation of current and deferred tax:

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

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to



# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

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

## m) Provisions and Contingencies:

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

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

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

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote (based on the judgement of the management considering factors including experience with similar matters, past history, precedents, relevant and other evidence and facts specified to the matter), no provision or disclosure is made.

Contingent assets are disclosed only where an inflow of economic benefits is probable.

## n) 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.

## o) 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 that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

## p) Revenue Recognition

### Revenue from contracts with customers

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

The Group recognizes revenue from contracts with customers based on a five-step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customers. A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the contract price to the performance obligations in the contract: For contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation.

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

The group recognised revenue from various activities as follows:

## i. Interest Income

Interest income is recognised using effective interest rate by considering all the contractual term of the financial instruments in estimating the cash flow.

## ii. Fees & Commission

Fees and commission income is recognised based on five step model set out in Ind AS 115.

- a. Brokerage income earned on secondary market operations is accounted on trade date basis.
- b. Income related with advisory activities, Investment banking, Financial Product Distribution Income in respect of other heads is accounted on accrual basis.

## iii. Rental Income

Lease income is recognised in the statement of profit and loss net of indirect taxes, if any. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease except where-

- (i) Another systematic basis is more representative of the time pattern of the benefit derived from the asset given on lease.; or

- (ii) The payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases

## iv. 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.

Advances received from customers in respect of contracts are treated as liabilities and adjusted against progress billing as per terms of the contract.

Progress payments received are adjusted against amount receivable from customers in respect of the contract work performed.

Amounts retained by the customers until the satisfactory completion of the contracts are recognised as receivables.

## q) 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 Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

When the terms of an equity-settled award are modified, the minimum expense recognized is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the statement of profit and loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

## Securities premium includes:

- A. The difference between the face value of the equity shares and the consideration received in respect of shares issued pursuant to Stock Option Scheme.



# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

- B. The fair value of the stock options which are treated as expense, if any, in respect of shares allotted pursuant to Stock Options Scheme.

## r) Employee Benefits

### Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. If the group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. The Group recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

### Post-Employment Benefits:

#### I. Defined contribution plans:

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

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

to, for example, a reduction in future payments or a cash refund.

#### II. Defined benefit plans:

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

#### Recognition and measurement of defined benefit plans:

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

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

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

#### s) Lease accounting

The Group assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

right to control the use of an identified asset, the Group considers whether (i) the contract involves the use of identified asset; (ii) the Group has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Group has right to direct the use of the asset.

## As a Lessee

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

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

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

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

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

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the

group's estimate of the amount expected to be payable under a residual value guarantee, or if group changes its assessment of whether it will exercise a purchase, extension or termination option.

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

Lease liability and the right of use asset have been separately presented in the balance sheet.

## Short-term leases and leases of low-value assets

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

## As a lessor

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

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

## t) Goods and Services tax input credit

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

## u) Borrowing Cost:

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



# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

## v) Segment Reporting :

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets/liabilities".

## w) Earnings Per Share:

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

## 2.2 KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Group's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The Group continually evaluates these estimates and assumptions based on the most recently available information. Revisions to accounting estimates are recognised prospectively in the statement of profit and loss in the period in which the estimates are revised and in any future periods affected.

### Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that

have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

### a. Income taxes

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

### b. Determination of the estimated useful lives of assets (tangible assets, intangible assets and investment property)

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

### c. Defined Benefit Obligation

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds corresponding to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. Further details are disclosed in note 29.

### d. Fair value measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

### e. Impairment of financial assets

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



## Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

### f. Provision for litigation

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

### g. Fair valuation of employee share options

The fair valuation of the employee share options is based on the Black-Scholes model used for valuation of options. Key assumptions made with respect to expected volatility includes share price, expected dividends and discount rate, under this option pricing model. Further details are disclosed in note 42.

### h. Determining whether an arrangement contains a lease

In determining whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease date if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in the arrangement.

### i. Discount rate

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

### NOTE 3 : CASH AND CASH EQUIVALENTS

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	1.02	0.72
Cheques in hand	5.66	16.77
<b>Balances with banks :</b>		
- In current accounts	3,377.80	631.59
- In client accounts	698.31	1,045.32
<b>Total</b>	<b>4,082.79</b>	<b>1,694.40</b>

### NOTE 4 : BANK BALANCE OTHER THAN ABOVE

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
(I) Earmarked Balance with bank - Unclaimed dividend	96.61	2.62
(II) Fixed Deposit with banks		
- Lien Marked*	40,450.40	26,647.08
- Other deposit	45.54	24.30
<b>Total</b>	<b>40,592.55</b>	<b>26,674.00</b>

\* Group has pledged fixed deposits with the banks for bank guarantee and with the stock exchange for margin purpose.

### NOTE 5 : RECEIVABLES

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(I) Trade receivables</b>		
- Receivables considered good - unsecured	436.35	187.69
- Receivables which have significant increase in credit risk	50.65	68.94
- Receivables - credit impaired	175.78	118.88
<b>Total (I)- Gross</b>	<b>662.78</b>	<b>375.51</b>
- Less: Allowance for credit loss	(186.30)	(153.62)
<b>Total (I)- Net</b>	<b>476.48</b>	<b>221.89</b>



## Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(II) Other receivables</b>		
- Unbilled considered good - unsecured	157.83	313.72
<b>Total (II)- Gross</b>	<b>157.83</b>	<b>313.72</b>
- Less: Allowance for credit loss	-	-
<b>Total (II)- Net</b>	<b>157.83</b>	<b>313.72</b>
<b>Total (I+II)</b>	<b>634.31</b>	<b>535.61</b>

(a) No trade or other receivables are due from directors or from other officers of the Company either severally or jointly with any other person nor any trade or other receivables are due from firms or private companies respectively in which any directors is a partner, director or a member as on March 31, 2024 and March 31, 2023.

(b) No trade receivables and other receivables are interest bearing.

(c) Ageing schedule for Trade receivables is as under:

(₹ in Million)

Particulars	As at March 31, 2024						
	Unbilled	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables considered good	157.83	402.93	-	-	-	-	560.76
(ii) Undisputed Trade Receivables considered doubtful	-	61.58	42.59	0.03	0.05	-	104.25
(iii) Undisputed Trade Receivables Credit Impaired	-	-	1.75	42.92	2.50	108.43	155.60
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables Credit Impaired	-	-	-	-	-	-	-

(₹ in Million)

Particulars	As at March 31, 2023						
	Unbilled	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables considered good	313.72	187.69	-	-	-	-	501.41
(ii) Undisputed Trade Receivables considered doubtful	-	58.92	10.01	0.01	-	-	68.94
(iii) Undisputed Trade Receivables Credit Impaired	-	-	2.61	5.69	1.82	108.76	118.88
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables Credit Impaired	-	-	-	-	-	-	-

## Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

### NOTE 6 : LOANS

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>At Amortised cost</b>		
Loans repayable on demand		
- Margin trading facility	9,164.28	4,905.86
<b>Total - Gross</b>	<b>9,164.28</b>	<b>4,905.86</b>
- Less: Impairment loss allowance	-	-
<b>Total - Net</b>	<b>9,164.28</b>	<b>4,905.86</b>

(I) Details of loans that are repayable on demand or without specifying any terms or period of repayment:-

(₹ in Million)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding
Promoters	-	-	-	-	-	-
Directors	-	-	-	-	-	-
KMPs	-	-	-	-	-	-
Related Parties	-	-	-	-	-	-

### NOTE 7 : INVESTMENTS

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>At fair value through profit and loss ((i) + (ii) + (iii) + (iv))</b>	<b>1,591.53</b>	<b>901.71</b>
<b>Mutual Funds (i)</b>	<b>139.75</b>	<b>196.20</b>
- HDFC Liquid Fund - Direct Growth - open ended	-	101.91
- ICICI Prudential Liquid Fund - Direct Plan - Growth	139.75	94.29
<b>Alternate Investment Funds (ii)</b>	<b>735.96</b>	<b>444.63</b>
- 360 one Special Opportunities Fund – Series 4 Category II AIF Scheme - Class A1 (formerly known as "IIFL Special Opportunities Fund -Series 4 Category II AIF")	4.79	6.84
- India Alternative Private Equity Fund - Category II - AIF Class S	3.77	48.11
- IIFL Fintech Fund - Category II AIF Scheme (formerly known as "IIFL Securities Capital Enhancer Fund - Class S")	509.88	163.42
- IIFL Securities Dynamic Fund - Class A3	73.79	56.61
- 'IIFL Large Value Fund-Series-1	49.95	-
- 'IIFL Derivatives Advantage Fund	93.78	-
- IIFL Real Estate Fund (Domestic) – Series 2 Category II- AIF	-	169.65
<b>Equity shares (iii)</b>	<b>490.60</b>	<b>84.04</b>
- BSE Limited	490.60	84.04
<b>Debt fund (iv)</b>	<b>225.22</b>	<b>176.84</b>



# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
- IIFL Home Finance Limited 8.20 NCD 28SP26	-	125.05
- Optional Convertible Debenture	220.00	47.50
- Piramal - India REIT Fund Scheme V	5.22	4.29
<b>Total - Gross (I) + (II)</b>	<b>1,591.53</b>	<b>901.71</b>
- Less: Impairment loss allowance	-	-
<b>Total - Net</b>	<b>1,591.53</b>	<b>901.71</b>
- Investments outside India	-	-
- Investments in India	1,591.53	901.71
<b>Total - Net</b>	<b>1,591.53</b>	<b>901.71</b>

## NOTE 8 : OTHER FINANCIAL ASSETS

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Clients receivables (net of provisions) #	11,851.49	10,275.57
Exchanges receivables	3,700.72	897.05
Margin with exchange	690.05	58.30
Deposit with exchange	115.68	115.75
Security deposit with landlords and others (net of provisions) *	196.83	255.58
Interest accrued on deposits and investments	590.13	284.35
Receivable from related parties (Refer note 43)	21.94	3.16
Gratuity (Refer note 29)	-	2.39
Other financial assets	167.73	387.75
<b>Total</b>	<b>17,334.57</b>	<b>12,279.90</b>

# Include receivable from directors & key managerial personnel of ₹ 0.00 (As at March 31, 2023 ₹ 0.00) (Refer note 43)

\* Include deposit with directors and its relatives of ₹ 50.00 Million (As at March 31, 2023 ₹ 50.00 Million) (Refer note 43)

## NOTE 9 : DEFERRED TAX ASSETS (NET) (AS AT MARCH 31, 2024)

(₹ in Million)

Particulars	Opening balance	Recognised in profit or loss	Other addition / deletion	Recognised in/reclassified from OCI	Closing balance
<b>Deferred tax assets:</b>					
Depreciation on property, plant and equipment	25.52	136.64	-	-	162.16
Business loss carry forwards	37.98	(23.39)	-	-	14.59
Expenses deductible in future years	32.69	(27.84)	2.45	-	7.30
Provisions for doubtful receivables / other financial asset (Including expected credit loss)	158.41	(5.71)	-	-	152.70
Lease liability	4.04	23.04	-	-	27.08
Compensated absences and retirement benefits	17.42	(0.90)	-	4.20	20.72

## Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

Particulars	Opening balance	Recognised in profit or loss	Other addition / deletion	Recognised in/reclassified from OCI	Closing balance
Minimum alternate tax carry-forward	9.48	-	-	-	9.48
Unrealised profit on investments	7.12	(61.27)	-	-	(54.15)
Others	10.69	2.75	-	-	13.44
<b>Total deferred tax assets</b>	<b>303.35</b>	<b>43.32</b>	<b>2.45</b>	<b>4.20</b>	<b>353.32</b>
<b>Deferred tax liabilities:</b>					
<b>Total deferred tax liabilities</b>	-	-	-	-	-
<b>Deferred tax assets (Net)</b>	<b>303.35</b>	<b>43.32</b>	<b>2.45</b>	<b>4.20</b>	<b>353.32</b>

### NOTE 9 : DEFERRED TAX ASSETS (NET) (AS AT MARCH 31, 2023)

(₹ in Million)

Particulars	Opening balance	Recognised in profit or loss	Other addition / deletion	Recognised in/reclassified from OCI	Closing balance
<b>Deferred tax assets:</b>					
Depreciation on property, plant and equipment	14.12	11.40	-	-	25.52
Business loss carry forwards	18.56	19.42	-	-	37.98
Expenses deductible in future years	-	27.82	4.87	-	32.69
Provisions for doubtful receivables / other financial asset (Including expected credit loss)	156.34	2.07	-	-	158.41
Lease Liability	4.05	(0.01)	-	-	4.04
Compensated absences and retirement benefits	14.36	(2.78)	-	5.84	17.42
Minimum alternate tax carry-forward	9.48	-	-	-	9.48
Unrealised profit on investments	9.54	(2.42)	-	-	7.12
Others	10.04	0.55	-	0.10	10.69
<b>Total deferred tax assets</b>	<b>236.49</b>	<b>56.05</b>	<b>4.87</b>	<b>5.94</b>	<b>303.35</b>
<b>Deferred tax liabilities:</b>					
<b>Total deferred tax liabilities</b>	-	-	-	-	-
<b>Deferred tax assets (Net)</b>	<b>236.49</b>	<b>56.05</b>	<b>4.87</b>	<b>5.94</b>	<b>303.35</b>

### NOTE 10 : INVESTMENT PROPERTY

(₹ in Million)

Particulars	Land / Building	
	As at March 31, 2024	As at March 31, 2023
<b>As at April 1</b>	<b>799.77</b>	<b>799.77</b>
(Deductions)/Adjustments during the year	-	-
<b>Cost as at March 31</b>	<b>799.77</b>	<b>799.77</b>
<b>Amortisation</b>		
<b>As at April 1</b>	<b>(33.98)</b>	<b>(33.98)</b>
(Deductions)/Adjustments during the year	-	-
<b>As at March 31</b>	<b>(33.98)</b>	<b>(33.98)</b>
<b>Net Block</b>	<b>765.79</b>	<b>765.79</b>



# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

## (i) Amounts recognised in profit or loss for investment properties

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Rental income	-	-
Direct operating expenses from property that generated rental income	-	-
Direct operating expenses from property that did not generate rental income	-	-
Profit from investment properties before depreciation	-	-
Depreciation	-	-
Profit from investment properties	-	-

## (ii) Fair value

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Investment properties	1,469.60	1,482.62

### Estimation of fair value

The best evidence of fair value is current prices in an active market for similar properties, where such information is not available, the group consider information from a variety of sources including:

- current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences
- discounted cash flow projections based on reliable estimates of future cash flows
- capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence
- ready reckoner value / guideline rate as obtained from registrar department; or
- The valuation report obtained from a registered valuer as defined under rule 2 of Companies (Registered Valuer and Valuation) Rules, 2017.

## NOTE 11 : PROPERTY, PLANT AND EQUIPMENT (AS AT MARCH 2024)

(₹ in Million)

Particulars	Land / Leasehold Land	Buildings (including land)	Furniture & Fixture	Office Equipment	Electrical Equipment	Air Conditioner	Computers	Vehicles	Total
<b>Cost</b>									
As at April 1, 2023	691.59	2,531.51	374.89	70.33	135.45	32.37	326.56	0.69	4,163.39
Additions	-	-	188.62	23.30	22.93	9.58	34.65	-	279.08
Deductions/adjustments	-	(47.42)	(29.45)	(11.71)	(12.48)	(6.58)	(24.86)	-	(132.50)
<b>As at March 31, 2024</b>	<b>691.59</b>	<b>2,484.09</b>	<b>534.06</b>	<b>81.92</b>	<b>145.90</b>	<b>35.37</b>	<b>336.35</b>	<b>0.69</b>	<b>4,309.97</b>
<b>Depreciation</b>									
As at April 1, 2023	3.38	743.22	336.29	59.97	120.31	27.31	254.48	0.63	1,545.59
Depreciation for the year	0.34	146.39	40.54	7.79	11.19	3.53	50.20	-	259.98
Deductions/adjustments	-	(24.35)	(25.27)	(10.57)	(11.90)	(6.50)	(21.04)	-	(99.63)
<b>Upto March 31, 2024</b>	<b>3.72</b>	<b>865.26</b>	<b>351.56</b>	<b>57.19</b>	<b>119.60</b>	<b>24.34</b>	<b>283.64</b>	<b>0.63</b>	<b>1,705.94</b>
<b>WDV as at March 31, 2024</b>	<b>687.87</b>	<b>1,618.83</b>	<b>182.50</b>	<b>24.73</b>	<b>26.30</b>	<b>11.03</b>	<b>52.71</b>	<b>0.06</b>	<b>2,604.03</b>

## Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

### NOTE 11 : PROPERTY, PLANT AND EQUIPMENT(AS AT MARCH 2023)

(₹ in Million)

Particulars	Land / Leasehold Land	Buildings (including land)	Furniture & Fixture	Office Equipment	Electrical Equipment	Air Conditioner	Computers	Vehicles	Total
<b>Cost</b>									
<b>As at April 1, 2022</b>	<b>691.59</b>	<b>2,574.40</b>	<b>372.08</b>	<b>68.33</b>	<b>132.63</b>	<b>31.70</b>	<b>291.95</b>	<b>0.69</b>	<b>4,163.37</b>
Additions	-	3.59	6.49	5.00	5.61	1.14	67.11	-	88.94
Deductions/adjustments	-	(46.48)	(3.68)	(3.00)	(2.79)	(0.47)	(32.50)	-	(88.92)
<b>As at March 31, 2023</b>	<b>691.59</b>	<b>2,531.51</b>	<b>374.89</b>	<b>70.33</b>	<b>135.45</b>	<b>32.37</b>	<b>326.56</b>	<b>0.69</b>	<b>4,163.39</b>
<b>Depreciation</b>									
<b>As at April 1, 2022</b>	<b>3.05</b>	<b>608.15</b>	<b>296.84</b>	<b>55.17</b>	<b>108.01</b>	<b>22.02</b>	<b>216.41</b>	<b>0.63</b>	<b>1,310.28</b>
Depreciation for the year	0.33	151.91	42.40	6.33	14.76	5.76	53.55	-	275.04
Deductions/adjustments	-	(16.84)	(2.95)	(1.53)	(2.46)	(0.47)	(15.48)	-	(39.73)
<b>Upto March 31, 2023</b>	<b>3.38</b>	<b>743.22</b>	<b>336.29</b>	<b>59.97</b>	<b>120.31</b>	<b>27.31</b>	<b>254.48</b>	<b>0.63</b>	<b>1,545.59</b>
<b>WDV as at March 31, 2023</b>	<b>688.21</b>	<b>1,788.29</b>	<b>38.60</b>	<b>10.36</b>	<b>15.14</b>	<b>5.06</b>	<b>72.08</b>	<b>0.06</b>	<b>2,617.80</b>

Note :-

(a) Capital work in progress ₹ 12.71 Million (as at March 31, 2023 ₹ 6.55 Million) pertains to assets not yet capitalised.

(b) Refer to note 40 for assets given on pledge.

(c) Ageing Schedule of Capital Work in Progress

(₹ in Million)

Particulars	As at Mar 31, 2024					As at March 31, 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	12.71	-	-	-	12.71	2.05	4.50	-	-	6.55
Projects Temporarily Suspended	-	-	-	-	-	-	-	-	-	-

(d) Ageing of projects whose completion is overdue or has exceeded its cost compared to its original plan

(₹ in Million)

Particulars	As at Mar 31, 2024					As at March 31, 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	-	-	-	-	-	-	-	-	-	-
Projects Temporarily Suspended	-	-	-	-	-	-	-	-	-	-

### NOTE 12 : OTHER INTANGIBLE ASSETS

(₹ in Million)

Particulars	Commercial rights		Software		Total	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>As at April 1</b>	<b>1,137.61</b>	<b>1,137.61</b>	<b>229.45</b>	<b>167.06</b>	<b>1,367.06</b>	<b>1,304.67</b>
Other additions	-	-	26.88	62.39	26.88	62.39
<b>Cost as at March 31</b>	<b>1,137.61</b>	<b>1,137.61</b>	<b>256.33</b>	<b>229.45</b>	<b>1,393.94</b>	<b>1,367.06</b>



## Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

Particulars	Commercial rights		Software		Total	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>Amortisation / Impairment</b>						
<b>As at April 1</b>	<b>466.53</b>	<b>237.87</b>	<b>173.28</b>	<b>137.97</b>	<b>639.81</b>	<b>375.84</b>
Amortisation / Provision for Impairment loss*	671.08	228.66	32.97	35.31	704.05	263.97
<b>As at March 31</b>	<b>1,137.61</b>	<b>466.53</b>	<b>206.25</b>	<b>173.28</b>	<b>1,343.86</b>	<b>639.81</b>
<b>Net Block</b>	<b>-</b>	<b>671.08</b>	<b>50.08</b>	<b>56.17</b>	<b>50.08</b>	<b>727.25</b>

\* During the year intangible assets has been tested for impairment & accordingly provided provision for impairment loss of ₹ 443.60 Million.

### NOTE 13 : RIGHT OF USE ASSETS

#### A) Carrying value of right of use assets at the end of the reporting period by class

(₹ in Million)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Premises	Vehicle	Total	Premises	Vehicle	Total
<b>Balance at the beginning of the year</b>	<b>224.45</b>	<b>60.56</b>	<b>285.01</b>	<b>241.71</b>	<b>32.06</b>	<b>273.77</b>
Additions during the year	326.31	32.70	359.01	157.23	43.27	200.50
Deletions during the year	(80.80)	(21.05)	(101.85)	(59.90)	-	(59.90)
Depreciation charge for the year	(153.45)	(20.30)	(173.75)	(114.59)	(14.77)	(129.36)
<b>Balance at the end of the year</b>	<b>316.51</b>	<b>51.91</b>	<b>368.42</b>	<b>224.45</b>	<b>60.56</b>	<b>285.01</b>

#### B) Maturity analysis of lease liabilities

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Maturity analysis – contractual undiscounted cash flows</b>		
- Less than one year	177.38	116.32
- One to five years	402.32	257.22
- More than five years	39.06	35.95
<b>Total undiscounted lease liabilities at 31 March</b>	<b>618.76</b>	<b>409.49</b>
<b>Lease liabilities included in the statement of financial position at 31 March</b>	<b>476.62</b>	<b>301.62</b>
Current lease liability	138.77	97.31
Non current lease liability	337.85	204.31

#### C) Amounts recognised in profit or loss

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Interest on lease liabilities	61.05	28.74
Depreciation charge for the year	173.75	129.36
Expenses relating to short-term leases	22.05	4.74
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	2.20	3.60
<b>Total</b>	<b>259.05</b>	<b>166.44</b>



## Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

### D) Amounts recognised in the statement of cash flows

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Total cash outflow for leases	138.72	158.66

### NOTE 14 : OTHER NON-FINANCIAL ASSETS

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory input credit	11.12	14.53
Prepaid expense	149.33	97.66
Capital advance	507.25	111.07
Other advances	141.37	125.05
Other non-financial assets	10.98	6.24
<b>Total</b>	<b>820.05</b>	<b>354.55</b>

### NOTE 15 : PAYABLES

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(I) Trade Payable</b>		
- Total outstanding dues of micro enterprises and small enterprises	0.10	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	49.08	25.22
<b>Total (I)</b>	<b>49.18</b>	<b>25.22</b>
<b>(II) Other Payable</b>		
- Total outstanding dues of micro enterprises and small enterprises		
- Total outstanding dues of creditors other than micro enterprises and small enterprises		
(a) Unbilled - Provision for expenses	1,353.33	716.05
(b) Accrued salaries & bonus provision	977.23	139.32
(c) Others	15.34	8.01
<b>Total (II)</b>	<b>2,345.90</b>	<b>863.38</b>
<b>Total (I)+(II)</b>	<b>2,395.08</b>	<b>888.60</b>

### 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, 2006 (MSMED) on the basis of confirmations sought from suppliers on registration with the specified authority under MSMED:

Particulars	FY 2023-24	FY 2022-23
(a) Principal amount remaining unpaid to any supplier at the year end	0.10	-
(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	-	-



# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

Particulars	FY 2023-24	FY 2022-23
(e) Amount of interest accrued and remaining unpaid at the year end	-	-
(f) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the act	-	-

Ageing schedule for Trade payables is as under:

(₹ in Million)

Particulars	As at Mar 31, 2024					Total
	Provision	Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	
MSME	-	0.10	-	-	-	0.10
OTHERS	2,345.90	47.47	1.15	0.19	0.27	2,394.98
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

(₹ in Million)

Particulars	As at Mar 31, 2023					Total
	Provision	Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	
MSME	-	-	-	-	-	-
OTHERS	863.38	21.46	0.43	3.23	0.10	888.60
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

## NOTE 16 : DEBT SECURITIES

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>At amortised cost</b>		
<b>Unsecured</b>		
Commercial papers	4,292.99	-
<b>Total</b>	<b>4,292.99</b>	<b>-</b>
Debt securities in India	4,292.99	-
Debt securities outside India	-	-
<b>Total</b>	<b>4,292.99</b>	<b>-</b>

Rate of interest is ranging from 8.30% to 9.50% for commercial papers outstanding.

### Terms of repayment

The aforesaid debt securities are repayable on maturity and tenure is 90 days to 365 days.

## Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

### NOTE 17 : BORROWINGS (OTHER THAN DEBT SECURITIES)

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>At amortised cost</b>		
<b>(a) Loans repayable on demand</b>		
- Bank overdraft	139.66	970.46
- Working capital demand loan & Revolving credit facilities	5,477.50	2,109.13
<b>(b) Term Loan</b>		
- Loan from Bank	1,628.35	1,778.84
<b>Total</b>	<b>7,245.51</b>	<b>4,858.43</b>
Borrowings in India	7,245.51	4,858.43
Borrowings outside India	-	-
<b>Total</b>	<b>7,245.51</b>	<b>4,858.43</b>

#### (a) Security :

- Working capital demand loan (WCDL) & Revolving credit facilities and bank overdraft are secured by way of first pari-passu charge on receivable and Fixed Deposit pledged with Bank. Refer note 40 for details of asset pledged.
- The term loan from bank is secured by hypothecation of immovable properties owned by IIFL Facilities Services Limited (a wholly owned subsidiary).

#### (b) Tenor of repayment :

- WCDL & Revolving credit facilities varies from 7 days to 365 days and bank overdraft upto validity of facility.
- The term loan from bank is repayable in 95 monthly installment.

#### (c) Interest Rate :

Interest rate is ranging from 7.79% to 10.25%.

### NOTE 18 : OTHER FINANCIAL LIABILITIES

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Clients payables *	27,198.45	16,801.91
Exchanges payables	17,529.95	14,584.85
Deposits received from franchisee, tenant and others#	478.07	480.97
Book overdraft	9.87	10.16
Provision for gratuity (funded) (Refer note 29)	13.42	11.79
Payable to related parties (Refer note 43)	110.62	46.14
Lease obligation	476.62	301.62
Other payable	436.92	177.75
<b>Total</b>	<b>46,253.92</b>	<b>32,415.19</b>

\* Includes payable to director, key managerial personnel & their relatives and other related parties ₹ 26.44 Millions (March 31, 2023 ₹ 6.31 Millions) (Refer note 43)

# Includes deposit from related party of ₹ 48.65 Millions (March 31, 2023 ₹ 25.79 Millions) (Refer note 43)



# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

## NOTE 19 : PROVISIONS

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for leave encashment	78.70	66.11
<b>Total</b>	<b>78.70</b>	<b>66.11</b>

## NOTE 20 : OTHER NON-FINANCIAL LIABILITIES

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Income received in advance	14.20	11.98
Statutory dues	466.50	364.69
Advances received from customers	73.70	200.32
<b>Total</b>	<b>554.40</b>	<b>576.99</b>

## NOTE 21 : EQUITY SHARE CAPITAL

### a. The Authorised, Issued, Subscribed and Paid up Share Capital:

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Authorised Share Capital</b>		
At the beginning of the year	1,000.00	1,000.00
<b>Add: Increase in authorised share capital</b>	-	-
Closing at the end of year	1,000.00	1,000.00
<b>Issued, Subscribed and Paid-up Share Capital</b>		
307,866,529 Equity Shares of ₹ 2 each fully paid up ( 305,528,966 Equity Shares of ₹ 2 each fully paid up)	615.73	611.06

### b. Reconciliation of the shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	(₹ in Million)	No. of Shares	(₹ in Million)
<b>Equity Shares</b>				
At the beginning of the year	305,528,966	611.06	303,936,230	607.87
Add: Shares issued during the year under ESOP scheme	2,337,563	4.67	1,592,736	3.19
<b>Closing at the end of year</b>	<b>307,866,529</b>	<b>615.73</b>	<b>305,528,966</b>	<b>611.06</b>

### c. Terms/Rights attached to Equity Shares

The Company has only one class of shares referred to as equity shares having a par value of ₹ 2/- each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees.

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

## Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

### d. Details of shareholders holding more than 5% shares in the Company:

The list of shareholders to whom the shares to be issued under the Composite Scheme of Arrangement having more than 5% shareholdings are as under:

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	% of holding in the class	No. of Shares	% of holding in the class
<b>Equity share of ₹ 2 each fully paid up</b>				
FIH Mauritius Investments Ltd.	84,641,445	27.49%	84,641,445	27.70%
Mr. Nirmal Bhanwarlal Jain	46,964,282	15.25%	46,964,282	15.38%
HWIC Asia Fund Class A shares	10,362,530	3.37%	28,362,530	9.28%
<b>Total</b>	<b>141,968,257</b>	<b>46.11%</b>	<b>159,968,257</b>	<b>52.36%</b>

### e. Other details of equity shares for a period of five years immediately preceding March 31, 2024

- In FY 2019-20, fresh 319,234,462 equity shares of ₹ 2/- each allotted through composite Scheme of Arrangement as approved by NCLT, Mumbai.
  - In FY 2020-21, 17,000,394 equity shares bought back for an aggregate amount of ₹ 866.82 Million. Consequently the paid-up equity share capital had reduced by ₹ 34.00 Million.
- f. Shares reserved for issue under options and contracts/commitments for sale of shares/disinvestments, including the terms and amount, Refer Note 42 for details of shares reserved for issue under Employees Stock Option Plan of the Company.

### g. Details of Shareholding of Promoters of the Company:

Promoter name	As at March 31, 2024			As at March 31, 2023		
	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
Nirmal Bhanwarlal Jain	46,964,282	15.25%	(0.76)%	46,964,282	15.37%	(0.52)%
Madhu N Jain	12,075,000	3.92%	(0.76)%	12,075,000	3.95%	(0.52)%
Venkataraman Rajamani	11,184,432	3.63%	(0.76)%	11,184,432	3.66%	(0.52)%
Mansukhlal Jain & Pritesh Mehta (in their capacity as Trustee of Nirmal Madhu Family Private Trust)	10,000,000	3.25%	(0.76)%	10,000,000	3.27%	(0.52)%
Aditi Avinash Athavankar (in the capacity as Trustee of Kalki Family Private Trust)	9,000,000	2.92%	(0.76)%	9,000,000	2.95%	(0.52)%
Aditi Athavankar	200,000	0.06%	(0.76)%	200,000	0.07%	(0.52)%
Orpheus Trading Private Limited	3,019,500	0.98%	(0.76)%	3,019,500	0.99%	(0.52)%
Ardent Impex Private Limited	2,700,000	0.88%	(0.76)%	2,700,000	0.88%	(0.52)%
<b>Total</b>	<b>95,143,214</b>	<b>30.89%</b>		<b>95,143,214</b>	<b>31.14%</b>	



# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

## NOTE 22 : OTHER EQUITY

(₹ in Million)

Particulars	General reserve	Capital redemption reserve	Capital reserve	Securities premium	Retained earnings	Share option outstanding account	Other comprehensive income	Exchange differences on translating the financial statements of a foreign operation	Total
<b>Balance as at April 01, 2023</b>	<b>479.34</b>	<b>34.00</b>	<b>660.72</b>	<b>1,227.56</b>	<b>10,403.46</b>	<b>93.26</b>	<b>(30.40)</b>	<b>23.79</b>	<b>12,891.73</b>
Total comprehensive income for the year	-	-	-	-	5,123.44	-	(12.49)	-	5,110.95
Appropriation towards dividend paid	-	-	-	-	(923.11)	-	-	-	(923.11)
Transfer to/from reserves	4.07	-	-	25.57	-	(29.64)	-	-	-
Other additions	-	-	-	86.37	-	80.55	-	1.94	168.86
<b>Balance as at March 31, 2024</b>	<b>483.41</b>	<b>34.00</b>	<b>660.72</b>	<b>1,339.50</b>	<b>14,603.79</b>	<b>144.17</b>	<b>(42.89)</b>	<b>25.73</b>	<b>17,248.43</b>

(₹ in Million)

Particulars	General reserve	Capital redemption reserve	Capital reserve	Securities premium	Retained earnings	Share option outstanding account	Other comprehensive income	Exchange differences on translating the financial statements of a foreign operation	Total
<b>Balance as at April 01, 2022</b>	<b>464.82</b>	<b>34.00</b>	<b>660.72</b>	<b>1,150.19</b>	<b>8,816.45</b>	<b>81.33</b>	<b>(12.75)</b>	<b>17.13</b>	<b>11,211.89</b>
Total comprehensive income for the year	-	-	-	-	2,501.57	-	(17.65)	-	2,483.92
Appropriation towards dividend paid	-	-	-	-	(914.56)	-	-	-	(914.56)
Transfer to/from reserves	14.52	-	-	23.62	-	(38.14)	-	-	-
Other additions	-	-	-	53.75	-	50.07	-	6.66	110.48
<b>Balance as at March 31, 2023</b>	<b>479.34</b>	<b>34.00</b>	<b>660.72</b>	<b>1,227.56</b>	<b>10,403.46</b>	<b>93.26</b>	<b>(30.40)</b>	<b>23.79</b>	<b>12,891.73</b>

### Footnotes : Nature and purpose of reserves

- i) **General reserve** : This reserve can be distributed/utilised by the Company, in accordance with the Companies Act, 2013.
- ii) **Capital Redemption Reserve**: Nominal value of the shares cancelled through buyback is transferred to Capital Redemption Reserve.
- iii) **Capital reserves** : Capital reserve is created due to Composite Scheme of Arrangement
- iv) **Securities premium** : Securities premium represents the surplus of proceeds received over the face value of shares, at the time of issue of shares.
- v) **Retained earnings** : The balance in retained earnings primarily represents the net profit after payment of dividend and transfer to reserves.
- vi) **Share options outstanding account** : This reserve is created on account of ESOP granted by the company.
- vii) **Exchange difference on translation of foreign operations through other comprehensive income** : For the purpose of consolidation of subsidiaries with the financial statement of the holding company, income and expense are translated at average rates and assets and liabilities are stated at closing rate. Use of such different rates for translation give rise to exchange differences which is accumulated in foreign currency translation reserve.

## Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

### NOTE 23 : NON CONTROLLING INTEREST

(₹ in Million)

Particulars	As at Mar 31, 2024	As at March 31, 2023
Balance at the Beginning of the year	(5.31)	(1.84)
Profit / (loss) during the year	10.03	(3.47)
Subsidiary shares issued by exercise of ESOP	14.63	-
<b>Total</b>	<b>19.35</b>	<b>(5.31)</b>

### NOTE 24: INTEREST INCOME

(₹ in Million)

Particulars	FY 2023-24	FY 2022-23
Interest on margin funding facility	1,150.30	867.78
Interest on deposits with banks	2,137.95	1,157.11
<b>Total</b>	<b>3,288.25</b>	<b>2,024.89</b>

### NOTE 25 : FEES AND COMMISSION INCOME

(₹ in Million)

Particulars	FY 2023-24	FY 2022-23
Brokerage & related income	12,017.35	7,599.99
Investment banking income	2,245.43	1,286.79
Financial Products Distribution Income	3,869.20	2,436.01
<b>Total</b>	<b>18,131.98</b>	<b>11,322.79</b>

In the following table, Income from contracts with customers in the scope of Ind AS 115 is disaggregated by major type of services. The table also includes a reconciliation of the disaggregated income with the group reportable segments.

(₹ in Million)

FY 2023-24	Capital Market Activity	Insurance Broking & Ancillary	Facilities & Ancillary	Total
Brokerage and related income	12,230.46	-	-	12,230.46
Investment banking income	2,245.43	-	-	2,245.43
Financial Products Distribution Income	1,242.10	2,557.20	70.53	3,869.83
Less : - Inter segment	-	-	-	(213.74)
<b>Total fee and commission income (a)</b>	<b>15,717.99</b>	<b>2,557.20</b>	<b>70.53</b>	<b>18,131.98</b>
Rental Income	-	-	381.69	381.69
Less : - Inter segment	-	-	-	(189.14)
<b>Total rental income (b)</b>	<b>-</b>	<b>-</b>	<b>381.69</b>	<b>192.55</b>
<b>Contractual revenue from operations (a + b)</b>	<b>15,717.99</b>	<b>2,557.20</b>	<b>452.22</b>	<b>18,324.53</b>



# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

(₹ in Million)

<b>FY 2022-23</b>	<b>Capital Market Activity</b>	<b>Insurance Broking &amp; Ancillary</b>	<b>Facilities &amp; Ancillary</b>	<b>Total</b>
Brokerage and related income	7,738.56	-	-	7,738.56
Investment banking income	1,286.79	-	-	1,286.79
Financial Products Distribution Income	1,298.38	956.13	182.90	2,437.41
Less : - Inter segment	-	-	-	(139.97)
<b>Total fee and commission income (a)</b>	<b>10,323.73</b>	<b>956.13</b>	<b>182.90</b>	<b>11,322.79</b>
Rental Income	-	-	400.03	400.03
Less : - Inter segment	-	-	-	(226.90)
<b>Total rental income (b)</b>	<b>-</b>	<b>-</b>	<b>400.03</b>	<b>173.13</b>
<b>Contractual revenue from operations (a + b)</b>	<b>10,323.73</b>	<b>956.13</b>	<b>582.93</b>	<b>11,495.92</b>

## NOTE 26 : OTHER INCOME

(₹ in Million)

<b>Particulars</b>	<b>FY 2023-24</b>	<b>FY 2022-23</b>
<b>Gain/(loss) on financial assets measured at fair value through Profit &amp; Loss account</b>		
- Realised	(45.90)	137.79
- Unrealised	542.19	(87.05)
Interest income on		
- Investment	25.95	17.55
- Inter corporate deposit	2.41	0.10
- Fixed deposits	18.58	8.48
- Income tax refund	12.26	6.63
Gain / (loss) on termination on lease	4.49	(0.56)
Gain on derecognition of property, plant and equipment	73.95	29.28
Infrastructure support income	38.96	50.69
Dividend income	2.40	2.99
Other income	24.80	17.14
<b>Total</b>	<b>700.09</b>	<b>183.04</b>

## NOTE 27: FINANCE COSTS MEASURED AT AMORTISED COST

(₹ in Million)

<b>Particulars</b>	<b>FY 2023-24</b>	<b>FY 2022-23</b>
Interest on borrowings	891.92	444.18
Interest on debt securities	96.21	9.96
Interest on lease	61.05	28.74
Other finance expense	431.09	272.67
<b>Total</b>	<b>1,480.27</b>	<b>755.55</b>



## Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

### NOTE 28: FEES AND COMMISSION EXPENSE

(₹ in Million)

Particulars	FY 2023-24	FY 2022-23
Sub brokerage and referral fees	4524.80	2,514.20
Others	246.65	224.53
<b>Total</b>	<b>4,771.45</b>	<b>2,738.73</b>

### NOTE 29: EMPLOYEE BENEFITS EXPENSES

(₹ in Million)

Particulars	FY 2023-24	FY 2022-23
Salaries and wages	4,320.58	3,375.95
Contribution to provident and other funds	79.19	80.27
Share based payments (Refer note 42)	80.97	50.36
Staff welfare expenses	47.15	44.95
Gratuity	17.66	15.86
Leave encashment	24.90	13.88
<b>Total</b>	<b>4,570.45</b>	<b>3,581.27</b>

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

#### A. Defined benefit plans:

##### (i) Reconciliation of opening and closing balances of Defined Benefit Obligation

(₹ in Million)

Particulars	FY 2023-24	FY 2022-23
<b>Defined benefit obligation at beginning of the year</b>	<b>202.40</b>	<b>177.67</b>
Interest cost	14.99	12.16
Current service cost	16.96	16.33
Liability transferred In/ acquisitions	0.77	4.32
(Liability transferred out/ divestments)	(1.10)	(4.06)
(Benefit Paid directly by the employer)	-	(0.31)
(Benefit paid from the fund)	(29.73)	(20.61)
Actuarial (gains)/losses on obligations - due to change in demographic assumptions	-	-
Actuarial (gains)/losses on obligations - due to change in financial assumptions	3.67	(8.89)
Actuarial (gains)/losses on obligations - due to experience	16.04	25.79
<b>Defined benefit obligation at period end</b>	<b>224.00</b>	<b>202.40</b>

##### (ii) Reconciliation of opening and closing balances of fair value of Plan Assets

(₹ in Million)

Particulars	FY 2023-24	FY 2022-23
<b>Change in the fair value of plan assets</b>		
<b>Fair value of plan assets at beginning of the year</b>	<b>193.00</b>	<b>184.67</b>
Interest income	14.29	12.63
Contributions by the employer	30.00	23.00
Expected return on plan assets (excluding interest)	3.02	(6.69)
(Benefit paid from the fund)	(29.73)	(20.61)
<b>Fair value of plan assets at the end of the period</b>	<b>210.58</b>	<b>193.00</b>



# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

## (iii) Amount Recognized in the Balance Sheet

(₹ in Million)

Particulars	FY 2023-24	FY 2022-23
<b>(Present value of benefit obligation at the end of the period)</b>	<b>(224.00)</b>	<b>(202.40)</b>
Fair value of Plan Assets at the end of the year/period	210.58	193.00
Net (liability)/asset recognized in the balance sheet (surplus/ (deficit))	(13.42)	(9.40)

## (iv) Expenses recognised during the year

(₹ in Million)

Particulars	FY 2023-24	FY 2022-23
<b>In income statement</b>		
Current service cost	16.96	16.33
Net interest Cost	0.70	(0.47)
<b>Expense recognised in the Statement of Profit and Loss under " Employee benefits expenses"</b>	<b>17.66</b>	<b>15.86</b>
<b>In other comprehensive income</b>		
Actuarial (gains)/losses on obligation for the period	19.71	16.90
Return on plan assets, excluding interest income	(3.02)	6.69
<b>Net (income)/expense for the period recognized in OCI</b>	<b>16.69</b>	<b>23.59</b>

## (v) Balance sheet reconciliation

(₹ in Million)

Particulars	FY 2023-24	FY 2022-23
<b>Opening net liability</b>	<b>9.40</b>	<b>(7.00)</b>
Expenses recognized in statement of profit or loss	17.66	15.86
Expenses recognized in OCI	16.69	23.59
Net liability/(asset) Transfer In	0.77	4.32
Net (liability)/asset Transfer Out	(1.10)	(4.06)
(Benefit paid directly by the employer)	-	(0.31)
(Employer's contribution)	(30.00)	(23.00)
<b>Net liability/(asset) recognized in the balance sheet</b>	<b>13.42</b>	<b>9.40</b>

## (vi) Investment Details :

(₹ in Million)

Particulars	FY 2023-24	FY 2022-23
<b>Category of assets</b>		
Insurance fund	210.58	193.00
<b>Total</b>	<b>210.58</b>	<b>193.00</b>

## (vii) Actuarial assumptions

Mortality Table (IALM)	FY 2023-24	FY 2022-23
Expected return on plan assets	7.19 % - 7.31%	6.90 % - 7.52%
Rate of discounting	7.19 % - 7.31%	6.90 % - 7.52%

## Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

Mortality Table (IALM)	FY 2023-24	FY 2022-23
Rate of salary increase	5% - 9%	5% - 9%
Rate of employee turnover	For service 4 years and below 28% - 49% p.a. & thereafter 1% - 6% p.a.	For service 4 years and below 31% - 49% p.a. & thereafter 1% - 6% p.a.
Mortality rate during employment	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

- (a) The estimate of future salary increase, considered in the actuarial valuation, takes into account inflation, seniority, promotion, increments and other relevant factors.
- (b) The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risks, historical results of return on plan assets and the group policy for plan assets management.

### (viii) Sensitivity analysis

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

Particulars	FY 2023-24	FY 2022-23
<b>Projected benefit obligation on current assumptions</b>	<b>(224.00)</b>	<b>(202.40)</b>
Delta effect of +1% change in rate of discounting	(16.24)	(17.88)
Delta effect of -1% change in rate of discounting	18.09	17.59
Delta effect of +1% change in rate of salary increase	14.74	16.51
Delta effect of -1% change in rate of salary increase	(13.62)	(14.89)
Delta effect of +1% change in rate of employee turnover	3.97	2.98
Delta effect of -1% change in rate of employee turnover	(4.42)	(3.32)
Weighted average duration of the projected benefit obligation	17	15

These plans typically expose the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

**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.

**Interest risk :-** A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.

**Longevity risk :-** The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.



# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

**Salary risk :-** The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

## (ix) Maturity Analysis of the Benefit Payments: From the Fund

(₹ in Million)

Particulars	FY 2023-24	FY 2022-23
1st following year	25.09	25.30
2nd following year	16.41	14.63
3rd following year	17.91	14.74
4th following year	17.81	16.32
5th following year	17.19	16.36
6 to 10 years	92.03	86.36
Year 11 and above	258.99	233.83

## B. Defined Contribution Plans:

The company have recognised the following amounts as an expense in the Statement of Profit and Loss:

(₹ in Million)

Particulars	FY 2023-24	FY 2022-23
Contribution to Provident Fund	51.53	49.20
Contribution to ESIC	0.48	1.36
Contribution to Labour Welfare Fund	0.13	0.13
Contribution to EPS	19.56	23.89
Contribution to NPS	7.49	5.69
<b>Total</b>	<b>79.19</b>	<b>80.27</b>

## NOTE 30 : DEPRECIATION, AMORTIZATION AND IMPAIRMENT

(₹ in Million)

Particulars	FY 2023-24	FY 2022-23
Depreciation on property, plant and equipment	259.98	275.04
Depreciation on right of use asset	173.75	129.36
Amortization of intangible asset (including provision for impairment)	704.05	263.96
<b>Total</b>	<b>1,137.78</b>	<b>668.36</b>

## NOTE 31 : OTHER EXPENSES

(₹ in Million)

Particulars	FY 2023-24	FY 2022-23
Communication expense	71.03	47.57
Corporate social responsibility expenses (Refer note 38)	65.47	59.78
Directors commission & sitting fees	6.55	6.16
Exchange, Custodian and statutory charges	197.55	249.25
Provision for expected credit loss & doubtful assets	510.20	87.35
Franking charges and Bank Charges	24.44	11.72
Legal and professional charges	604.33	478.02
Marketing, advertisement and commission expenses	942.76	627.74
Office expenses	172.16	138.91
Rent, electricity, rates & taxes, insurance	108.33	87.16

## Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

(₹ in Million)

Particulars	FY 2023-24	FY 2022-23
Repairs & maintenance	22.56	14.56
Remuneration to auditors		
<sup>1</sup> - As auditors - Statutory Audits	10.21	9.14
<sup>1</sup> - Certification work and other matters	-	0.06
<sup>1</sup> - Out of pocket expenses	0.00	0.01
Technology expenses	605.40	576.33
Travelling and conveyance and Meeting seminar & subscription	141.62	129.70
Miscellaneous expenses	44.30	27.75
<b>Total</b>	<b>3,526.91</b>	<b>2,551.21</b>

### NOTE 32 : INCOME TAX

Amount Recognised in profit or loss

(₹ in Million)

Particulars	FY 2023-24	FY 2022-23
<b>Current tax expenses</b>		
Current year	1,791.72	969.33
Changes in estimates related to prior years	(55.86)	(2.65)
<b>Deferred tax expenses</b>		
Origination and reversal of temporary differences	(43.32)	(56.05)
<b>Total</b>	<b>1,692.54</b>	<b>910.63</b>

Reconciliation of effective tax rates :

(₹ in Million)

Particulars	FY 2023-24	FY 2022-23
Profit before tax	6,826.01	3,408.73
Tax using domestic tax rates	25.168%	25.168%
Tax amount	1,717.97	857.91
<b>Tax effect of :</b>		
Non-deductible expenses	78.18	48.43
Differential Tax Treatment	(2.75)	(8.05)
Income taxable at different rate	(61.93)	20.69
Adjustment in respect of current income tax of prior years	(55.86)	(2.65)
Differential rate in subsidiaries and associates	(0.79)	(0.97)
Loss on which DTA is not created	19.99	3.08
<b>Tax-exempt income</b>		
- Dividend	(0.59)	(0.74)
- Others	(1.75)	(2.14)
Recognition of previously unrecognised deductible temporary differences	0.07	(4.93)
<b>Total income tax expense</b>	<b>1,692.54</b>	<b>910.63</b>
<b>Effective Tax Rate</b>	<b>24.80%</b>	<b>26.71%</b>

### NOTE 33 : EARNINGS PER EQUITY SHARE



# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

Particulars		FY 2023-24	FY 2022-23
Face value of equity shares in ₹ fully paid up		2.00	2.00
<b>BASIC</b>			
Profit after tax as per statement of profit and loss (₹ in Million)	A	5,123.44	2,501.57
Weighted average number of equity shares outstanding	B	306,224,539	304,371,508
<b>Basic EPS In ₹</b>	<b>A/B</b>	<b>16.73</b>	<b>8.22</b>
<b>DILUTED</b>			
Weighted average number of equity shares for computation of basic EPS		306,224,539	304,371,508
Add: Potential equity shares on account conversion of Employees Stock Options		6,198,624	2,348,746
Weighted average number of equity shares for computation of diluted EPS	C	312,423,162	306,720,254
<b>Diluted EPS In ₹</b>	<b>A/C</b>	<b>16.40</b>	<b>8.16</b>

## NOTE 34: MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

(₹ in Million)

Particulars	As at Mar 31, 2024			As at March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>ASSETS</b>						
<b>1. Financial Assets</b>						
(a) Cash and cash equivalents	4,082.79	-	4,082.79	1,694.40	-	1,694.40
(b) Bank balance other than (a) above	40,552.89	39.66	40,592.55	24,248.05	2,425.95	26,674.00
(c) Receivables						
(I) Trade receivables	476.48	-	476.48	221.89	-	221.89
(II) Other receivables	157.83	-	157.83	313.72	-	313.72
(d) Loans	9,164.28	-	9,164.28	4,905.86	-	4,905.86
(e) Investments	704.40	887.13	1,591.53	605.40	296.31	901.71
(f) Other financial assets	17,070.09	264.48	17,334.57	12,091.08	188.82	12,279.90
<b>Sub-total</b>	<b>72,208.76</b>	<b>1,191.27</b>	<b>73,400.03</b>	<b>44,080.40</b>	<b>2,911.08</b>	<b>46,991.48</b>
<b>2. Non-Financial Assets</b>						
(a) Current tax assets	-	372.94	372.94	-	322.22	322.22
(b) Deferred tax assets (net)	-	353.32	353.32	-	303.35	303.35
(c) Investment property	-	765.79	765.79	-	765.79	765.79
(d) Property, Plant and Equipment	-	2,604.03	2,604.03	-	2,617.80	2,617.80
(e) Capital work-in-progress	12.71	-	12.71	2.05	4.50	6.55
(f) Other intangible assets	-	50.08	50.08	-	727.25	727.25
(g) Right of use asset	-	368.42	368.42	-	285.01	285.01
(h) Other non-financial assets	319.02	501.03	820.05	342.21	12.34	354.55
<b>Sub-total</b>	<b>331.73</b>	<b>5,015.61</b>	<b>5,347.34</b>	<b>344.26</b>	<b>5,038.26</b>	<b>5,382.52</b>
<b>Total Assets</b>	<b>72,540.49</b>	<b>6,206.88</b>	<b>78,747.37</b>	<b>44,424.66</b>	<b>7,949.34</b>	<b>52,374.00</b>
<b>LIABILITIES AND EQUITY</b>						

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

(₹ in Million)

Particulars	As at Mar 31, 2024			As at March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>LIABILITIES</b>						
<b>1. Financial Liabilities</b>						
(a) Payables						
(i) Trade payables						
(i) Total outstanding dues of micro enterprises and small enterprises	0.10	-	0.10	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	49.08	-	49.08	25.22	-	25.22
(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	2,345.90	-	2,345.90	863.38	-	863.38
(b) Debt securities	4,292.99	-	4,292.99	-	-	-
(c) Borrowings (other than debt securities)	5,772.45	1,473.06	7,245.51	3,285.80	1,572.63	4,858.43
(d) Other financial liabilities	45,700.96	552.96	46,253.92	32,131.13	284.06	32,415.19
<b>Sub-total</b>	<b>58,161.48</b>	<b>2,026.02</b>	<b>60,187.50</b>	<b>36,305.53</b>	<b>1,856.69</b>	<b>38,162.22</b>
<b>2. Non-Financial Liabilities</b>						
(a) Current tax liabilities	43.26	-	43.26	71.20	-	71.20
(b) Provisions	10.40	68.30	78.70	9.17	56.94	66.11
(c) Other non-financial liabilities	554.40	-	554.40	576.99	-	576.99
<b>Sub-total</b>	<b>608.06</b>	<b>68.30</b>	<b>676.36</b>	<b>657.36</b>	<b>56.94</b>	<b>714.30</b>
<b>3. Equity</b>						
(a) Equity share capital	-	615.73	615.73	-	611.06	611.06
(b) Other equity	-	17,248.43	17,248.43	-	12,891.73	12,891.73
(c) Non controlling interest	-	19.35	19.35	-	(5.31)	(5.31)
<b>Sub-total</b>	<b>-</b>	<b>17,883.51</b>	<b>17,883.51</b>	<b>-</b>	<b>13,497.48</b>	<b>13,497.48</b>
<b>Total Liabilities and Equity</b>	<b>58,769.54</b>	<b>19,977.83</b>	<b>78,747.37</b>	<b>36,962.89</b>	<b>15,411.11</b>	<b>52,374.00</b>

## NOTE 35: FINANCIAL RISK MANAGEMENT

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group's risk management policy is approved by the audit committee.

The Group adopts the 'three lines-of-defence' (3 LOD) model wherein management control at the business entity level is the first line of defence in risk management. Various risk control and compliance oversight functions, established by the management are the second line of defence. Finally, the third line comprises the internal audit/ assurance function. All three lines play a distinct role within Group wider governance framework.



## Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

The Group is exposed to market risk, credit risk, liquidity risk etc. The Group senior management oversees the management of these risks. The Group senior management is overseen by the audit committee with respect to risks and facilitates appropriate financial risk governance framework for the Group. Financial risks are identified, measured and managed in accordance with the Group policies and risk objectives. The Board of Directors reviews and agrees policies for managing key risks, which are summarised below.

### 35 A.1. CREDIT RISK

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

#### Credit quality analysis

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

(₹ in Million)

Particulars	As at March 31, 2024			
	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Total
Trade receivables	436.35	50.65	175.78	662.78
Less : Impairment loss allowance	-	(10.52)	(175.78)	(186.30)
<b>Carrying amount</b>	<b>436.35</b>	<b>40.13</b>	<b>-</b>	<b>476.48</b>
Other financial assets	17,329.14	7.35	220.31	17,556.80
Less : Impairment loss allowance	-	(1.92)	(220.31)	(222.23)
<b>Carrying amount</b>	<b>17,329.14</b>	<b>5.43</b>	<b>-</b>	<b>17,334.57</b>

Particulars	As at March 31, 2023			
	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Total
Trade receivables	187.69	68.94	118.88	375.51
Less: Impairment loss allowance	-	(34.74)	(118.88)	(153.62)
<b>Carrying amount</b>	<b>187.69</b>	<b>34.20</b>	<b>-</b>	<b>221.89</b>
Other financial assets	12,202.65	97.50	529.85	12,830.00
Less : Impairment loss allowance	-	(20.25)	(529.85)	(550.10)
<b>Carrying amount</b>	<b>12,202.65</b>	<b>77.25</b>	<b>-</b>	<b>12,279.90</b>



## Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

### Movement of ECL (Trade receivable and other financial assets)

(₹ in Million)

Particulars	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Total
<b>April 01, 2022</b>	<b>22.91</b>	<b>596.74</b>	<b>619.65</b>
Increase/(decrease) net	32.08	51.99	84.07
<b>March 31, 2023</b>	<b>54.99</b>	<b>648.73</b>	<b>703.72</b>
Increase/(decrease) net	(42.55)	(252.64)	(295.19)
<b>March 31, 2024</b>	<b>12.44</b>	<b>396.09</b>	<b>408.53</b>

### 35 A.2. COLLATERAL HELD

The group holds collateral of securities and other credit enhancements against its credit exposures.

### 35 B. LIQUIDITY RISK

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

The table below analyse the groups financial liability into relevant maturity grouping based on their contractual maturity. The amount disclosed in the table are the contractual undiscounted cash flows. Balance due within 1 year equals their carrying balances as the impact of discounting is not significant.

(₹ in Million)

Particulars	As at March 31, 2024				
	Total	Up to 1 year	1-5 years	5-10 years	More than 10 years
Trade & other payable	2,395.08	2,395.08	-	-	-
Loan from Bank	1,628.35	155.29	977.40	495.66	-
Bank overdraft	139.66	139.66	-	-	-
Working capital demand loan & Revolving credit facilities	5,477.50	5,477.50	-	-	-
Commercial papers	4,292.99	4,292.99	-	-	-
Other financial liabilities	46,396.06	45,477.71	873.89	44.46	-
<b>Total liabilities</b>	<b>60,329.64</b>	<b>57,938.23</b>	<b>1,851.29</b>	<b>540.12</b>	<b>-</b>

(₹ in Million)

Particulars	As at March 31, 2023				
	Total	Up to 1 year	1-5 years	5-10 years	More than 10 years
Trade & other payable	888.60	831.13	57.47	-	-
Loan from Bank	1,778.84	125.21	792.67	860.96	-
Bank overdraft	970.46	970.46	-	-	-
Working capital demand loan & Revolving credit facilities	2,109.13	2,109.13	-	-	-
Other financial liabilities	32,523.06	31,686.10	799.99	36.97	-
<b>Total liabilities</b>	<b>38,270.09</b>	<b>35,722.03</b>	<b>1,650.13</b>	<b>897.93</b>	<b>-</b>



# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

## 35 C. MARKET RISK

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

### 35 C.1. INTEREST RATE RISK

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate change does not affect significantly short term borrowing and current investment therefore the group exposure to the risk of changes in market interest rates relates primarily to the group long-term debt and non current investment.

The following table shows sensitivity analysis for impact on interest cost of borrowings on variable interest rate.

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Bank overdraft	139.66	970.46
Commercial papers	4,292.99	-
Term Loan from Bank	1,628.35	1,778.84
Working capital demand loan & Revolving credit facilities	5,477.50	2,109.13
<b>Total</b>	<b>11,538.50</b>	<b>4,858.43</b>
Weighted average interest rate	9.23%	8.97%
Annualised interest cost	1064.46	435.86

### Sensitivity analysis for impact on interest cost

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Increase in 1% change in ROI	115.39	48.58
Decrease in 1% change in ROI	(115.39)	(48.58)

### 35 C.2. EXPOSURE TO CURRENCY RISKS

The group is operating internationally and is exposed to foreign exchange risk arising from foreign currency transaction. Below is table showing net gap between foreign asset and liability.

Particulars	As at March 31, 2024		As at March 31, 2023	
	Foreign currency in Million	₹ in Million	Foreign currency in Million	₹ in Million
<b>Foreign currency assets</b>				
USD	3.83	319.53	1.62	133.14
GPB	0.17	18.06	0.22	21.84
<b>Foreign currency liabilities</b>				
USD	1.07	89.43	0.43	35.10
GPB	0.01	0.79	0.04	4.21
<b>Net gap</b>				
USD	2.76	230.10	1.19	98.04
GPB	0.16	17.27	0.17	17.63

The effect of upward movement of 5% in the exchange rate increase the profit/reserve by ₹ 12.37 Million (previous year ₹5.78 Million) and downward movement of 5% will reduce profit/reserve by ₹ 12.37 Million (previous year ₹ 5.78 Million) for FY 2023-24.

## Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

### 35 C.3. EXPOSURE TO PRICE RISK

The group exposure to price risk arising from investment held by the group and is classified in the balance sheet through fair value through profit & loss account. Group has majorly invested in Alternate Investment Funds and Debt Funds under various scheme and its exposure.

(₹ in Million)

Particulars	Equity Shares	Mutual Funds	Alternate Investment Funds	Debt Fund	Total
<b>Market Value as on March 31, 2024</b>	490.60	139.75	735.96	225.22	1,591.53
Market Value as on March 31, 2023	84.04	196.20	444.63	176.84	901.71

The effect of upward movement of 5% in the price affects the projected net income by ₹ 79.58 Million (Previous Year ₹ 45.09 Million) and for forward downward movement of 5% the projected net loss will be ₹ 79.58 Million (Previous Year ₹ 45.09 Million) for FY 2023-24.

### 35 D. CAPITAL MANAGEMENT

The group's objective when managing capital are to

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

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

The group strategy is to maintain gearing ratio as per industry norms. The gearing ratio is as follows :

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Total debt	11,538.50	4,858.43
Cash & cash equivalent (excluding client bank balance)	(3,378.83)	(632.31)
<b>Net debt</b>	<b>8,159.67</b>	<b>4,226.12</b>
Total equity	17,883.51	13,497.48
<b>Debt to Equity</b>	<b>0.46</b>	<b>0.31</b>

### 35 E. FAIR VALUES OF FINANCIAL INSTRUMENTS

The Group measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.



## Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

**Subjective estimate** - The valuation of level 3 financial instruments held at fair value through profit or loss or through other comprehensive income may be misstated due to the application of valuation techniques which often involve the exercise of judgement and the use of assumptions and estimates. A subjective estimate exists for instruments where the valuation method uses significant unobservable inputs which is principally the case for level 3 financial instruments. The estimate measurement of fair value is more judgemental in respect of Level 3 assets, these are valued based on models that use a significant degree of non-market-based unobservable inputs.

Observable prices or model inputs are usually available in the market for listed debt and equity securities. The availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determining fair values.

Fair value is the price that would be received to sell an asset or paid to transfer an liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using a valuation technique.

The following table shows an analysis of financial instruments recorded at Fair value hierarchy:

(₹ in Million)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Fair Value through Profit or loss	Amortised Cost	Carrying Value	Fair Value through Profit or loss	Amortised Cost	Carrying Value
<b>Financial Assets</b>						
Cash and cash equivalents	-	4,082.79	4,082.79	-	1,694.40	1,694.40
Bank balance other than above	-	40,592.55	40,592.55	-	26,674.00	26,674.00
Receivables						
(I) Trade receivables	-	476.48	476.48	-	221.89	221.89
(II) Other receivables	-	157.83	157.83	-	313.72	313.72
Loans	-	9,164.28	9,164.28	-	4,905.86	4,905.86
Investments						
- Equity Shares	490.60	-	490.60	84.04	-	84.04
- Mutual Fund	139.75	-	139.75	196.20	-	196.20
- Debt Instruments	225.22	-	225.22	176.84	-	176.84
- Alternate Investment Fund	735.96	-	735.96	444.63	-	444.63
Other financial assets	-	17,334.57	17,334.57	-	12,279.90	12,279.90
<b>Total</b>	<b>1,591.53</b>	<b>71,808.50</b>	<b>73,400.03</b>	<b>901.71</b>	<b>46,089.77</b>	<b>46,991.48</b>
<b>Financial Liabilities</b>						
Trade payables	-	49.18	49.18	-	25.22	25.22
Other payables	-	2,345.90	2,345.90	-	863.38	863.38
Debt securities	-	4,292.99	4,292.99	-	-	-
Borrowings (other than debt securities)	-	7,245.51	7,245.51	-	4,858.43	4,858.43
Other financial liabilities	-	46,253.92	46,253.92	-	32,415.19	32,415.19
<b>Total</b>	<b>-</b>	<b>60,187.50</b>	<b>60,187.50</b>	<b>-</b>	<b>38,162.22</b>	<b>38,162.22</b>

## Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

### 35 E. 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.

(₹ in Million)

Financial instruments measured at fair value - recurring fair value measurements	Recurring fair value measurement as at March 31, 2024			
	Level 1	Level 2	Level 3	Total
Mutual fund	139.75	-	-	<b>139.75</b>
Equity instruments	490.60	-	-	<b>490.60</b>
Debt Instruments	-	-	225.22	<b>225.22</b>
Alternate investment funds	-	-	735.96	<b>735.96</b>
<b>Total Assets</b>	<b>630.35</b>	<b>-</b>	<b>961.18</b>	<b>1,591.53</b>

(₹ in Million)

Financial instruments measured at fair value - recurring fair value measurements	Recurring fair value measurement as at March 31, 2023			
	Level 1	Level 2	Level 3	Total
Mutual fund	196.20	-	-	<b>196.20</b>
Equity instruments	84.04	-	-	<b>84.04</b>
Debt Instruments	-	125.05	51.79	<b>176.84</b>
Alternate investment funds	-	-	444.63	<b>444.63</b>
<b>Total Assets</b>	<b>280.24</b>	<b>125.05</b>	<b>496.42</b>	<b>901.71</b>

### 35 E. 2. 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 Group'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, balances other than cash and cash equivalents, Trade receivables, other receivables, and trade payables

(₹ in Million)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Carrying Value	Fair Value	Fair Value Hierarchy	Carrying Value	Fair Value	Fair Value Hierarchy
<b>Assets</b>						
Cash and cash equivalents	4,082.79	4,082.79	-	1,694.40	1,694.40	-
Bank balance other than above	40,592.55	40,592.55	-	26,674.00	26,674.00	-
Receivables						
(I) Trade receivables	476.48	476.48	-	221.89	221.89	-
(II) Other receivables	157.83	157.83	-	313.72	313.72	-
Loans	9,164.28	9,164.28	-	4,905.86	4,905.86	-
Security Deposit with landlords	146.87	120.00	Level 3	155.24	136.58	Level 3
Security Deposit with others	49.96	49.96	-	100.34	100.34	-
Other financial assets	17,137.74	17,137.74	-	12,024.32	12,024.32	-
<b>Total Assets</b>	<b>71,808.50</b>	<b>71,781.63</b>		<b>46,089.77</b>	<b>46,071.11</b>	



# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

(₹ in Million)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Carrying Value	Fair Value	Fair Value Hierarchy	Carrying Value	Fair Value	Fair Value Hierarchy
<b>Liabilities</b>						
Trade payables	49.18	49.18	-	25.22	25.22	-
Other payables	2,345.90	2,345.90	-	863.38	863.38	-
Debt securities	4,292.99	4,292.99	-	-	-	-
Borrowings (other than debt securities)	7,245.51	7,245.51	-	4,858.43	4,858.43	-
Security Deposit from tenants	106.72	99.19	Level 3	88.01	77.70	Level 3
Security Deposit from others	371.35	371.35	-	392.96	392.96	-
Other financial liabilities	45,775.85	45,775.85	-	31,934.22	31,934.22	-
<b>Total Liabilities</b>	<b>60,187.50</b>	<b>60,179.97</b>		<b>38,162.22</b>	<b>38,151.91</b>	

### 35 E. 3. MOVEMENTS IN LEVEL 3 FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE :

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

(₹ in Million)

Particulars	Alternate Investment Fund	Debt	Total
<b>Balances as at April 01, 2022</b>	<b>362.29</b>	<b>52.03</b>	<b>414.32</b>
Purchase	54.91	-	54.91
Sale/redemption	(0.73)	-	(0.73)
Total gain / losses recognise in profit or loss	28.16	(0.24)	27.92
<b>Balances as at March 31, 2023</b>	<b>444.63</b>	<b>51.79</b>	<b>496.42</b>
Purchase	401.48	179.08	580.56
Sale/redemption	(175.89)	-	(175.89)
Total gain / losses recognise in profit or loss	65.74	(5.65)	60.09
<b>Balances as at March 31, 2024</b>	<b>735.96</b>	<b>225.22</b>	<b>961.18</b>

### 35 E. 4. MEASUREMENT OF FAIR VALUE

The fair values of Investments in Equity share and Bonds is based on last traded price and Alternate Investment Fund, Mutual Funds is based on the net asset value (NAV) as stated by the issuers of these alternate asset funds in the published statements as at the Balance Sheet date. NAV represents the price at which the issuer will issue further units of alternate asset fund and the price at which issuers will redeem such units from the investors.

## Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

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

Type	Valuation technique	Significant unobservable inputs	Range	Sensitivity of the input to fair value Change in discount rate by 500 basis points would increase / (decrease) as below
<b>Financial Assets:</b>				
Investment in non convertible debentures	These indicates thinly traded / non traded securities as defined in SEBI Regulations and Guidelines and the fair value is estimated considering the valuation declared by fund houses for respective instruments during every reporting date.	Not Applicable	Not Applicable	Not Applicable
Investment in Alternate Investment Funds	Alternate Investment Fund is based on the net asset value (NAV) as stated by the issuers of these alternate asset funds in the published statements as at the Balance Sheet date. NAV represents the price at which the issuer will issue further units of alternate asset fund and the price at which issuers will redeem such units from the investors.	Not Applicable	Not Applicable	Not Applicable
Investment in Preference shares/ Equity share	These indicates thinly traded / non traded securities as defined in SEBI Regulations and Guidelines and the fair value is estimated considering the valuation declared by fund houses for respective instruments during every reporting date.	Not Applicable	Not Applicable	Not Applicable
<b>Financial Liabilities:</b>				
Non convertible debentures	These indicates thinly traded / non traded securities as defined in SEBI Regulations and Guidelines and the fair value is estimated considering the valuation declared by fund houses for respective instruments during every reporting date.	Not Applicable	Not Applicable	Not Applicable
Deposit	Discounted cash flow technique- The fair value is estimated considering net present value calculated using discount rates derived from quoted prices of similar instruments with similar maturity and credit rating that are traded in active markets, adjusted by an illiquidity factor.	Discount Rate	6.00% - 7.00% (Previous year 6.40% - 6.92%) based on SBI FD rate for respective period of deposit	Not Applicable

### NOTE 36: CAPITAL AND OTHER COMMITMENTS AT BALANCE SHEET DATE:

(₹ in Million)

Sr. No.	Particulars	As at March 31, 2024	As at March 31, 2023
(i)	Capital commitment	97.88	218.98
(ii)	Other commitment	15.00	60.00



# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

## NOTE 37: CONTINGENT LIABILITIES:

The Group is subject to legal proceedings and claims which have arisen in the ordinary course of the business. The Group'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.

(₹ in Million)

Sr. No.	Particulars	As at March 31, 2024	As at March 31, 2023
(i)	In respect of income tax demands (see note 1)	309.90	217.84
(ii)	In respect of Service tax / MVAT / GST demands (see note 2)	169.35	154.97
(iii)	Bank guarantees (see note 3)	12,624.20	16,401.00
(iv)	In respect of other legal case	262.32	288.92

### Notes :

- Amount paid under protest with respect to income tax demand ₹ 112.14 Million (March 31, 2023 ₹ 100.93 Million)
- Amount paid under protest with respect to service tax / MVAT/ GST demand ₹ 12.99 Million (March 31, 2023 ₹ 12.65 Million)
- Bank Guarantees given as collateral for margins to various stock exchanges against fixed deposit of ₹ 6,311.60 Million (Previous Year ₹ 8,200.00 Million). Bank Guarantees given to Pollution Board against fixed deposit of ₹ 1.00 Million (Previous Year ₹ 1.00 Million)
- In the matter of Lands situated at Madurai, sold by IIFL Management Services Ltd and Shreyans foundation (subsidiaries of the holding Company) to the flat owners, the respective companies have filed writ petition before the Hon'ble High Court of Madras. The said High court has vide interim order dated January 23, 2024 directed the authorities concerned not to proceed further until further orders. The matter is pending before the said high court.
- In the writ petition filed by one of the client of IIFL commodities Limited (IICL) (subsidiary of holding company), before the Bombay High Court, seeking thereby necessary directions to investigating officer EOW, to attach the movable and immovable properties of IICL and other brokers of NSEL for repayment to investors/depositors as per the provision of Maharashtra Protection of Investors Deposits Act), 1999 (MPID Act). In the hearing on March 12, 2024 before the Hon'ble Bombay High Court in the said matter, an affidavit was filed by the Principal Secretary, Home Department, Government of Maharashtra in which it was stated that the Government has decided to attach the properties of brokers only to the extent of the brokerage/ commission received by them, by following due process of law and that they will issue notification for attachment of the concerned properties of IICL. Pursuant to the same, the notification was issued by the Home Department, Government of Maharashtra on April 04, 2024 whereby ₹ 3.34 Million stands attached.
- SEBI vide its order dated June 19, 2023 prohibited the holding company from onboarding new clients for a period of two years in respect of its business as a stock broker consequent to certain findings of SEBI inspections with respect to segregation of client funds and own funds for different periods from April 2011 to 2017. Securities Appellate Tribunal (SAT), vide its order dated December 07, 2023 has set aside the aforesaid order. SEBI has preferred appeal before the Hon'ble Supreme Court and the same is pending.



## Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

### NOTE 38: CORPORATE SOCIAL RESPONSIBILITY

During the year ended March 31, 2024 the Group spent ₹ 65.33 Million (previous year ₹ 59.78 Million including shortfall of earlier year) out of the total amount of ₹ 65.33 Million (previous year ₹ 50.45 Million) required to be spent as per section 135 of the Companies Act 2013 in respect of Corporate Social Responsibility [CSR].

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Amount required to be spent by the company during the year	65.33	50.45
Amount of expenditure incurred *	65.47	59.78
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	9.33
Reason for shortfall	NA	NA
Details of related party transactions	Contributed to India Infoline Foundation ₹ 65.33 Million	Contributed to India Infoline Foundation ₹ 59.78 Million

\* Interest earned on funded amount to Implementation agency also spent during the year.

#### The Company undertakes the following activities in the nature of Corporate social responsibility (CSR):

- Promoting education among children and women, especially of girls from marginalised and vulnerable communities along with promoting digital learning initiatives and strengthening government schools
- Promoting employment enhancing vocational skills, especially among youths, through livelihood enhancement projects in aspirational districts and encouraging entrepreneurship
- Promoting healthcare, including preventive health and sanitation,
- Promoting gender equality, empowering women and taking measures to reduce inequalities faced by socially and economically backward groups
- Maintenance of green spaces to promote physical and mental wellbeing of the community

For a detailed report, please refer to annexure -1 "Corporate social responsibility (CSR)" in the Director report.

### NOTE 39: DISCLOSURE OF RATIOS

Additional regulatory information required under (WB) (xvi) of Division III of Schedule III amendment, disclosure of ratios, is not applicable to the Company as it is in broking business and not an NBFC registered under Section 45-IA of Reserve Bank of India Act, 1934.

### NOTE 40: ASSETS PLEDGED AS SECURITY

The carrying amounts of assets pledged as security for borrowings are:

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Financial assets</b>		
<b>First charge</b>		
Receivables & Loans	13,300.00	4,000.00
Fixed Deposit	1,153.50	1,807.50
Investments	490.60	-
<b>Non-financial assets</b>		
<b>First charge</b>		
Land and buildings	1,604.28	1,723.78



# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Total assets pledged as security</b>	<b>16,548.38</b>	<b>7,531.28</b>

## NOTE 41: DISCLOSURE AS PER IND AS -108 “SEGMENT REPORTING”:

Considering the nature of the business of the Group, the management has classified its segments based on Management Approach under Ind AS 108 as below:

Business Segment	Principal activities
i) Capital market activity	Capital Market and other related activities including distribution of financial services spaces offering capital market services such as equity / currency / commodity broking, depository participant services, merchant banking business and third party financial product distribution services.
ii) Insurance broking and ancillary	Insurance broking and wellness services
iii) Facility & ancillary	Facilities and ancillary services includes rental income from properties and other ancillary services.

As at March 31, 2024				(₹ in Million)
Particulars	Capital Market Activity	Insurance Broking & Ancillary	Facilities & Ancillary	Total
<b>I Segment revenue</b>				
a External	19,403.69	2,586.74	564.20	<b>22,554.63</b>
Inter segment revenue	-	-	-	<b>(241.76)</b>
<b>Total revenue</b>	-	-	-	<b>22,312.87</b>
<b>II Results</b>				
a Segment result	6,609.57	381.89	(165.45)	<b>6,826.01</b>
Less : - Unallocated	-	-	-	-
<b>Profit before tax</b>	-	-	-	<b>6,826.01</b>
b Interest income	3288.25	-	-	<b>3288.25</b>
Add : - Unallocated	-	-	-	-
<b>Net interest income</b>	-	-	-	<b>3288.25</b>
c Interest expense	1,311.55	9.75	158.97	<b>1,480.27</b>
Add : - Unallocated	-	-	-	-
<b>Net Interest expense</b>	-	-	-	<b>1,480.27</b>
<b>d Current tax</b>	-	-	-	<b>1,692.54</b>
<b>e Net profit after tax</b>	-	-	-	<b>5,133.47</b>
<b>III Segment assets</b>	<b>73,002.53</b>	<b>873.18</b>	<b>4,145.41</b>	<b>78,021.12</b>
Add : - Unallocated corporate assets	-	-	-	<b>726.25</b>
<b>Net assets</b>	-	-	-	<b>78,747.37</b>
<b>IV Segment liabilities</b>	<b>58,286.59</b>	<b>708.39</b>	<b>1,825.62</b>	<b>60,820.60</b>
Add : - Unallocated corporate liabilities	-	-	-	<b>43.26</b>
<b>Net liabilities</b>	-	-	-	<b>60,863.86</b>

## Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

As at March 31, 2024

(₹ in Million)

Particulars	Capital Market Activity	Insurance Broking & Ancillary	Facilities & Ancillary	Total
<b>V Capital expenditure</b>	<b>271.53</b>	<b>19.62</b>	<b>14.81</b>	<b>305.96</b>
<b>VI Depreciation</b>	<b>919.66</b>	<b>49.47</b>	<b>168.65</b>	<b>1,137.78</b>

As at March 31, 2023

(₹ in Million)

Particulars	Capital Market Activity	Insurance Broking & Ancillary	Facilities & Ancillary	Total
<b>I Segment revenue</b>				
a External	12,401.60	980.21	826.50	<b>14,208.31</b>
Inter segment revenue	-	-	-	<b>(504.46)</b>
<b>Total revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,703.85</b>
<b>II Results</b>				
a Segment result	3,186.98	217.86	3.89	<b>3,408.73</b>
Less : - Unallocated	-	-	-	<b>-</b>
<b>Profit before tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,408.73</b>
b Interest income	2,024.82	-	0.07	<b>2,024.89</b>
Add : - Unallocated	-	-	-	<b>-</b>
<b>Net interest income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,024.89</b>
c Interest expense	573.88	11.77	169.90	<b>755.55</b>
Add : - Unallocated	-	-	-	<b>-</b>
<b>Net Interest expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>755.55</b>
<b>d Current tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>910.63</b>
<b>e Net profit after tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,498.10</b>
<b>III Segment assets</b>	<b>47,081.57</b>	<b>604.22</b>	<b>4,062.64</b>	<b>51,748.43</b>
Add : - Unallocated corporate assets	-	-	-	<b>625.57</b>
<b>Net assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>52,374.00</b>
<b>IV Segment liabilities</b>	<b>36,399.25</b>	<b>453.30</b>	<b>1,952.77</b>	<b>38,805.32</b>
Add : - Unallocated corporate liabilities	-	-	-	<b>71.20</b>
<b>Net liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>38,876.52</b>
<b>V Capital expenditure</b>	<b>109.05</b>	<b>32.93</b>	<b>9.35</b>	<b>151.33</b>
<b>VI Depreciation</b>	<b>430.55</b>	<b>44.85</b>	<b>192.96</b>	<b>668.36</b>

### NOTE 42 : SHARE BASED PAYMENTS

a) The details of Employee Stock Option Schemes are as under:

Particulars	ESOP 2018	ESOP 2019
Method of Accounting	Fair Value	Fair Value
Vesting Plan	Options granted would vest over a period of five years subject to a minimum period of one year or three years from the date of grant of options as per the terms & conditions of Grant	
Exercise Period	Seven years from the date of grant	



## Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

Grant Date	October 30, 2019, January 07, 2021, October 08, 2021 and January 18, 2024	April 29, 2017
Grant Price (₹ per share)	₹ 30.85, ₹ 49.00, ₹ 99.40 and ₹ 2.00	₹ 218.71

### b) (i) Movement of options during the year ended March 31, 2024 of ESOP 2019 Scheme (Demerger Scheme)

Particulars	Options Outstanding	Range of exercise price (in ₹)	Weight average exercise price (in ₹)	Weight average remaining contractual life (Years)
<b>Outstanding as on April 1, 2023</b>	<b>12,000</b>	<b>218.71</b>	<b>218.71</b>	<b>1.08</b>
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Expired during the year	-	-	-	-
Exercised during the year	-	-	-	-
<b>Outstanding as on March 31, 2024</b>	<b>12,000</b>	<b>218.71</b>	<b>218.71</b>	<b>0.08</b>
<b>Exercisable as on March 31, 2024</b>	<b>12,000</b>	<b>218.71</b>	<b>218.71</b>	<b>0.08</b>

### b) (ii) Movement of options during the year ended March 31, 2024 of ESOP 2018 Scheme

Particulars	Options Outstanding	Range of exercise price (in ₹)	Weight average exercise price (in ₹)	Weight average remaining contractual life (Years)
<b>Outstanding as on April 1, 2023</b>	<b>9,187,309</b>	<b>30.85 - 99.40</b>	<b>68.19</b>	<b>4.64</b>
Granted during the year	5,000,000	2.00	2.00	-
Forfeited during the year	(455,995)	30.85 - 99.40	75.48	-
Expired during the year	(163,355)	30.85 - 99.40	72.59	-
Exercised during the year	(2,337,563)	30.85 - 99.40	38.95	-
<b>Outstanding as on March 31, 2024</b>	<b>11,230,396</b>	<b>2.00 - 99.40</b>	<b>44.45</b>	<b>5.21</b>
<b>Exercisable as on March 31, 2024</b>	<b>3,942,247</b>	<b>30.85 - 99.40</b>	<b>66.42</b>	<b>3.59</b>

### c) (i) Movement of options during the year ended March 31, 2023 of ESOP 2019 Scheme (Demerger Scheme)

Particulars	Options Outstanding	Range of exercise price (in ₹)	Weight average exercise price (in ₹)	Weight average remaining contractual life (Years)
<b>Outstanding as on April 1, 2022</b>	<b>273,416</b>	<b>82.02 - 218.71</b>	<b>88.02</b>	<b>0.99</b>
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-

## Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

Expired during the year	(251,194)	82.02	82.02	-
Exercised during the year	(10,222)	82.02	82.02	-
<b>Outstanding as on March 31, 2023</b>	<b>12,000</b>	<b>218.71</b>	<b>218.71</b>	<b>1.08</b>
<b>Exercisable as on March 31, 2023</b>	<b>12,000</b>	<b>218.71</b>	<b>218.71</b>	<b>1.08</b>

### c) (ii) Movement of options during the year ended March 31, 2023 of ESOP 2018 Scheme

Particulars	Options Outstanding	Range of exercise price (in ₹)	Weight average exercise price (in ₹)	Weight average remaining contractual life (Years)
<b>Outstanding as on April 1, 2022</b>	<b>13,117,938</b>	<b>30.85 - 99.40</b>	<b>63.83</b>	<b>5.57</b>
Granted during the year	-	-	-	-
Forfeited during the year	(2,099,417)	30.85 - 99.40	65.86	-
Expired during the year	(248,698)	30.85 - 99.40	66.35	-
Exercised during the year	(1,582,514)	30.85 - 49.00	35.45	-
<b>Outstanding as on March 31, 2023</b>	<b>9,187,309</b>	<b>30.85 - 99.40</b>	<b>68.19</b>	<b>4.64</b>
<b>Exercisable as on March 31, 2023</b>	<b>3,006,978</b>	<b>30.85 - 99.40</b>	<b>59.46</b>	<b>4.39</b>

### d) 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 .

Particulars	ESOP 2018	
	2023-24	2022-23
Stock price (₹)	155.35	-
Volatility	50.00%	-
Risk-free Rate	7.19%	-
Exercise price (₹)	2.00	-
Time to Maturity (Years)	7	-
Dividend yield	3.70%	-
Weighted Average Value (₹)	127.72	-

**Stock Price:** The average of weekly high & low of volume weighted average price (VWAP) of shares during the two weeks preceding the date of grant.

**Volatility:** The daily volatility of the stock prices on NSE, over a period prior to the date of grant, corresponding with the expected life of the Options has been considered to calculate the fair value.

**Risk-free rate of return:** The risk-free rate being considered for the calculation is the India Government Bond Generic Bid Yield with a maturity about equal to the expected life of the options.

**Exercise Price:** Price of each specific grant has been considered.



# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

**Time to Maturity:** Time to Maturity / Expected Life of Options is the period for which the Company expects the Options to be live. The minimum life of a stock option is the minimum period before which the Options cannot be exercised and the maximum life is the period after which the Options cannot be exercised.

**Expected dividend yield:** Expected dividend yield has been calculated as an average of dividend yields for the three financial years preceding the date of the grant. The dividend yield for the year is derived by dividing the dividend per share by the average price per share of the respective period.

## NOTE 43: RELATED PARTIES DISCLOSURES

### (i) List of related parties where control exists:

Nature of relationship	Name of party
<b>Directors &amp; their relatives</b>	Mr. R. Venkataraman – Chairman & Managing Director (till May 14, 2024), Chairman & Non-Executive Director (w.e.f. May 15, 2024)
	Mr. Nemkumar H – Whole Time Director (w.e.f. October 17, 2023) & Managing Director (w.e.f. May 15, 2024)
	Mr. Narendra Jain - Whole Time Director
	Mr. Anand Bathiya - Independent Director
	Mr. Viswanathan Krishnan - Independent Director
	Ms. Rekha Warriar - Independent Director
	Mr. Shamik Das Sharma - Independent Director
	Mrs. Aditi Athavankar (wife of Mr. R. Venkataraman)
<b>Subsidiary</b>	India Infoline Foundation (a section 8 Company)
<b>Other Related Parties</b>	IIFL Finance Limited
	Spaisa Capital Limited
	IIFL Home Finance Limited
	360 ONE Wam Limited (Formerly known as IIFL Wealth Management Limited)
	IIFL Open Fintech Private Limited
	360 One Distribution Services Limited (Formerly known as IIFL Wealth Distribution Services Limited)
	IIFL Capital Pte. Limited
	360 One Prime Limited (Formerly known as IIFL Wealth Prime Limited)
	360 One Asset Management Limited (Formerly IIFL Asset Management Limited)
	India Infoline Employee Trust
	IIFL Inc
	IIFL Samasta Finance Limited (Formerly known as Samasta Microfinance Limited)
	IIFL Sales Limited (Step-Down Subsidiary of IIFL Finance Limited)
	Orpheus Trading Private Limited
	Ardent Impex Private Limited
	FIH Mauritius Investments Limited
Mr. Nirmal Jain - Promoter	
Mrs. Madhu Jain (wife of Mr. Nirmal Jain - Promoter)	

The above list includes related parties with whom the transactions have been carried out during the year.

## Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

(ii) Transactions during the year with related parties:

(₹ in Million)		
Nature of transactions	FY 2023-24	FY 2022-23
<b>Brokerage income /Delayed payin charges, etc:</b>		
<b>a) Director and its relatives</b>		
Mr. R. Venkataraman	1.99	0.86
Mrs. Aditi Athavankar	0.02	0.06
Mr. Narendra Jain	0.00	0.00
<b>b) Other related parties</b>		
Mr. Nirmal Jain	1.51	-
Mrs. Madhu Jain	5.97	0.02
IIFL Finance Limited	0.95	2.61
360 One Prime Limited	9.96	-
IIFL Home Finance Limited	0.69	-
Ardent Impex Pvt Ltd	0.26	-
Orpheus Trading Pvt Ltd	0.25	-
FIH Mauritius Investments Ltd	62.87	-
<b>Interest income on inter corporate deposit / others :-</b>		
<b>a) Other related parties</b>		
IIFL Finance Limited	2.41	-
IIFL Home Finance Limited	1.64	-
<b>Distribution Income:-</b>		
<b>a) Other related parties</b>		
IIFL Finance Limited	50.89	70.02
360 One Asset Management Limited	89.08	169.41
360 One Prime Limited	7.52	-
IIFL Samasta Finance Limited	42.65	4.95
IIFL Home Finance Limited	8.36	(5.78)
IIFL Inc	-	(0.04)
FIH Mauritius Investments Ltd	87.76	-
<b>Rent income:</b>		
<b>a) Other related parties</b>		
IIFL Finance Limited	30.36	21.12
IIFL Home Finance Limited	35.25	17.05
5 Paisa Capital Limited	21.82	24.19
<b>Rent expense:</b>		
<b>a) Other related parties</b>		
360 ONE Wam Limited	23.01	46.03
<b>b) Director and its relatives</b>		
Mrs. Aditi Athavankar	2.40	2.40
<b>Interest expenses on inter corporate deposits:</b>		
<b>a) Other related parties</b>		
IIFL Finance Limited	33.72	51.33
IIFL Home Finance Limited	88.14	1.51
<b>Distribution fees:-</b>		
<b>a) Other related parties</b>		
IIFL Finance Limited	634.69	108.50
360 One Distribution Services Limited	177.50	0.09
IIFL Samasta Finance Limited	0.02	-
360 ONE Wam Limited	-	1.02



# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

(₹ in Million)

Nature of transactions	FY 2023-24	FY 2022-23
<b>Corporate Social Responsibility Expenses:</b>		
<b>a) Subsidiaries</b>		
India Infoline Foundation	65.33	59.78
<b>Remuneration:</b>		
Director's	91.89	66.51
<b>Director's commission / sitting fees:</b>		
Rekha Warriar	1.56	1.54
Shamik Das Sharma	1.44	1.32
Viswanathan Krishnan	1.64	1.59
Anand Bhatiya	1.72	1.57
<b>Deposit - Taken:</b>		
<b>a) Other related parties</b>		
IIFL Finance Limited	14.66	0.16
IIFL Home Finance Limited	9.79	5.11
5paisa Capital Limited	1.93	0.51
<b>Deposit - Repaid:</b>		
<b>a) Other related parties</b>		
5paisa Capital Limited	3.53	-
IIFL Finance Limited	-	0.05
<b>Inter corporate deposit taken:</b>		
<b>a) Other related parties</b>		
IIFL Finance Limited	10,750.00	10,650.00
IIFL Home Finance Limited	10,250.00	3,700.00
<b>Inter corporate deposit taken and repaid:</b>		
<b>a) Other related parties</b>		
IIFL Finance Limited	10,750.00	10,650.00
IIFL Home Finance Limited	10,250.00	3,700.00
<b>Inter corporate deposit given:</b>		
<b>a) Other related parties</b>		
IIFL Finance Limited	1,000	-
<b>Inter corporate deposit given and received back:</b>		
<b>a) Other related parties</b>		
IIFL Finance Limited	1,000	-
<b>Allocation/Reimbursement of expenses paid:</b>		
<b>a) Other related parties</b>		
IIFL Finance Limited	39.81	32.05
IIFL Home Finance Limited	6.73	7.71
5paisa Capital Limited	27.38	13.97
<b>Allocation / Reimbursement of expenses received:</b>		
<b>a) Other related parties</b>		
IIFL Finance Limited	131.23	118.80
IIFL Open Fintech Private Limited	0.02	-
360 One Distribution Services Limited	0.12	-
IIFL Home Finance Limited	43.52	43.54
360 One Prime Limited	0.70	0.81
IIFL Sales Limited	0.13	0.15
5paisa Capital Limited	58.98	69.10



## Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

(₹ in Million)

Nature of transactions	FY 2023-24	FY 2022-23
<b>Others paid:</b>		
<b>a) Other related parties</b>		
IIFL Capital PTE Limited	3.47	-
IIFL Finance Limited	2.51	9.41
IIFL Home Finance Limited	0.19	3.96
5paisa Capital Limited	0.29	4.53
India Infoline Employee Trust	-	0.10
IIFL Inc	-	(0.01)
<b>b) Subsidiaries</b>		
India Infoline foundation	-	0.10
<b>Others Received:</b>		
<b>a) Other related parties</b>		
IIFL Finance Limited	3.26	9.64
India Infoline Employee Trust	-	0.10
IIFL Sales Limited	-	0.02
IIFL Home Finance Limited	0.18	2.17
5paisa Capital Limited	0.22	2.25
IIFL Inc	0.29	-
<b>b) Subsidiaries</b>		
India Infoline foundation	-	0.20
<b>Purchase of investment</b>		
<b>a) Other related parties</b>		
IIFL Home Finance Limited	56.30	-
IIFL Samasta Finance Limited	-	550.89
IIFL Finance Limited	-	300.00
<b>Sale of investment</b>		
<b>a) Other related parties</b>		
IIFL Finance Limited	-	0.01

### (iii) Balance outstanding

(₹ in Million)

Nature of transaction	As at March 31, 2024	As at March 31, 2023
<b>Sundry Payable:</b>		
<b>a) Other related parties</b>		
IIFL Finance Limited	83.45	34.20
360 One Distribution Services Limited	16.80	-
IIFL Samasta Finance Limited	0.03	-
IIFL Home Finance Limited	-	1.79
5Paisa Capital Limited	-	7.64
IIFL Inc	-	0.24
Mr. Nirmal Jain	0.19	-
Mrs. Madhu Jain	8.88	6.31



# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

(₹ in Million)

Nature of transaction	As at March 31, 2024	As at March 31, 2023
<b>b) Director's and its relatives</b>		
Mr. R. Venkataraman	17.37	-
Mrs. Aditi Athavankar	0.00	-
<b>Sundry Receivable:</b>		
<b>a) Other related parties</b>		
IIFL Finance Limited	3.90	-
5paisa Capital Limited	7.69	-
IIFL Open Fintech Private Limited	0.00	-
360 One Asset Management Limited	-	0.78
IIFL Sales Limited	0.00	0.00
Ardent Impex Pvt Ltd	0.00	-
360 One Prime Limited	-	0.01
<b>b) Subsidiaries</b>		
India Infoline Foundation	-	0.10
<b>c) Director</b>		
R. Venkataraman	-	0.00
<b>Security deposit taken</b>		
<b>a) Other related parties</b>		
IIFL Home Finance Limited	14.90	5.11
5paisa Capital Limited	9.80	11.39
IIFL Finance Limited	23.95	9.29
<b>Security deposit given</b>		
<b>a) Director's and its relatives</b>		
Mrs. Aditi Athavankar	50.00	50.00
<b>Interest accrued but not due:</b>		
<b>a) Other related parties</b>		
IIFL Home Finance Limited	-	4.97
<b>Investment in non-convertible debentures / market linked debenture</b>		
<b>a) Other related parties</b>		
IIFL Home Finance Limited	-	120.00

**Note:-**

- Amount is less than ₹ 0.01, hence shown ₹ 0.00 Million, wherever applicable.
- As the future liability for retirement and other employee benefits is provided on an actuarial basis for the Group as a whole, the amount pertaining to directors and key managerial personnel is not included above.
- 360 ONE Wam Limited (Formerly known as IIFL Wealth Management Limited) has provided a letter of undertaking-cum-indemnity to the holding Company towards a civil suit pending against IIFL Wealth (UK)Ltd., a wholly owned subsidiary of the holding Company, inter-alia, to defend the said suit and indemnify the holding Company and its directors against claims, if any, arising from the same.

## Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

### Note 44: Summary of consolidation

a) Enterprises consolidated as subsidiary in accordance with Indian Accounting Standard 110 - Consolidated Financial Statements.

Sr. No.	Name of subsidiaries	Country of Incorporation	Proportion of ownership interest	
			March 31, 2024	March 31, 2023
1	Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited)	India	100.00%	100.00%
2	IIFL Management Services Limited	India	100.00%	100.00%
3	IIFL Facilities Services Limited	India	100.00%	100.00%
4	IIFL Commodities Limited	India	100.00%	100.00%
5	IIFL Capital Inc.	USA	100.00%	100.00%
6	IIFL Wealth (UK) Limited	UK	100.00%	100.00%
7	Livlong Protection & Wellness Solutions Limited (Formerly known as IIFL Corporate Services Limited) (Formerly IIFL Asset Reconstruction Limited)	India	80.11%	95.00%
8	IIFL Securities Services IFSC Limited	India	100.00%	100.00%
9	IIFL Securities Alternate Asset Management Limited	India	100.00%	-
10	Meenakshi Towers LLP	India	100.00%	100.00%
11	Shreyans Foundation LLP	India	99.00%	99.00%



# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

## b) Additional information, as required under schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiaries and associates.

As at March 31, 2024

Particulars	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or Loss (including exceptional items)"		Share in Other Comprehensive Income		Share in Total Comprehensive Income (including exceptional items)	
	As % of consolidated Net Assets	(₹ in Million)	As % of consolidated Profit or Loss"	(₹ in Million)	As % of consolidated Other Comprehensive Income"	(₹ in Million)	As % of consolidated Total Comprehensive Income"	(₹ in Million)
<b>Parent</b>								
IIFL Securities Limited	89.95%	16,085.41	104.12%	5,345.26	100.34%	(12.53)	104.13%	5,332.74
<b>Subsidiaries</b>								
<b>Indian</b>								
1 Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited)	1.09%	195.64	3.29%	168.97	(1.06)%	0.13	3.30%	169.10
2 IIFL Management Services Limited	1.02%	182.46	(2.19)%	(112.35)	(1.00)%	0.13	(2.19)%	(112.23)
3 IIFL Facilities Services Limited	10.04%	1,796.39	(1.21)%	(61.93)	(1.86)%	0.23	(1.20)%	(61.70)
4 IIFL Commodities Limited	0.20%	36.12	(1.53)%	(78.75)	-	-	(1.54)%	(78.75)
5 Livlong Protection & Wellness Solutions Limited (Formerly known as IIFL Corporate Services Limited) (Formerly IIFL Asset Reconstruction Limited)	0.16%	29.12	2.25%	115.40	3.58%	(0.45)	2.24%	114.95
6 IIFL Securities Services IFSC Limited	0.01%	1.49	(0.01)%	(0.68)	-	-	(0.01)%	(0.68)
7 IIFL Securities Alternate Asset Management Limited	0.51%	90.35	0.01%	0.35	-	-	0.01%	0.35
8 Meenakshi Towers LLP	(0.39)%	(70.28)	(0.14)%	(7.35)	-	-	(0.14)%	(7.35)
9 Shreyans Foundation LLP	(0.07)%	(12.36)	(0.07)%	(3.61)	-	-	(0.07)%	(3.61)
<b>Foreign</b>								
1 IIFL Capital Inc.	0.68%	121.22	0.25%	12.66	-	-	0.25%	12.66
2 IIFL Wealth (UK) Limited	0.09%	16.77	(0.02)%	(0.84)	-	-	(0.02)%	(0.84)
Elimination	(3.29)%	(588.82)	(4.75)%	(243.66)	-	-	(4.76)%	(243.66)
<b>Total</b>	<b>100.00%</b>	<b>17,883.51</b>	<b>100.00%</b>	<b>5,133.47</b>	<b>100.00%</b>	<b>(12.49)</b>	<b>100.00%</b>	<b>5,120.98</b>

### Note 45: Other Disclosure

- No funds have been advanced or loaned or invested by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- No funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The Company does not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.
- There were no amounts which were required to be transferred to the Investor Education and Protection by the Company.

## Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

- v) No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).
- vi) The Company has not been declared as wilful defaulter by any bank or financial Institution or other lender.
- vii) During the year, the company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- viii) There are no transactions which have not been recorded in the books of accounts and which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix) There are no charges or satisfaction yet to be registered with the registrar of companies beyond the statutory period.
- x) The company does not have layers beyond the number prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- xi) The company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

As per our attached report of even date

**For V Sankar Aiyar & Co.**

Chartered Accountants

Firm's Registration No. 109208W

**For and on behalf of Board of Directors**

**S. Nagabushanam**

Partner

Membership No.: 107022

**R. Venkataraman**

Chairman & Non Executive Director

(DIN: 00011919)

**Nemkumar H**

Managing Director

(DIN: 00350448)

Place: Mumbai

Date : May 16, 2024

**Ronak Gandhi**

Chief Financial Officer

**Meghal Shah**

Company Secretary



# IIFL Securities Ltd

## ANNEXURE -A to the Consolidated Financial Statements

### Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

#### Part "A": Subsidiaries

(₹ in Million)

Sr. No.	Particulars	IIFL Management Services Limited	IIFL Facilities Services Limited	IIFL Commodities Limited	IIFL Livlong Insurance Brokers Limited	Livlong Protection & Wellness Solutions Limited	IIFL Capital Inc.	IIFL Wealth (UK) Limited	Meenakshi Towers LLP	Shreyans Foundation LLP	IIFL Securities Services IFSC Limited"	IIFL Securities Alternate Asset Management Limited
1	Share Capital	2.81	90.00	95.00	10.00	48.62	40.29	11.20	0.10	1.00	5.00	90.00
2	Other Equity	179.66	1,706.39	(58.88)	185.64	(19.50)	80.93	5.57	(70.38)	(13.36)	(3.51)	0.35
3	Total Assets	1,264.16	4,061.01	194.03	536.66	454.63	210.66	17.56	0.75	45.86	7.74	90.44
4	Total Liabilities	1,081.70	2,264.62	157.90	341.01	425.51	89.43	0.79	71.03	58.22	6.25	0.09
5	Investments	70.33	173.49	-	139.75	-	-	-	-	-	-	-
6	Total Turnover	121.44	566.37	2.40	1,153.83	1,432.90	213.00	-	-	0.10	-	0.49
7	Profit/(loss) before tax (Including exceptional Item)	(113.44)	(45.85)	(78.75)	227.53	154.36	15.86	(0.84)	(7.35)	(3.61)	(0.68)	0.47
8	Provision for taxation (including deferred tax)	(1.08)	16.09	(0.01)	58.56	38.96	3.20	-	-	-	-	0.12
9	Profit/(loss) after tax	(112.35)	(61.93)	(78.75)	168.97	115.40	12.66	(0.84)	(7.35)	(3.61)	(0.68)	0.35
10	Total Comprehensive Income	(112.23)	(61.70)	(78.75)	169.10	114.95	12.66	(0.84)	(7.35)	(3.61)	(0.68)	0.35
11	Exchange Rate	-	-	-	-	-	83.38	105.23	-	-	-	-
12	Reporting Currency	INR	INR	INR	INR	INR	USD	GBP	INR	INR	INR	INR
13	Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-
14	% of share holding	100	100	100	100	80.11	100	100	100	99	100	100

#### Notes:

- All subsidiaries have common year end of March 31, 2024 hence no additional information under Section 129(3) read with rule 5 has been disclosed.**
- Names of subsidiaries which are yet to commence operations**

IIFL Securities Services IFSC Limited

IIFL Securities Alternate Asset Management Limited

**Part “B”: Associates**

(₹ in Million)

Sr No	Name of Associate	NA
1	Latest Audited Balance Sheet Date	-
	Date of acquisition	-
2	Shares of Associate/Joint Ventures held by the company on the year end	-
	No	-
	Amount of Investment in Associates/Joint Venture	-
	Extend of Holding %	-
3	Description of how there is significant influence	-
4	Reason why the associate/joint venture is not consolidated	-
5	Networth attributable to Shareholding as per latest audited Balance Sheet	-
6	Profit / (loss) for the year	
	i. Considered in Consolidation	-
	ii. Not Considered in Consolidation	-

**For and on behalf of Board of Directors**
**R. Venkataraman**

Chairman & Non-Executive Director  
(DIN: 00011919)

**Nemkumar H**

Managing Director  
(DIN: 00350448)

Place: Mumbai

Date : May 16, 2024

**Ronak Gandhi**

Chief Financial Officer

**Meghal Shah**

Company Secretary



**IIFL SECURITIES LIMITED**

CIN - L99999MH1996PLC132983

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