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**V. Sankar Aiyar & Co.**  
CHARTERED ACCOUNTANTS  
2-C, Court Chambers  
35, New Marine Lines  
Mumbai - 400 020

## INDEPENDENT AUDITOR'S REPORT

To The Members of IIFL Securities Limited (formerly known as India Infoline Limited)

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of IIFL Securities Limited (formerly known as India Infoline Limited) ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, the Cash Flow Statement and a summary of the significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs(financial position), profit or loss (financial performance) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used



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and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the financial position of the Company as at 31st March, 2018, and its financial performance and its cash flows for the year ended on that date.

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2018 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 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 does not have any pending litigations which would impact its financial position in its financial statements – Refer Note No 28 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;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Mumbai  
Date: May 1, 2018

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



**(G SANKAR)**

**Partner**

(M. No. 46050)



**Annexure A to Auditor's Report**

**Annexure referred to in our report of even date to the members of IIFL Securities Limited (formerly known as India Infoline Limited) on the accounts for the year ended 31<sup>st</sup> March 2018**

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, the assets have been physically verified by the management in accordance with a phased programme of verification which in our opinion is reasonable considering the size of the Company and nature of its fixed assets. According to the information and explanations given to us, no material discrepancies have been noticed on such physical verification.
- (c) The Company does not have any immovable property. Therefore, paragraph 3(i)(c) of the Order is not applicable to the Company.
- (ii) The Company is not carrying on any trading or manufacturing activity. Therefore, Paragraph 3(ii) of the Order is not applicable to the Company
- (iii) According to the information and explanations given to us, the company has not granted any loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Therefore, paragraph 3(iii) of the Order is not applicable to the Company.
- (iv) According to the information and explanations given to us, the company has not granted any loans, investments, guarantees and security to which provisions of section 185 and 186 of the Act apply. Therefore, paragraph 3(iv) of the Order is not applicable to the Company.
- (v) The Company has not accepted any deposits from the public, within the meaning of Section 73 to 76 or any other relevant provisions of the Act and Rules framed thereunder. We are informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or other tribunal.
- (vi) According to the information and explanations given to us, in respect of the class of industry the company falls under, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act. Therefore, paragraph 3(vi) of the Order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us the Company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax , service tax, sales tax, value added tax, goods and services tax, cess and other statutory dues as applicable to the Company with the



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appropriate authorities. Further as explained, there are no undisputed statutory dues outstanding for more than six months as at 31st March 2018 from the date they became payable.

(b) According to the information and explanations given to us and records of the Company examined by us, there are no dues of Income Tax, Wealth Tax, Sales Tax, Service Tax, Value Added Tax, Goods and Services Tax, Excise Duty, Customs Duty and Cess which have not been deposited on account of any dispute.

(viii) According to the information and explanation given to us, the company has not defaulted in repayment of loans to banks. The Company has not taken any loans or borrowings from Government or financial institutions and did not have any dues to debenture holders.

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

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

(xi) According to the information and explanations given to us and based on verification of records, the managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act, 2013.

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

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

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



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

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

**For V. Sankar Aiyar & Co,**  
**Chartered Accountants**  
**(Firm's Registration No. 109208W)**

*g Sankar*

**G Sankar**  
**Partner**  
**(Membership No. 46050)**

Place: Mumbai

Date: May 1, 2018



## **Annexure B to Auditor's Report**

**Annexure referred to in our report of even date to the members of IIFL Securities Limited (formerly known as India Infoline Limited) on the standalone accounts for the year ended 31<sup>st</sup> March 2018**

**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 (formerly known as India Infoline Limited) ("the Company") as of March 31<sup>st</sup>, 2018 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.



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### **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, 2018 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**  
**(Firm's Registration No. 109208W)**



**G Sankar**  
**Partner**  
**(Membership No. 46050)**

Place: Mumbai

Date: May 1, 2018





Particulars	Notes No.	As at March 31, 2018	As at March 31, 2017
<b>I EQUITY AND LIABILITIES</b>			
(1) Shareholder's funds			
(a) Share Capital	3	187,182,810	169,001,000
(b) Reserves and Surplus	4	4,500,009,094	2,242,463,227
(c) Money received against share warrants			
<b>Sub total</b>		<b>4,687,191,904</b>	<b>2,411,464,227</b>
(2) Non Current Liabilities			
(a) Other Long-term liabilities	5	232,031	5,644,029
(b) Long-term provisions	6	15,471,496	13,178,980
<b>Sub total</b>		<b>15,703,527</b>	<b>18,823,009</b>
(3) Current liabilities			
(a) Short-term borrowings	7	4,938,446,739	-
(b) Trade payables	8	162,609,145	188,950,759
(c) Other current liabilities	9	10,583,009,930	12,904,126,498
(d) Short-term provisions	6	73,793,207	142,989,785
<b>Sub total</b>		<b>15,757,859,021</b>	<b>13,236,067,042</b>
<b>TOTAL</b>		<b>20,460,754,452</b>	<b>15,666,354,278</b>
<b>II ASSETS</b>			
(1) Non-current assets			
(a) Fixed Assets	10		
(i) Tangible assets		141,765,504	88,127,591
(ii) Intangible assets		49,092,487	7,402,499
(iii) Capital work-in-progress		4,442,500	18,631,221
(iv) Goodwill		-	1,135,681
<b>Sub total</b>		<b>195,300,491</b>	<b>115,296,992</b>
(b) Non-current investments	11	258,054,331	247,386,081
(c) Deferred tax assets (Net)	24	63,463,627	49,640,578
(d) Long-term loans & advances	12	709,768,152	753,515,199
(e) Other non-current assets		-	-
<b>Sub total</b>		<b>1,031,286,110</b>	<b>1,050,541,858</b>
(2) Current assets			
(a) Inventories		-	-
(b) Trade receivables	13	129,815,186	79,415,301
(c) Cash and Bank Balances	14	7,080,862,921	3,595,118,398
(d) Short-term loans & advances	15	922,771,922	1,373,049,279
(e) Other current assets	16	11,100,717,822	9,452,932,450
<b>Sub total</b>		<b>19,234,167,851</b>	<b>14,500,515,428</b>
<b>TOTAL</b>		<b>20,460,754,452</b>	<b>15,666,354,278</b>
See accompanying notes forming part of the financial statements	01-34		

As per our attached report of even date

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

*G. Sankar*

G. Sankar  
Partner  
Membership No.- 046050



For and on behalf of the Board of Directors

*A.S. Dange*

Aniruddha Dange  
Director  
(DIN: 02599853)

*N. Jain*

Narendra Jain  
Director  
(DIN: 01984467)

*Arindam Chanda*

Arindam Chanda  
Chief Executive Officer

*Bhawani Jhanwar*

Bhawani Jhanwar  
Chief Financial Officer

*J. Upadhyay*

Jayesh Upadhyay  
Company Secretary

Place : Mumbai  
Dated: May 1, 2018

IIFL Securities Limited (Formerly India Infoline Limited)  
Statement of Standalone Profit and Loss for the period ended March 31, 2018

(Amount in ₹)

Particulars	Notes No.	2017-2018	2016-2017
<b>INCOME</b>			
Revenue from Operation	17	6,283,563,523	5,077,559,699
Other Income	18	62,399,150	6,434,651
<b>Total Revenue</b>		<b>6,345,962,673</b>	<b>5,083,994,350</b>
<b>EXPENDITURE</b>			
Employee Benefit expenses	19	1,736,870,023	1,470,104,009
Finance cost	20	318,457,212	94,981,835
Depreciation	21	104,039,828	70,644,841
Administration and other expenses	22	2,202,580,602	2,279,258,373
<b>Total expenses</b>		<b>4,361,947,665</b>	<b>3,914,989,058</b>
<b>Profit before tax</b>		<b>1,984,015,008</b>	<b>1,169,005,292</b>
<b>Tax expenses :</b>			
Current tax		693,396,740	417,253,668
Deferred tax expenses		(13,823,049)	(10,390,243)
Short / (excess) provision for income tax		10,548,870	2,138,588
<b>Total Tax expenses</b>		<b>690,122,561</b>	<b>409,002,013</b>
<b>Profit for the year</b>		<b>1,293,892,447</b>	<b>760,003,279</b>
Earnings per equity share (Face Value ₹ 10)	23		
Basic		73.46	44.97
Diluted		73.46	44.97
See accompanying notes forming part of the financial statements	01-34		

As per our attached report of even date

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

*G. Sankar*

G. Sankar  
Partner  
Membership No.- 046050



Place : Mumbai  
Dated: May 1, 2018

For and on behalf of the Board of Directors

*A.S. Dange*

Aniruddha Dange  
Director  
(DIN: 02599853)

*N. Jain*

Narendra Jain  
Director  
(DIN: 01984467)

*A. Chanda*

Arindam Chanda  
Chief Executive Officer

*B. Jhanwar*

Bhawani Jhanwar  
Chief Financial Officer

*J. Upadhyay*

Jayesh Upadhyay  
Company Secretary

IIFL Securities Limited (Formerly India Infoline Limited)  
Standalone Cash Flows Statement For Period ended March 31, 2018

(Amount in ₹)

Particulars	April-17 to March-18		April-16 to March-17	
<b>Cash flows from operating activities</b>				
Net profit before taxation, and extraordinary item		1,984,015,008		1,169,005,292
Adjustments for:				
Gratuity	14,689,527		15,754,006	
Depreciation & Amortisation	104,039,828		70,644,841	
Leave Enchasmment	7,697,300	126,426,655	3,347,793	89,746,640
<b>Operating profit before working capital changes</b>		<b>2,110,441,663</b>		<b>1,258,751,931</b>
Increase / (Decrease) in Other liabilities	(2,321,116,568)		2,872,497,467	
Increase / (Decrease) in Trade Payable	(26,341,614)		181,454,409	
Increase / (Decrease) in Other long-term liabilities	(5,411,998)		3,758,029	
Decrease / (Increase) in trade receivables	(50,399,885)		(38,774,770)	
Decrease / (Increase) in other current assets	(1,647,785,372)		(5,023,498,111)	
(Increase) / Decrease in Long term Loan & Advances	3,081,598		95,012,922	
(Increase) / Decrease in Trade inventories	-		29,145,978	
(Increase) / Decrease in Short term Loan & Advances	450,277,357		(1,302,979,786)	
Increase / (Decrease) in Short term & Long term Provision	(89,290,888)		(132,390,964)	
Decrease / (Increase) in other non current assets	-	(3,686,987,370)	1,958,569	(3,313,816,257)
Tax (Paid) / Refund		(663,280,161)		(364,427,014)
<b>Net cash from/(used in) operating activities (a)</b>		<b>(2,239,825,868)</b>		<b>(2,419,491,340)</b>
<b>Cash flows from investing activities</b>				
Purchase of fixed assets,including intangible assets,CWIP and Capital advances	(184,043,327)		(39,957,931)	
Bank balances not considered as cash & cash equivalents - Matured	(1,595,255,765)		(196,343,115)	
Purchase of non-current investments	(10,668,250)		(30,770,720)	
Purchase of current investments	-	(1,789,967,342)	-	(267,071,766)
<b>Net cash from/(used in) investing activities (b)</b>		<b>(1,789,967,342)</b>		<b>(267,071,766)</b>
<b>Cash flows from financing activities</b>				
Proceeds from issuance of share capital including share premium	1,499,999,325		-	
Dividend Paid (including dividend distribution tax)	(518,164,097)		(401,725,956)	
Increase / (Decrease) in Short-term borrowings	4,938,446,739	5,920,281,967	-	(401,725,956)
<b>Net cash from / (used in) financing activities (c)</b>		<b>5,920,281,967</b>		<b>(401,725,956)</b>
<b>Net increase/(decrease) in Cash and Bank Balances (a+b+c)</b>		<b>1,890,488,758</b>		<b>(3,088,289,062)</b>
Cash and cash equivalents at the beginning of the year		2,426,305,259		5,514,594,321
Cash and cash equivalents at the end of the year (Note 14)		4,316,794,017		2,426,305,259
<b>Net increase/(decrease) in Cash and cash equivalents</b>		<b>1,890,488,758</b>		<b>(3,088,289,062)</b>

As per our attached report of even date

For V. Sankar Aiyar & Co

Chartered Accountants

Firm's Registration No. 109208W

By the hand of

*G. Sankar*

G. Sankar

Partner

Membership No.- 046050



For and on behalf of the Board of Directors

*A.S. Dange*

Aniruddha Dange

Director

(DIN: 02599853)

*Narendra Jain*

Narendra Jain

Director

(DIN: 01984467)

*Arindam Chanda*

Arindam Chanda

Chief Executive Officer

*Bhawani Jhanwar*

Bhawani Jhanwar

Chief Financial Officer

*J. Upadhyay*

Jayesh Upadhyay

Company Secretary

Place : Mumbai

Dated: May 1, 2018

## **IIFL Securities Limited (Formerly India Infoline Limited)**

**Notes forming part of Standalone financial statements for the year ended March 31, 2018**

### **Note 1. Corporate Information:**

IIFL Securities Limited (Formerly India Infoline Limited) was incorporated on March 21, 1996 and is subsidiary of IIFL Holdings Limited. The Company is in the financial services spaces offering equity/ currency broking in NSE/BSE and MCX-SX, Depository Participant services, merchant banking, portfolio management services, distribution of mutual fund, bond & other saving products. The Company is one of the leading players in the financial services space.

The Board of Directors of the Company at its meeting held on 31 January 2018, has approved the Composite Scheme of Arrangement amongst IIFL Holdings Limited ("IIFL Holdings"), India Infoline Media and Research Services Limited ("IIFL M&R"), India Infoline Finance Limited ("IIFL Finance"), IIFL Wealth Management Limited ("IIFL Wealth"), IIFL Distribution Services Limited ("IIFL Distribution") and the Company and their respective shareholders, under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 ("Scheme") which inter-alia, envisages the demerger of the Securities Business Undertaking (as defined in the Scheme) of IIFL Holdings into the Company. The Appointed Date for the demerger is opening hours of 1 April 2018. The Scheme will be given effect to upon receipt of requisite approvals of NCLT and other authorities.

### **Note 2. Significant Accounting Policies:**

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

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

#### **2.2 Use of Estimates:**

The preparation of financial statements in conformity with IGAAP requires the management to make estimates and assumptions considered in the reported amount of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the period in which the results are known /materialise.

#### **2.3 Cash and cash equivalents (for purposes of Cash Flow Statement)**

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.

#### **2.4 Cash flow statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

#### **2.5 Fixed Assets and Depreciation and Amortization:**

Fixed assets are stated at cost of acquisition less accumulated depreciation and impairment loss, if any, thereon. Depreciation is charged using the straight line method based on the useful life of fixed assets as estimated by the management as specified below. Depreciation is charged from the month in which new assets are put to use. No depreciation is charged for the month in which assets are sold. In the case of transfer of used fixed assets from group Companies, depreciation is charged over the remaining useful life of the assets.



Individual assets / group of similar assets costing up to ` 5,000 has been depreciated in full in the year of purchase. Lease hold land is depreciated on a straight line basis over the lease hold period.

**Estimated useful life of the assets is as under:**

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

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

**Capital work-in-progress:**

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

**2.6 Translation of foreign currency items:**

**Initial recognition:** Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

**Measurement at the balance sheet:** Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

**2.7 Revenue Recognition:**

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized.

- (a) Income related to advisory activities, Investment banking, Merchant banking is accounted on accrual basis.
- (b) Dividend income is recognized when the right to receive payment is established.
- (c) Capital Gain/ Loss is recognized on the date of trade.
- (d) Interest Income is recognized on accrual basis.

**2.8 Employee Benefits:**

**Defined contribution plans**

The Company's contribution towards Provident Fund and Family Pension Fund are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

**Defined benefit plans**

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement



benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

**Short-term employee benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

**Long-term employee benefits**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

**2.9 Provisions, Contingent Liabilities and Contingent Assets:**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

The Company 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 / actions, if any, are being considered for disclosure as contingent liability only after finality of the representations or appeals before the lower authorities.

**2.10 Taxes on Income:**

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

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.



Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

**2.11 Operating Leases:**

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term. Initial direct cost incurred specifically for operating leases are recognised as expense in the Statement of Profit and Loss in the year in which they are incurred.

**2.12 Investments:**

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments includes acquisition charges such as brokerage, fees and duties.

**2.13 Inventories:**

Closing stock is valued at cost or market value whichever is lower. Cost is computed on FIFO basis. The comparison of cost and market value for arbitrage portfolio is done separately for each script.

**2.14 Earnings Per Share:**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

**2.16 Borrowings:**

Borrowings are bifurcated under long term and short term liabilities. Commercial papers are recognised at face value less discount. Any difference between the proceeds and the redemption value is recognised in profit & loss account over the period of the borrowings.

**2.17 Impairment of assets**

The carrying amount of the assets at each Balance Sheet date is reviewed for impairment. If any indication of impairment based on internal / external factors exists, the recoverable amount of such assets is estimated and impairment is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and its value in use, which is arrived at by discounting the future cash flows to their present value, based on an appropriate discounting factor. If at the Balance Sheet date, there is an indication that previously recognised impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount, subject to a maximum of the depreciable historical cost and reversal of such impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.



**2.18 Operating Cycle**

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

**2.19 Segment reporting**

The Company's primary business segments are reflected based on the principal business carried out, i.e. financing. All other activities of the Company revolve around the main business. The risk and returns of the business of the Company is not associated with geographical segmentation, hence there is no secondary segment reporting based on geographical segment. As such, there are no separate reportable segments as per the Accounting Standard 17 on 'Segment Reporting'.

**Note 3. Share Capital**

- a. **The Authorised, Issued, Subscribed and fully paid up share capital comprises equity share as follows:**  
(Amount in ₹)

Authorised Shares	March 31,2018	March 31, 2017
20,000,100 (Previous Year 17,000,100) Equity Shares of ₹10/- each	200,001,000	170,001,000
<b>Total</b>	<b>200,001,000</b>	<b>170,001,000</b>
<b>Issued, Subscribed and Paid-up share capital</b>	<b>March 31,2018</b>	<b>March 31, 2017</b>
<b>Equity Share Capital</b>		
18,718,281 (Previous Year 16,900,100) Equity Shares of ₹10/- each fully paid-up	187,182,810	169,001,000
<b>Total</b>	<b>187,182,810</b>	<b>169,001,000</b>

**b. Reconciliation of the shares outstanding.**

Particulars	March 31,2018		March 31, 2017	
	No. of Shares	₹	No. of Shares	₹
As the beginning of the year	16,900,100	169,001,000	16,900,100	169,001,000
Issued during the year *	1,818,181	18,181,810	-	-
Outstanding at the end of the year	<b>18,718,281</b>	<b>187,182,810</b>	<b>16,900,100</b>	<b>169,001,000</b>

\*During the year, the Company has raised equity funds by ways of right issue of 1,818,181 equity shares of ₹10 each at a securities premium of ₹815 per shares (Previous Year ₹ NIL) from its Holding Company i.e IIFL Holdings Limited. The equity shares was allotted on November 09, 2017. Out of total proceeds, ₹1,481,817,515(Previous year ₹ Nil/-) were received towards securities premium.

**c. Terms/rights attached to equity shares:**

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

In the event of liquidation of the Company, the 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 the shareholders.





**d. Equity Shares held by Holding Company/ultimate holding Company and their subsidiaries.**

Particulars	March 31,2018		March 31, 2017	
	No. of Shares	% of holding	No. of Shares	% of holding
Equity shares of ₹ 10 each fully paid				
IIFL Holdings Limited – The Holding Company	18,718,281	100%	16,900,080	99.9999%
IIFL Wealth Management Limited – The Fellow Subsidiary	-	-	20	0.0001%

**e. Details of shareholders holding more than 5% shares in the Company.**

Particulars	March 31,2018		March 31, 2017	
	No. of Shares	% of holding	No. of Shares	% of holding
Equity shares of ₹ 10 each fully paid				
IIFL Holdings Limited – The Holding Company	18,718,281	100%	16,900,080	99.9999%

**f. Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:**

Particulars	March 31,2018	March 31, 2017	March 31 ,2016	March 31, 2015	March 31 ,2014
	No. of shares	No. of shares	No. of shares	No. of shares	No. of shares
Equity shares bought back by the company	-	-	-	-	-

**Note 4. Reserves and Surplus**

(Amount in ₹)

Particulars	March 31,2018	March 31, 2017
<b>Securities Premium Account</b>		
Opening balance	748,998,700	748,998,700
Addition during the year	1,481,817,515	-
<b>Closing balance</b>	<b>2,230,816,215</b>	<b>748,998,700</b>
<b>Surplus / (Deficit) in Statement of Profit and Loss</b>		
Opening Balance	1,493,464,528	1,135,187,204
Add: Profit / (Loss) for the year	1,293,892,448	760,003,279
Less:- Appropriations		
Interim dividend	430,520,463	333,776,975
Dividend Distribution Tax	87,643,634	67,948,981
<b>Net Surplus in the Statement of Profit and Loss</b>	<b>2,269,192,879</b>	<b>1,493,464,527</b>
<b>Total Reserves &amp; Surplus</b>	<b>4,500,009,094</b>	<b>2,242,463,227</b>

**Note 5. Other Long-term liabilities**

(Amount in ₹)

Particulars	March 31,2018	March 31, 2016
Security deposits received	232,031	5,644,029
<b>Total</b>	<b>232,031</b>	<b>5,644,029</b>



**IIFL Securities Limited (Formerly India Infoline Limited)**

**Notes forming part of Standalone financial statements for the year ended March 31, 2018**

**Note 6. Provision**

(Amount in ₹)

Particulars	March 31, 2018		March 31, 2017	
	Current	Non Current	Current	Non Current
Provision for Leave Encashment	3,793,207	15,471,496	3,420,512	13,178,980
Bonus Payable	70,000,000	-	139,569,273	-
<b>Total</b>	<b>73,793,207</b>	<b>15,471,496</b>	<b>142,989,785</b>	<b>13,178,980</b>

**Note 7. Short Term Borrowings**

(Amount in ₹)

Particulars	March 31, 2018	March 31, 2017
<b>Unsecured Loan :</b>		
Commercial Paper	5,000,000,000	-
Less:- Unexpired discount on commercial paper	(61,553,261)	-
<b>Total</b>	<b>4,938,446,739</b>	<b>-</b>

**Note 8. Trade Payable**

(Amount in ₹)

Particulars	March 31, 2018	March 31, 2017
(A) total outstanding dues of micro enterprises and small enterprises *	-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	7,072,944	13,901,382
Accrued Salaries & Benefits	4,205,549	3,176,854
Provision for expenses	147,702,797	157,902,530
Other Trade payables	3,627,855	13,969,992
<b>Total</b>	<b>162,609,145</b>	<b>188,950,759</b>

\*No Interest has been paid/is payable by company during the year to "Suppliers" referred under the Micro, Small & Medium Enterprises Development Act, 2006. The aforementioned is based on the response received by the Company to its inquiries with suppliers with regards to applicability under the said act.

**Note 9. Other current liabilities**

(Amount in ₹)

Particulars	March 31, 2018	March 31, 2017
Book Overdraft	524,990,378	483,167,146
Deposits Received - Franchises & others	242,431,042	237,241,590
Margin From Clients	28,000,000	186,600,000
Statutory Liabilities Payable (net of advances)	244,950,583	86,653,345
Income received in advance	1,246,804	724,368
Gratuity Payable	2,911,488	3,398,974
Other payables *	9,538,024,081	11,903,337,087
Payable to Group Companies/Associates	455,554	3,003,988
<b>Total</b>	<b>10,583,009,930</b>	<b>12,904,126,498</b>

\*Includes stock exchanges & Clients Payables of Rs.9,423,898,170/- (Previous year Rs.11,758,669,042)



**IIFL Securities Limited (Formerly India Infoline Limited)**

Notes forming part of Standalone financial statements for the year ended March 31, 2018

**Note 10: Fixed Assets**

**Tangible Assets:-**

(Amount in ₹)

Particulars	Computers	Electrical Equipment	Furniture & Fixture	Office Equipment	Vehicles	Total
<b>Cost or Valuation</b>						
At April 1, 2017	131,748,059	52,894,177	53,512,758	60,682,518	5,876,172	304,713,684
Addition	88,332,275	14,614,034	27,266,034	6,389,722	-	136,602,065
(Deductions/Adjustments during the year)	(10,777,706)	(3,662,587)	(8,205,581)	(2,261,175)	(4,017,230)	(28,924,280)
<b>As at March 31, 2018</b>	<b>209,302,628</b>	<b>63,845,624</b>	<b>72,573,211</b>	<b>64,811,065</b>	<b>1,858,942</b>	<b>412,391,469</b>
<b>Depreciation</b>						
At April 1, 2017	93,932,838	39,003,825	39,786,166	39,162,327	4,700,937	216,586,092
Depreciation For the year	36,932,738	13,176,239	14,593,523	13,576,163	505,697	78,784,361
(Deductions/Adjustments during the year)	(10,661,119)	(2,728,518)	(5,869,327)	(2,137,832)	(3,347,692)	(24,744,488)
<b>Up to March 31, 2018</b>	<b>120,204,457</b>	<b>49,451,546</b>	<b>48,510,362</b>	<b>50,600,656</b>	<b>1,858,942</b>	<b>270,625,965</b>
<b>Net Block</b>						
<b>March 31, 2018</b>	<b>89,098,171</b>	<b>14,394,078</b>	<b>24,062,848</b>	<b>14,210,407</b>	<b>-</b>	<b>141,765,504</b>
<b>At March 31, 2017</b>	<b>37,815,221</b>	<b>13,890,352</b>	<b>13,726,592</b>	<b>21,520,191</b>	<b>1,175,235</b>	<b>88,127,591</b>

Capital work in progress ₹4,442,500/- (Previous year ₹ 18,631,221) pertains to assets not yet capitalized.

**Intangible Assets**

(Amount in ₹)

Particulars	Software	Goodwill	Total
<b>Cost or Valuation</b>			
At April 1, 2017	47,037,234	5,678,403	52,715,637
Addition	65,809,775	-	65,809,775
Deductions/Adjustments during the year	-	-	-
<b>As at March 31, 2018</b>	<b>112,847,009</b>	<b>5,678,403</b>	<b>118,525,412</b>
<b>Particulars</b>	<b>Software</b>	<b>Goodwill</b>	<b>Total</b>
<b>Depreciation</b>			
At April 1, 2017	39,634,735	4,542,722	44,177,458
Depreciation For the year	24,119,786	1,135,681	25,255,467
Deductions/Adjustments during the year	-	-	-
<b>Up to March 31, 2018</b>	<b>63,754,522</b>	<b>5,678,403</b>	<b>69,432,925</b>
<b>Net Block</b>			
<b>At March 31, 2018</b>	<b>49,092,487</b>	<b>-</b>	<b>49,092,487</b>
<b>At March 31, 2017</b>	<b>7,402,499</b>	<b>1,135,681</b>	<b>8,538,179</b>

**Note 11. Non Current Investments**

Particulars	Face Value	As at March 31, 2018		As at March 31, 2017	
		Number	Amount in ₹	Number	Amount in ₹
<b>Investments (At cost) :</b>					
<b>Non-Trade(Unquoted)</b>					
<b>Debentures:</b>					
Arch Agro Industries Pvt. Ltd.(Non Convertible Debentures) (Since Matured)	₹10,000	3,634	36,340,000	3,634	36,340,000
Less:- Provision for Diminishing in value of investment			(36,340,000)		(36,340,000)



**IIFL Securities Limited (Formerly India Infoline Limited)**
**Notes forming part of Standalone financial statements for the year ended March 31, 2018**

Particulars	Face Value	As at March 31,2018		As at March 31, 2017	
		Number	Amount in ₹	Number	Amount in ₹
<b>VCFs &amp; AIFs:</b>					
Investment in India Alternative private Equity Fund @	₹100	3,151,000	221,184,331	3,151,000	210,516,081
<b>Total Non Traded (Unquoted) (a)</b>			<b>221,184,331</b>		<b>210,516,081</b>
<b>Non-Trade (Quoted)</b>					
<b>Mutual Fund :</b>					
HDFC Debt fund for Cancer Cure-50% Regular option-2014 Dividend Donation	₹ 10	2,000,000	20,000,000	2,000,000	20,000,000
<b>Total Non Traded (Quoted) (b)</b>			<b>20,000,000</b>		<b>20,000,000</b>
<b>Trade (Valued At Cost)</b>					
<b>Equity Shares:</b>					
Bombay Stock Exchange Limited	₹2	65,000	16,870,000	65,000	16,870,000
<b>Total Trade (c)</b>			<b>16,870,000</b>		<b>16,870,000</b>
<b>Total Investments (a+b+c)</b>			<b>258,054,331</b>		<b>247,386,081</b>
Aggregate Book value – Quoted			36,870,000		36,870,000
Aggregate Market value - Quoted			6,9208,600		83,600,250
Aggregate Book value- Unquoted			221,184,331		210,516,081
Aggregate amount of provision for diminution			36,340,000		36,340,000

@ Above Investment is partly paid up as at March 31,2018 ₹ 76.57 has NAV ₹ 173.09 & partly paid up as at as at March 31, 2017 ₹ 74.52 has NAV ₹ 131.72

**Note 12. Long term loans & advance:**

(Amount in ₹)

Particulars	As at March 31,2018	As at March 31, 2017
<b>Unsecured, Considered good</b>		
Capital Advance	8,325,627	28,374,067
Security Deposits		
- Deposit with Exchanges	70,050,000	56,950,000
- Deposit with Group Company	500,000,000	500,000,000
- Deposits with Others	131,021,440	127,154,598
Advance Income Tax & Tax Deducted at Source [net of provisions for income tax ₹428,333,915 (previous year ₹ 646,221,635)]	371,085	41,036,534
<b>Total</b>	<b>709,768,152</b>	<b>753,515,199</b>

**Note 13. Trade Receivable**

(Amount in ₹)

Particulars	As at March 31,2018	As at March 31, 2017
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
- Unsecured Considered Good	-	-
- Unsecured Considered doubtful	-	-
<b>Sub- Total</b>	<b>-</b>	<b>-</b>
<b>Other trade receivable</b>		
Unsecured ,Considered good	129,815,186	79,415,301
Provision for doubtful receivables	-	-
<b>Sub- Total</b>	<b>129,815,186</b>	<b>79,415,301</b>
<b>Grand Total</b>	<b>129,815,186</b>	<b>79,415,301</b>



**IIFL Securities Limited (Formerly India Infoline Limited)**

**Notes forming part of Standalone financial statements for the year ended March 31, 2018**

**Note 14. Cash and Bank Balance**

(Amount in ₹)

Particulars	March 31,2018	March 31, 2017
<b>Cash &amp; Cash Equivalent</b>		
Cash in hand	123,807	163,577
Balances with banks:		
- In current account		
- In client bank accounts #	2,547,689,083	901,725,517
- Others #	212,735,907	108,941,224
- In deposit accounts (Maturity Less than 3 months)*	1,556,245,220	1,415,474,941
<b>Total Cash &amp; Cash Equivalent (a)</b>	<b>4,316,670,210</b>	<b>2,426,141,682</b>
<b>Balance with Banks :</b>		
In deposit account (Maturity from 3 months to 12 months)*	2,752,049,997	1,145,658,884
In deposit account (Maturity more than 12 months)*	12,018,907	23,154,255
<b>Total (b)</b>	<b>2,764,068,904</b>	<b>1,168,813,139</b>
<b>Grand Total (a+b)</b>	<b>7,080,862,921</b>	<b>3,595,118,398</b>

# includes Cheques on hand ₹ 11,098,007/- (Previous year ₹ 178,155,148/-).

\* Company has pledged fixed deposits to the extent of ₹ 4,320,314,124/-(Previous year ₹ 2,584,288,079/-) with the banks for bank guarantees/overdraft facilities and with the stock exchanges for margin/arbitration purposes.

**Note 15. Short-term loans & advances:**

(Amount in ₹)

Particulars	March 31,2018	March 31, 2017
<b>Unsecured, considered good</b>		
Advances recoverable in cash or in kind or for value to be received.	-	-
Balance with government authorities		
GST/Service tax credit receivable	53,310,873	6,523,447
Prepaid expenses	22,982,628	25,628,119
Deposit with Exchanges	772,116,161	1,337,119,822
Advance Income Tax & Tax Deducted at Source [net of provisions for income tax ₹ 1,393,522,193 (previous year ₹472,838,331)]	74,362,260	3,777,891
<b>Total</b>	<b>922,771,922</b>	<b>1,373,049,279</b>

**Note 16. Other current assets:**

(Amount in ₹)

Particulars	March 31,2018	March 31, 2017
Interest Accrued on deposits with banks	45,179,340	14,392,356
Margin with exchanges	1,950,857	1,950,857
Others *	11,099,969,966	9,484,313,773
Less:- Provision for doubtful receivables	(46,382,341)	(47,724,536)
<b>Total</b>	<b>11,100,717,822</b>	<b>9,452,932,450</b>

\*Includes stock exchanges & Clients Receivable of Rs.10,979,669,109/- (Previous year Rs.9,310,015,472)



**Note 17. Revenue from operations:**

(Amount in ₹)

Particulars	2017-18	2016-17
<b>Capital Market activities</b>		
Equity Brokerage & related Income	5,069,019,972	4,411,543,784
<b>Fund Based activities</b>		
Securities Trading Income	-	28,272,482
Dividend Income Others	5,847,691	3,238,886
Capital Gain (net)- Others (Non current)	-	2,038,300
Capital Gain – Mutual Fund (current)	13,241,610	18,888,655
<b>Interest Income:</b>		
Interest on bank deposits	251,476,600	191,727,267
Other interest	1,565,832	138,588
<b>Financial Products distribution</b>		
Brokerage, Commission & Fees	914,551,593	421,711,737
Investment Banking Income	27,860,225	-
<b>Total</b>	<b>6,283,563,523</b>	<b>5,077,559,699</b>

**Note 18. Other Income**

(Amount in ₹)

Particulars	2017-18	2016-17
Miscellaneous income	62,399,150	6,434,651
<b>Total</b>	<b>62,399,150</b>	<b>6,434,651</b>

**Note 19. Employee Benefit expenses**

(Amount in ₹)

Particulars	2017-18	2016-17
Salaries and bonus	1,654,354,716	1,402,695,304
Contribution to provident and other funds **	42,266,157	34,447,133
Gratuity*	14,689,527	15,754,006
Staff Welfare Expenses	17,862,323	13,859,773
Leave Encashment	7,697,300	3,347,793
<b>Total</b>	<b>1,736,870,023</b>	<b>1,470,104,009</b>

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

Assumptions	2017-18	2016-17
Discount rate previous year	7.09%	7.84%
Salary Escalation previous year	5.00%	5.00%
Discount rate current year	7.68%	7.09%
Salary Escalation Current year	7.00%	5.00%

Change in Benefit Obligation	2017-18	2016-17
Liability at the beginning of the year	108,407,504	106,566,417
Interest Cost	7,686,092	8,354,807
Current Service Cost	12,141,486	13,428,899
Benefit paid	(14,657,459)	(21,478,748)
Actuarial (gain)/ Loss on obligations – Due to change in Financial Assumptions	1,045,736	7,328,027



**IIFL Securities Limited (Formerly India Infoline Limited)**
**Notes forming part of Standalone financial statements for the year ended March 31, 2018**

Actuarial (gain)/ Loss on obligations – Due to Experience	6,749,352	(2,423,742)
Liability Transferred in/(out)	(9,613,550)	(3,368,156)
<b>Liability at the end of the year</b>	<b>111,759,161</b>	<b>108,407,504</b>
<b>Amount Recognized in the Balance Sheet</b>	<b>2017-18</b>	<b>2016-17</b>
Liability at the end of the year	(111,759,161)	(108,407,504)
Fair value of plan Assets at the end of the year	108,847,672	105,008,530
Differences	(2,911,489)	(3,398,974)
<b>Amount of liability Recognised in the Balance Sheet</b>	<b>(2,911,489)</b>	<b>(3,398,974)</b>
<b>Expenses Recognized in the Income statement</b>	<b>2017-18</b>	<b>2016-17</b>
Current Service cost	12,141,486	13,428,899
Interest Cost	240,987	134,161
Actuarial Gain or Loss	9,266,193	2,190,946
Past Service Cost – Vested Benefit Recognized During the Period	(6,959,140)	-
<b>Expense Recognised in P&amp;L</b>	<b>14,689,526</b>	<b>15,754,006</b>
<b>Balance Sheet reconciliation</b>	<b>2017-18</b>	<b>2016-17</b>
Opening Net liability	3,398,974	1,711,240
Expense as above	14,689,526	15,754,006
Net Transfer in	(2,654,410)	(3,368,156)
Employers contribution	(12,522,601)	(10,698,116)
<b>Amount Recognised in Balance Sheet</b>	<b>2,911,489</b>	<b>3,398,974</b>

**\*\* Defined Contribution Plans:**

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

(Amount in ₹)

Particulars	2017-18	2016-17
Contribution to provident & other fund	37,157,620	32,180,064

**Note: 20. Finance Cost**

(Amount in ₹)

Particulars	2017-18	2016-17
Interest Expenses	285,225,784	58,455,440
Other borrowing cost	33,231,428	36,526,395
<b>Total</b>	<b>318,457,212</b>	<b>94,981,835</b>

**Note 21. Depreciation**

(Amount in ₹)

Particulars	2017-18	2016-17
Depreciation of tangible assets	78,784,361	57,079,014
Depreciation of Intangible assets	25,255,467	13,565,827
<b>Total</b>	<b>104,039,828</b>	<b>70,644,841</b>

**Note 22. Other expenses**

(Amount in ₹)

Particulars	2017-18	2016-17
Advertisement	41,511,080	32,379,068
Books & Periodicals	401,750	882,461
Sub Brokerage , rebate and remiser expenses	1,171,532,377	1,100,894,167
Exchange and statutory Charges	10,037,720	6,476,934



**IIFL Securities Limited (Formerly India Infoline Limited)**
**Notes forming part of Standalone financial statements for the year ended March 31, 2018**

Particulars	2017-18	2016-17
Service tax expenses	-	-
Marketing and commission expenses	144,731,181	226,515,741
Custodian Charges	22,661,106	21,552,021
Franking Charges	7,230,354	4,081,603
Director Remuneration/Sitting Fees	676,050	603,000
Bank Charges	6,076,297	3,837,284
Communication	42,180,524	45,493,907
Donation	3,480,800	1,242,500
Electricity	45,130,011	52,367,154
Legal and professional charges	79,532,714	65,845,632
Corporate Social Responsibility Expenses (Refer Note no.33)	19,458,838	16,966,658
Office expenses	74,177,472	71,557,563
Subscriptions	1,607,303	1,277,977
Postage and courier	14,513,747	9,270,086
Printing and stationery	11,527,620	10,114,326
Bad debts & Old balance w/off/back (Net)	6,106,119	8,634,430
Rent	187,870,037	250,732,552
Insurance	1,754,867	1,999,415
Rates & taxes	2,210,593	2,266,898
Repairs & Maintenance		
- Computer	5,611,917	1,499,820
- Others	20,824,152	8,268,103
Remuneration to Auditors :		
As auditors – statutory audit	1,700,000	1,700,000
Certification work and other matters	-	489,481
Software Charges	196,646,405	171,433,024
Loss on sale of assets	179,900	5,359,685
Travelling and conveyance	79,446,855	114,536,711
Miscellaneous expenses	3,762,813	98,0172
Infrastructure Support Charges	-	40,000,000
<b>Total</b>	<b>2,202,580,602</b>	<b>2,279,258,373</b>

**Note 23.** Basic and Diluted Earnings per Share ["EPS"] computed in accordance with Accounting Standard (AS) – Earnings per share.

Particulars		2017-18	2016-17
BASIC & DILUTED		Amount in ₹	Amount in ₹
Face value of equity shares in ₹ fully paid up		10	10
Profit after tax as per statement of Profit and Loss	A	1,293,892,448	760,003,280
Weighted Average Number of Shares Subscribed	B	17,612,428	16,900,100
<b>Basic &amp; Diluted EPS</b>	<b>A/B</b>	<b>73.46</b>	<b>44.97</b>





**IIFL Securities Limited (Formerly India Infoline Limited)****Notes forming part of Standalone financial statements for the year ended March 31, 2018**

**Note 24.** As per Accounting Standard 22 'Accounting for Taxes on Income', the timing differences related mainly to depreciation and gratuity and result in a net deferred asset. Tax effect of items constituting Deferred Tax Asset/ (Liabilities) (Amount in ₹)

Sr.	Particulars	March 31,2018	March 31, 2017
a.	On depreciation	38,203,995	30,483,413
b.	On Gratuity	1,017,391	2,364,267
c.	On Leave encashment	6,731,858	-
d.	On Doubtful debts	16,207,845	16,516,507
e.	Others	1,302,538	276,391
<b>Total</b>		<b>63,463,627</b>	<b>49,640,578</b>

**Note 25.** The Company operates from and uses the premises, infrastructure and other facilities and services as provided to it by its holding Company / subsidiaries / group Companies which are termed as 'Shared Services'. Hitherto, such shared services consisting of administrative and other revenue expenses paid for by the Company were identified and recovered from them based on reasonable management estimates, which are constantly refined in the light of additional knowledge gained relevant to such estimation. These expenses are recovered on an actual basis and the estimates are used only where actual were difficult to determine.

**Note 26. Segment Reporting**

In the opinion of the management, there is only one reportable business segment as envisaged by AS17 'Segment Reporting', issued by the Institute of Chartered Accountants of India. Accordingly, no separate disclosure for segment reporting is required to be made in the financial statements of the Company.

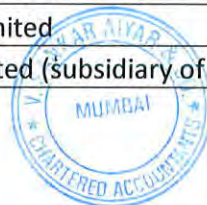
Secondary segmentation based on geography has not been presented as the Company operates primarily in India and the Company perceives that there is no significant difference in its risk and returns in operating from different geographic areas within India.

**Note 27. Related Party Disclosures:**

Related party disclosures for the period ended March 31,2018.

**a) List of Related parties:**

Nature of relationship	Name of party
Holding Company	IIFL Holdings Limited
Fellow Subsidiaries	IIFL Commodities Limited (Formerly India Infoline Commodities Limited)
	India Infoline Media & Research Services Limited
	India Infoline Finance Limited
	IIFL Management Services Limited ( Formerly Known as India Infoline Insurance Services Limited)
	IIFL Insurance Brokers Limited (Formerly India Infoline Insurance Brokers Limited)
	IIFL Wealth Management Limited
	IIFL Facilities Services Limited (Formerly Known as IIFL Realty limited)
	IIFL Wealth UK Limited
	IIFL Capital Inc
	India Infoline Foundation
	IIFL Assets Reconstruction Limited
Group Companies	India Infoline Housing Finance Limited
	Samasta Microfinance Limited
	Ayusha Dairy Private Limited (subsidiary of Samasta Microfinance Limited)



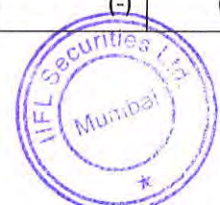
**IIFL Securities Limited (Formerly India Infoline Limited)**
**Notes forming part of Standalone financial statements for the year ended March 31, 2018**

Nature of relationship	Name of party
	IIFL Capital Pte. Limited
	IIFL Securities Pte. Limited
	IIFL Asset Management Limited (Formerly India Infoline Asset Management Company Limited)
	IIFL Alternate Asset Advisors Limited
	IIFL Wealth Finance Limited (Formerly Chephis Capital Markets Limited)
	IIFL Trustee Limited (Formerly India Infoline Trustee Company Limited)
	IIFL Distribution Services Limited
	IIFL Investment Advisers & Trustee Services Limited (Formerly IIFL Trustee Services Limited)
	IIFL (Asia) Pte Limited
	IIFL Private Wealth Hong Kong Limited
	IIFL Assets Management (Mauritius) Limited {Formerly IIFL Private Wealth (Mauritius) Limited}
	IIFL Private Wealth Management (Dubai) Limited
	IIFL Inc.
	IIFL Private Wealth (Suisse) SA.
	Clara Developers Private Limited
	IIFL Capital (Canada) Limited
<b>Other related parties:</b>	
Key Managerial Personnel	R Mohan – Whole Time Director
	Aniruddha Dange ( From January 30, 2018)
	Arindam Chanda (From January 24,2017)
	Jayesh Upadhyay - Company Secretary from January 30, 2018
	Prashanth Prabhakaran (upto January 24,2017)
Others	Aditi Venkataraman ( wife of Mr. R Venkataraman)
	R Venkataraman
	Nirmal Jain
	Orpheus Trading Pvt. Limited
	Ardent Impex Pvt. Limited
	5Paisa Capital Limited
	5Paisa P2PLimited

**b. Significant Transactions with Related Parties**

(Amount in ₹)

Nature of transaction	Holding Company	Fellow Subsidiaries	Group Companies	Key Managerial Person	Other Related Party	Total
<b>Share Capital (Including Premium)</b>						
IIFL Holdings Limited	1,499,999,325	-	-	-	-	1,499,999,325
	(-)	(-)	(-)	(-)	(-)	(-)
<b>Commercial Paper Maturity Proceeds Paid</b>						
India Infoline Finance Limited	-	-	-	-	-	-
	(-)	(2,500,000,000)	(-)	(-)	(-)	(2,500,000,000)
<b>Brokerage Income/Delayed Payin Charges Income/Upfront</b>						
India Infoline Assets Management Company Limited	-	-	-	-	-	-
	(-)	(-)	(468,408)	(-)	(-)	(468,408)



**IIFL Securities Limited (Formerly India Infoline Limited)**
**Notes forming part of Standalone financial statements for the year ended March 31, 2018**

Nature of transaction	Holding Company	Fellow Subsidiaries	Group Companies	Key Managerial Person	Other Related Party	Total
IIFL Holdings Limited	587	-	-	-	-	587
	(554)	(-)	(-)	(-)	(-)	(554)
India Infoline Finance Limited	-	728,616	-	-	-	728,616
	(-)	(664,288)	(-)	(-)	(-)	(664,288)
India Infoline Housing Finance Limited	-	-	25,200	-	-	25,200
	(-)	(-)	(14,061)	(-)	(-)	(14,061)
IIFL Facilities Services Limited (Formerly Known as IIFL Realty limited)	-	217,087	-	-	-	217,087
	(-)	(182,326)	(-)	(-)	(-)	(182,326)
India Infoline Media & Research Services Limited	-	9,970	-	-	-	9,970
	(-)	(4,023,842)	(-)	(-)	(-)	(4,023,842)
Nirmal Jain	-	-	-	-	1,042,166	1,042,166
	(-)	(-)	(-)	(-)	(1,400,701)	(1,400,701)
R. Venkataraman	-	-	-	-	389,322	389,322
	(-)	(-)	(-)	(-)	(181,715)	(181,715)
Prasanth Prabhakaran	-	-	-	-	-	-
	(-)	(-)	(-)	(2,951)	(-)	(2,951)
Aditi Venkataraman	-	-	-	-	460	460
	(-)	(-)	(-)	(-)	(504)	(504)
Arindam Chanda	-	-	-	6,939	-	6,939
	(-)	(-)	(-)	(1,738)	(-)	(1,738)
R Mohan	-	-	-	167,552	-	167,552
	(-)	(-)	(-)	(57879)	(-)	(57879)
Aniruddha Dange	-	-	-	456,941	-	456,941
	(-)	(-)	(-)	(338,787)	(-)	(338,787)
Orpheus Trading Pvt Ltd	-	-	-	-	30,519	30,519
	(-)	(-)	(-)	(-)	(94,117)	(94,117)
Ardent Impex Pvt	-	-	-	-	40,476	40,476
	(-)	(-)	(-)	(-)	(160,626)	(160,626)
Jayesh Upadhyay	-	-	-	52	-	52
	(-)	(-)	(-)	(624)	(-)	(624)
<b>Interest Received</b>						
IIFL Insurance Brokers Limited (Formerly India Infoline Insurance Brokers Limited)	-	558	-	-	-	558
	(-)	(-)	(-)	(-)	(-)	(624)
<b>Deposit – Received</b>						
IIFL Holdings Limited	100,000	-	-	-	-	100,000
	(-)	(-)	(-)	(-)	(-)	(-)
<b>Deposit - Received (Given Back)</b>						
IIFL Holdings Limited	100,000	-	-	-	-	100,000
	(-)	(-)	(-)	(-)	(-)	(-)

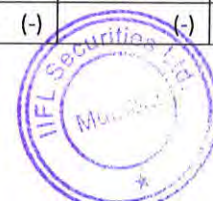


**IIFL Securities Limited (Formerly India Infoline Limited)**
**Notes forming part of Standalone financial statements for the year ended March 31, 2018**

Nature of transaction	Holding Company	Fellow Subsidiaries	Group Companies	Key Managerial Person	Other Related Party	Total
<b>Advance Given</b>						
IIFL Insurance Brokers Limited (Formerly India Infoline Insurance Brokers Limited)	-	200,000	-	-	-	200,000
	(-)	(-)	(-)	(-)	(-)	(-)
<b>Advance Given (Received Back)</b>						
IIFL Insurance Brokers Limited (Formerly India Infoline Insurance Brokers Limited)	-	200,000	-	-	-	200,000
	(-)	(-)	(-)	(-)	(-)	(-)
<b>Commission Income/Arranger fees/Advisory Fees Income/Research Income/Upfront</b>						
IIFI Capital Inc.	-	-	-	-	-	-
	(-)	(116,269)	(-)	(-)	(-)	(116,269)
IIFL Wealth Management Limited	-	22,500,000	-	-	-	22,500,000
	(-)	(-)	(-)	(-)	(-)	(-)
IIFL Assets Management Limited	-	-	30,970,164	-	-	30,970,164
	(-)	(-)	(-)	(-)	(-)	(-)
India Infoline Housing Finance Limited	-	-	11,268,366	-	-	11,268,366
	(-)	(-)	(-)	(-)	(-)	(-)
<b>Remuneration</b>						
R Venkatraman	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(14,598,300)	(14,598,300)
R Mohan	-	-	-	13,514,456	-	13,514,456
	(-)	(-)	(-)	(-)	(-)	(-)
Prasanth Prabhakaran	-	-	-	-	-	-
	(-)	(-)	(-)	(5,816,758)	(-)	(5,816,758)
Arindam Chanda	-	-	-	9,950,586	-	9,950,586
	(-)	(-)	(-)	(1,100,874)	(-)	(1,100,874)
<b>Dividend Paid</b>						
IIFL Holdings Limited	430,520,003	-	-	-	-	430,520,003
	(333,776,580)	(-)	(-)	(-)	(-)	(333,776,580)
IIFL Wealth Management limited	-	460	-	-	-	460
	(-)	(395)	(-)	(-)	(-)	(395)
<b>Interest Expenses ICD</b>						
IIFL Wealth Finance Limited	-	-	-	-	-	-
	(-)	(-)	(150,685)	(-)	(-)	(150,685)
India Infoline Finance Limited	-	10,010,274	-	-	-	10,010,274
	(-)	(934)	(-)	(-)	(-)	(934)
India Infoline Media & Research Services Limited	-	-	-	-	-	-
	(-)	(91,120)	(-)	(-)	(-)	(91,120)

**IIFL Securities Limited (Formerly India Infoline Limited)**
**Notes forming part of Standalone financial statements for the year ended March 31, 2018**

Nature of transaction	Holding Company	Fellow Subsidiaries	Group Companies	Key Managerial Person	Other Related Party	Total
IIFL Facilities Services Limited (Formerly Known as IIFL Realty limited)	-	-	-	-	-	-
	(-)	(15,873,973)	(-)	(-)	(-)	(15,873,973)
IIFL Holdings Limited	9,284,247	-	-	-	-	9,284,247
	(-)	(-)	(-)	(-)	(-)	(-)
<b>Corporate Social Responsibility</b>						
India Infoline Foundation	-	19,458,838	-	-	-	19,458,838
	(-)	(12,855,000)	(-)	(-)	(-)	(12,855,000)
<b>Rent Expenses</b>						
IIFL Facilities Services Limited (Formerly Known as IIFL Realty limited)	-	130,063,304	-	-	-	130,063,304
	(-)	(189,021,764)	(-)	(-)	(-)	(189,021,764)
IIFL Management Services Limited ( Formerly Known as India Infoline Insurance Services Limited)	-	1,035,000	-	-	-	1,035,000
	(-)	(-)	(-)	(-)	(-)	(-)
Aditi Venkataraman	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(2,200,000)	(2,200,000)
<b>Referral Fees Expenses/Authorised Person/marketing Expenses/Arranger Fees expenses/Support fees :-</b>						
IIFL Wealth Management Limited	-	103,182,041	-	-	-	103,182,041
	(-)	(367,653,025)	(-)	(-)	(-)	(367,653,025)
IIFL Securities Pte Limited	-	-	-	-	-	-
	(-)	(-)	(13,951,710)	(-)	(-)	(13,951,710)
IIFL Capital Inc	-	141,162,415	-	-	-	141,162,415
	(-)	(90,350,400)	(-)	(-)	(-)	(90,350,400)
IIFL Wealth U.K Limited	-	17,454,000	-	-	-	17,454,000
	(-)	(16,597,855)	(-)	(-)	(-)	(16,597,855)
5Paisa Capital Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(535,367)	(535,367)
<b>Infrastructure/Customer Support Services</b>						
India Infoline Media & Research Services Limited	-	-	-	-	-	-
	(-)	(165,000,000)	(-)	(-)	(-)	(165,000,000)
<b>Brokerage Expenses</b>						
5Paisa Capital Limited	-	-	-	-	4,825,344	4,825,344
	(-)	(-)	(-)	(-)	(-)	(-)
IIFL Wealth Management Limited	-	6,441,465	-	-	-	6,441,465
	(-)	(-)	(-)	(-)	(-)	(-)
<b>ICD Taken</b>						
India Infoline Finance Limited	-	11,500,000,000	-	-	-	11,500,000,000
	(-)	(3,100,000)	(-)	(-)	(-)	(3,100,000)
IIFL Holdings Limited	2,600,000,000	-	-	-	-	2,600,000,000
	(-)	(-)	(-)	(-)	(-)	(-)



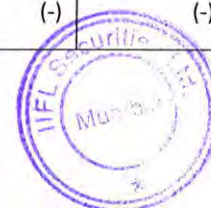
**IIFL Securities Limited (Formerly India Infoline Limited)**
**Notes forming part of Standalone financial statements for the year ended March 31, 2018**

Nature of transaction	Holding Company	Fellow Subsidiaries	Group Companies	Key Managerial Person	Other Related Party	Total
IIFL Wealth Finance Limited	-	-	-	-	-	-
	(-)	(-)	(500,000,000)	(-)	(-)	(500,000,000)
IIFL Facilities Services Limited (Formerly Known as IIFL Realty limited)	-	-	-	-	-	-
	(-)	(10,950,000,000)	(-)	(-)	(-)	(10,950,000,000)
<b>ICD Repaid</b>						
India Infoline Finance Limited	-	11,500,000,000	-	-	-	11,500,000,000
	(-)	(3,100,000)	(-)	(-)	(-)	(3,100,000)
IIFL Holdings Limited	2,600,000,000	-	-	-	-	2,600,000,000
	(-)	(-)	(-)	(-)	(-)	(-)
IIFL Wealth Finance Limited	-	-	-	-	-	-
	(-)	(-)	(500,000,000)	(-)	(-)	(500,000,000)
IIFL Facilities Services Limited (Formerly Known as IIFL Realty limited)	-	-	-	-	-	-
	(-)	(10,950,000,000)	(-)	(-)	(-)	(10,950,000,000)
<b>Allocation / Reimbursement of expenses Paid :-</b>						
5Paisa Capital Limited	-	-	-	-	147,856	147,856
	(-)	(-)	(-)	(-)	(7,799,906)	(7,799,906)
IIFL Holdings Limited	12,962,743	-	-	-	-	12,962,743
	(8,427,229)	(-)	(-)	(-)	(-)	(8,427,229)
IIFL Facilities Services Limited (Formerly Known as IIFL Realty limited)	-	28,738,064	-	-	-	28,738,064
	(-)	(27,631,204)	(-)	(-)	(-)	(27,631,204)
India Infoline Finance Limited	-	22,413,812	-	-	-	22,413,812
	(-)	(15,085,136)	(-)	(-)	(-)	(15,085,136)
India Infoline Housing Finance Limited	-	-	9,493,950	-	-	9,493,950
	(-)	(-)	(10,918,623)	(-)	(-)	(10,918,623)
IIFL Management Services Limited ( Formerly Known as India Infoline Insurance Services Limited)	-	1,101,771	-	-	-	1,101,771
	(-)	(-)	(-)	(-)	(-)	(-)
<b>Allocation / Reimbursement of expenses Received</b>						
5Paisa Capital Limited	-	-	-	-	26,026,872	26,026,872
	(-)	(-)	(-)	(-)	(15,852,153)	(15,852,153)
IIFL Wealth Management Limited	-	48,576,954	-	-	-	48,576,954
	(-)	(77,556,355)	(-)	(-)	(-)	(77,556,355)
India Infoline Assets Management Company Limited	-	-	40,827	-	-	40,827
	(-)	(-)	(2,089,331)	(-)	(-)	(2,089,331)
IIFL Commodities Limited (Formerly India Infoline Commodities Limited)	-	11,769,354	-	-	-	11,769,354
	(-)	(12,180,051)	(-)	(-)	(-)	(12,180,051)
IIFL Insurance Brokers Limited (Formerly India Infoline Insurance Brokers Limited)	-	-	-	-	-	-
	(-)	(164,460)	(-)	(-)	(-)	(164,460)
India Infoline Finance Limited	-	109,652,405	-	-	-	109,652,405
	(-)	(105,157,684)	(-)	(-)	(-)	(105,157,684)



**IIFL Securities Limited (Formerly India Infoline Limited)**
**Notes forming part of Standalone financial statements for the year ended March 31, 2018**

Nature of transaction	Holding Company	Fellow Subsidiaries	Group Companies	Key Managerial Person	Other Related Party	Total
India Infoline Housing Finance Limited	-	-	25,476,817	-	-	25,476,817
	(-)	(-)	(23,815,199)	(-)	(-)	(23,815,199)
IIFL Wealth Finance Limited	-	-	-	-	-	-
	(-)	(-)	(1,000,000)	(-)	(-)	(1,000,000)
IIIFL Holdings Limited	2,701,279	-	-	-	-	2,701,279
	(-)	(-)	(-)	(-)	(-)	(-)
IIFL Facilities Services Limited (Formerly Known as IIFL Realty limited)	-	1,248,798	-	-	-	1,248,798
	(-)	(-)	(-)	(-)	(-)	(-)
<b>Others Paid</b>						
5Paisa Capital Limited	-	-	-	-	102,458	102,458
	(-)	(-)	(-)	(-)	(8,829,878)	(8,829,878)
IIIFL Holdings Limited	2,494,466	-	-	-	-	2,494,466
	(6,362,687)	(-)	(-)	(-)	(-)	(6,362,687)
IIFL Wealth Management Limited	-	640,532	-	-	-	640,532
	(-)	(4,190,967)	(-)	(-)	(-)	(4,190,967)
IIFL Facilities Services Limited (Formerly Known as IIFL Realty limited)	-	2,480,944	-	-	-	2,480,944
	(-)	(64,938)	(-)	(-)	(-)	(64,938)
India Infoline Assets Management Company Limited	-	-	-	-	-	-
	(-)	(-)	(291,167)	(-)	(-)	(291,167)
IIFL Commodities Limited (Formerly India Infoline Commodities Limited)	-	677,210	-	-	-	677,210
	(-)	(185,598)	(-)	(-)	(-)	(185,598)
IIFL Insurance Brokers Limited (Formerly India Infoline Insurance Brokers Limited)	-	137,291	-	-	-	137,291
	(-)	(3,652,615)	(-)	(-)	(-)	(3,652,615)
IIFL Management Services Limited (Formerly Known as India Infoline Insurance Services Limited)	-	82,086	-	-	-	82,086
	(-)	(3,857)	(-)	(-)	(-)	(3,857)
India Infoline Finance Limited	-	4,621,579	-	-	-	4,621,579
	(-)	(2,186,630)	(-)	(-)	(-)	(2,186,630)
India Infoline Media & Research Limited	-	94,751	-	-	-	94,751
	(-)	(13,003,096)	(-)	(-)	(-)	(13,003,096)
India Infoline Housing Finance Limited	-	-	389,426	-	-	389,426
	(-)	(-)	(133,041)	(-)	(-)	(133,041)
IIFL Distribution Services Limited (Formerly IIFL Distribution Services Private Limited)	-	-	107,422	-	-	107,422
	(-)	(-)	(216,542)	(-)	(-)	(216,542)
IIFL Wealth Finance Limited	-	-	-	-	-	-
	(-)	(-)	(210,820)	(-)	(-)	(210,820)
<b>Others Received</b>						
IIFL Distribution Services Limited (Formerly IIFL Distribution Services Private Limited)	-	-	75,275	-	-	75,275
	(-)	(-)	(25,078)	(-)	(-)	(25,078)



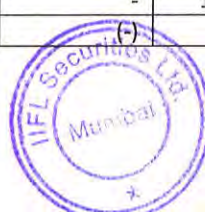
**IIFL Securities Limited (Formerly India Infoline Limited)**
**Notes forming part of Standalone financial statements for the year ended March 31, 2018**

Nature of transaction	Holding Company	Fellow Subsidiaries	Group Companies	Key Managerial Person	Other Related Party	Total
IIFL Wealth Management Limited	-	136,485	-	-	-	136,485
	(-)	(41,437)	(-)	(-)	(-)	(41,437)
India Infoline Assets Management Company Limited	-	-	14,337	-	-	14,337
	(-)	(-)	(2,062)	(-)	(-)	(2,062)
IIFL Commodities Limited (Formerly India Infoline Commodities Limited)	-	290,305	-	-	-	290,305
	(-)	(1,837,166)	(-)	(-)	(-)	(1,837,166)
5Paisa Capital Limited	-	-	-	-	237,709	237,709
	(-)	(-)	(-)	(-)	(17,045)	(17,045)
IIIFL Holdings Limited	41,267	-	-	-	-	41,267
	(111,649)	(-)	(-)	(-)	(-)	(111,649)
IIFL Facilities Services Limited (Formerly Known as IIFL Realty limited)	-	3,915,982	-	-	-	3,915,982
	(-)	(979,559)	(-)	(-)	(-)	(979,559)
IIFL Management Services Limited ( Formerly Known as India Infoline Insurance Services Limited)	-	60,589	-	-	-	60,589
	(-)	(-)	(-)	(-)	(-)	(-)
IIFL Insurance Brokers Limited (Formerly India Infoline Insurance Brokers Limited)	-	40,670	-	-	-	40,670
	(-)	(5,578,453)	(-)	(-)	(-)	(5,578,453)
India Infoline Housing Finance Limited	-	-	994,600	-	-	994,600
	(-)	(-)	(6,363,832)	(-)	(-)	(6,363,832)
India Infoline Finance Limited	-	3,324,580	-	-	-	3,324,580
	(-)	(3,423,501)	(-)	(-)	(-)	(3,423,501)
India Infoline Media & Research Limited	-	41,384	-	-	-	41,384
	(-)	(13,125,804)	(-)	(-)	(-)	(13,125,804)
India Infoline Foundation	-	113,769	-	-	-	113,769
	(-)	(31,178)	(-)	(-)	(-)	(31,178)
IIFL Wealth Finance Limited	-	-	8,504	-	-	8,504
	(-)	(-)	(7,204)	(-)	(-)	(7,204)

**C. Closing balance**

(Amount ₹)

Nature of transaction	Holding Company	Fellow Subsidiaries	Group Companies	Key Managerial Person	Other Related Party	Total
<b>Sundry Payable</b>						-
IIFL Pvt Wealth Management (Dubai) Ltd	-	-	-	-	-	-
	(-)	(-)	(4,388,106)	(-)	(-)	(4,388,106)
IIFL Capital Inc	-	455,552	-	-	-	455,552
	(-)	(6,031,980)	(-)	(-)	(-)	(6,031,980)
IIFL Wealth U.K Limited	-	-	-	-	-	-
	(-)	(1,219,422)	(-)	(-)	(-)	(1,219,422)
IIFL Wealth Management Limited	-	-	-	-	-	-
	(-)	(82,62,687)	(-)	(-)	(-)	(82,62,687)
IIFL Wealth Finance Limited	-	-	-	-	-	-
	(-)	(-)	(15,985)	(-)	(-)	(15,985)
Nirmal Jain	-	-	-	-	13,883,500	13,883,500
	(-)	(-)	(-)	(-)	(100,000)	(100,000)





**IIFL Securities Limited (Formerly India Infoline Limited)**
**Notes forming part of Standalone financial statements for the year ended March 31, 2018**

Nature of transaction	Holding Company	Fellow Subsidiaries	Group Companies	Key Managerial Person	Other Related Party	Total
Aditi Venkataraman	-	-	-	-	44,673	44,673
	(-)	(-)	(-)	(-)	(30,514)	(30,514)
Prasanth Prabhakaran	-	-	-	-	-	-
	(-)	(-)	(-)	(1,000)	(-)	(1,000)
Arindam Chanda	-	-	-	1,227	-	1,227
	(-)	(-)	(-)	(973,927)	(-)	(973,927)
R Mohan	-	-	-	26,540	-	26,540
	(-)	(-)	(-)	(1,000)	(-)	(1,000)
Aniruddha Dange	-	-	-	-	-	-
	(-)	(-)	(-)	(65,859,403)	(-)	(65,859,403)
<b>Sundry Receivable</b>						
India Infoline Assets Management Company Limited	-	-	-	-	-	-
	(-)	(-)	(202,799)	(-)	(-)	(202,799)
Aniruddha Dange	-	-	-	3,097	-	3,097
	(-)	(-)	(-)	(-)	(-)	(-)
R Venkataraman	-	-	-	-	501	501
	(-)	(-)	(-)	(-)	(-)	(-)
Orpheus Trading Pvt Ltd	-	-	-	-	544	544
	(-)	(-)	(-)	(-)	(4)	(4)
Jayesh Upadhyay	-	-	-	734	-	734
	(-)	(-)	(-)	(682)	(-)	(682)
IIFL Facilities Services Limited (Formerly Known as IIFL Realty limited)	-	500,000,000	-	-	-	500,000,000
	(-)	(500,000,000)	(-)	(-)	(-)	(500,000,000)

Note: a. Figures in bracket represent previous year's figure.

**Note 28. Contingent Liabilities:**

- The Company is subject to legal proceedings and claims which have arisen in the ordinary course of the business. The Company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have material and adverse effect on the Company's financial position.
- The claim against the Company not acknowledged as debt were ₹60,362,712 (previous year ₹62,060,007) as on March 31, 2018.
- The Company had below mentioned contingent liabilities not provided for, including following

No.	Name of the Statute	As at March 31,2018	As at March 31,2017
1	In respect of income tax Demands	7,204,616	-

**Note 29. Capital and Other Commitments at Balance Sheet date:**

There were outstanding commitments for capital expenditure (net of advances) to the tune of ₹18,126,816 (previous year ₹55,531,930) and Other Commitment to the tune of ₹51,313,872 (previous year ₹60,977,312) of the total contractual obligation.

**Note 30.** The Company had taken office premises on operating lease at various locations. Lease rents in respect of the same have been charged to Statement of Profit and Loss. The agreements are executed for a period ranging from one to five years with a renewable clause. Some agreements have a clause for a minimum lock-in period. The agreements also have a clause for termination by either party after giving a prior notice period between 30 to 90 days. The Company had also taken some other assets under operating lease.



**IIFL Securities Limited (Formerly India Infoline Limited)**

**Notes forming part of Standalone financial statements for the year ended March 31, 2018**

The minimum future Lease rentals outstanding as at March 31, 2018, are as under. (Amount in ₹)

Minimum Lease Rentals	2017-2018	2016-2017
Due for:		
- Up to one year	20,890,087	8,652,509
- One to five years	15,648,053	41,086,686
<b>Total</b>	<b>36,538,139</b>	<b>49,739,195</b>

**Note 31. Earnings and Expenses in Foreign Currency**

(Amount in ₹)

Particulars	2017-2018	2016-2017
<b>Earning in Foreign Currency</b>		
Advisory Fees & Research Income	93,755,966	99,499,787
<b>Total Earning</b>	<b>93,755,966</b>	<b>99,499,787</b>
<b>Expenses in Foreign Currency</b>		
Marketing Expenses	19,282,357	123,108,397
Membership & Subscription	256,959	434,381
Office Expenses	687,268	11,803
Professional Fees	144,006,736	5,505,061
Software Charges	39,897,889	29,051,279
Travelling Expenses	3,183,954	2,216,917
<b>Total Expenses</b>	<b>207,315,162</b>	<b>160,327,837</b>

**Note 32. Un-hedged Foreign Currency Exposure**

Currency	31 <sup>st</sup> March 2018			31 <sup>st</sup> March 2017		
	Amount in Foreign Currency	Exchange Rate	Amount in Indian ₹	Amount in Foreign Currency	Exchange Rate	Amount in Indian ₹
<b>Accounts Receivables</b>						
USD	29,700	63.93	1,898,602	-	-	-
<b>Accounts Payables</b>						
HKD	6200	8.24	51,088	-	-	-
AED	-	-	-	248,491	17.66	4,388,106
GBP	-	-	-	15,000	81.29	1,219,422
USD	21276	64.86	1,380,062	93,000	64.86	6,031,980



**IIFL Securities Limited (Formerly India Infoline Limited)**

**Notes forming part of Standalone financial statements for the year ended March 31, 2018**

**Note 33. Corporate Social Responsibility**

During the financial year 2017-18, the Company has deployed ₹ 19,458,838 (Previous year ₹ 12,855,000) out of the total liability of ₹ 19,458,838 (Previous year ₹12,854,014) in respect of Corporate Social Responsibility expense, as per Section 135 of Companies Act, 2013. The Company has many ongoing projects and plans to further increase the spend in the years to come through its impact driven projects.

**Note 34.** Previous year's figures are regrouped, reclassified and rearranged wherever considered necessary to confirm to current year's presentation.

**For V. Sankar Aiyar & Co**

Chartered Accountants

Firm's Registration No. 109208W

**By the hands of**



**G. Sankar**

Partner

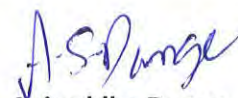
Membership No. : 046050



Place: Mumbai

Date: May 1, 2018

**For and on behalf of the Board of Directors**



**Aniruddha Dange**

Director

(DIN: 02599853)



**Narendra Jain**

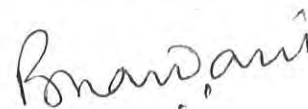
Director

(DIN: 01984467)



**Arindam Chanda**

Chief Executive Officer



**Bhawani Jhanwar**

Chief Financial Officer



**Jayesh Upadhyay**

Company Secretary