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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 Livlong Insurance Brokers Limited
(formerly known as IIFL Insurance Brokers Limited)**

Report on the Audit of the Standalone Ind AS financial statements

Opinion

We have audited the standalone Ind AS financial statements of Livlong Insurance Brokers Limited (formerly known as IIFL Insurance Brokers Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2022, 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 significant 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, 2022 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.

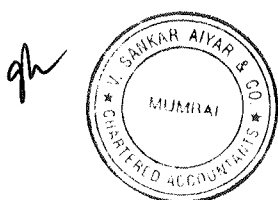
Key Audit Matters

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 not determined any key audit matters for the Company.

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 Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

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.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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.

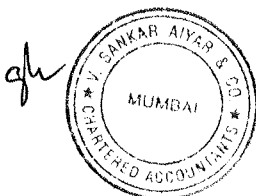
The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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.

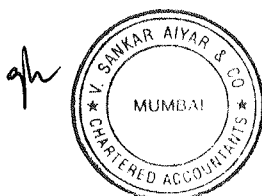
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

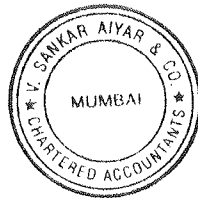
1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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:
According to the information and explanations given to us and based on verification of records, the company has not paid or provided for managerial remuneration during the year.
 - 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:



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- (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 33 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 46(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 34 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 46(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 46(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 dividend declared or paid during the year by the Company is in compliance with section 123 of the Companies Act, 2013.

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



Place: Mumbai
Date: April 25, 2022

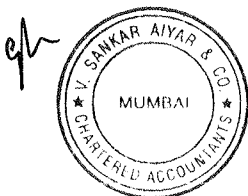
g.sankar

(G. SANKAR)
(M.No.46050)
UDIN: 22046050AJMMRN7178

Annexure A to the Independent Auditor's Report

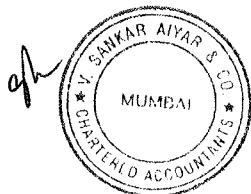
Annexure referred to in our report of even date to the members of Livlong Insurance Brokers Limited (formerly known as IIFL Insurance Brokers Limited) on the standalone financial statements for the year ended 31st March 2022

- (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 is maintaining 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, does not have any immovable property. Therefore, paragraph 3(i)(c) of the Order is not applicable to 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) According to the information and explanation given to us and records of the Company examined by us, the Company has not availed any working capital limits at any point of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order not applicable.
- (iii) According to the information and explanations given to us and records of the Company examined by us, the Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firm, Limited Liability Partnerships or any other parties during the year. Therefore, paragraph 3(iii)(a) to (f) of the Order 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 not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firm, Limited Liability Partnerships or any other parties during the year. Therefore, paragraph 3(iv) of the Order is not applicable to the Company.
- (v) According to the information and explanations given to us and records of the Company examined by us, 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.



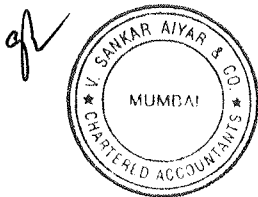
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- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, 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, there are no undisputed statutory dues outstanding for more than six months as at March 31, 2022 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) 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,
- a. According to the 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.
- b. According to the information and explanation given to us 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.
- c. In our opinion and according to the information and explanations given to us, the Company has utilized the money obtained by way of term loans during the year for the purpose for which they were obtained.
- d. According to the information and explanations given to us, and 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 does not have subsidiary and jointly controlled entity. Hence reporting under clause 3(ix)(e) of the order is not applicable.
- f. The Company does not have subsidiary and jointly controlled entity. Hence reporting under clause 3(ix)(f) of the order is 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.
- (b) According to the information and explanations given to us and the records of the Company examined by us, 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, we have not come across any instances of fraud by the Company or on the Company during the year.
- (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).



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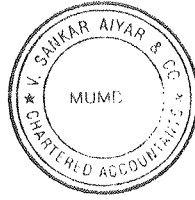
- (xii) In our Opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence clause (xii) of the order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanation given to us, the Company has complied with provisions of sections 188 of Companies Act with respect to related party transactions entered in to during the year and the details have been disclosed in the Financial Statements as required under Ind AS 24 – Related Party Disclosures.
- (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 of the Company 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.
(b) In our opinion and according to information and explanation given to us, Company has not conducted any Non-Banking financial or Housing Finance activities without a valid Certificate of Registration (CoR) from Reserve Bank of India as per Reserve Bank of India Act, 1934. Hence reporting under clause 3 (xvi)(b) of the order are not applicable to the Company.
(c) In our opinion and according to information and explanation given to us, the Company is not core investment company.
(d) 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.



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- (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, the Company does not have ongoing projects. Hence reporting under clause 3(xx)(b) of the Order is not applicable.

Place: Mumbai
Date: April 25, 2022



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

G. Sankar

(G.SANKAR)
(M.No.46050)
UDIN: 22046050AJMMRN7178

Annexure B to the Independent Auditor's Report

Annexure referred to in our report of even date to the members of Livlong Insurance Brokers Limited (formerly known as IIFL Insurance Brokers Limited) on the standalone financial statements for the year ended 31st March 2022

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 Livlong Insurance Brokers Limited (formerly known as IIFL Insurance Brokers Limited) ("the Company") as of March 31, 2022 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

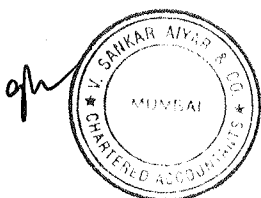
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on 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, 2022 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.

Place: Mumbai
Date: April 25, 2022



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

G. Sankar

(G.SANKAR)
(M.No.46050)
UDIN: 22046050AJMMRN7178

Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited)

Balance Sheet as at March 31, 2022

(₹ in million)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
I ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	3	2.55	4.52
(b) Other intangible assets	3	0.19	0.50
(c) Right of use assets	4	28.74	37.15
(d) Financial Assets			
(i) Others	5	3.05	2.76
(e) Deferred tax assets (Net)	6	9.04	11.32
(f) Other Non-Current Assets	7	27.15	22.39
Sub total		70.72	78.63
(2) Current Assets			
(a) Financial Assets			
(i) Investments	8	94.23	35.13
(ii) Trade receivables	9	4.87	12.23
(iii) Other Receivables	9	68.13	41.66
(iv) Cash and cash equivalents	10	1.47	5.78
(v) Bank balances other than (iv) above	11	10.03	10.03
(vi) Others	12	61.33	63.78
(b) Current tax assets (Net)		-	-
(c) Other Current Assets	13	2.04	1.62
Sub total		242.10	170.22
TOTAL		312.82	248.85
II EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	14	10.00	10.00
(b) Other Equity	15	202.91	160.85
Sub total		212.91	170.85
Liabilities			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	16	21.76	31.19
(b) Provisions	17	2.38	2.01
Sub total		24.14	33.21
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Trade & other payables			
- Outstanding dues of micro & small enterprises		-	-
- Outstanding dues of creditors other than micro & small enterprises	18	37.63	24.21
(ii) Lease Liabilities	19	9.00	8.03
(iii) Other Financial Liabilities	20	0.58	0.60
(b) Other current liabilities	21	15.12	10.48
(c) Provisions	22	0.86	0.87
(d) Current tax liabilities (Net)	23	12.58	0.60
Sub total		75.77	44.80
TOTAL		312.82	248.85

See accompanying notes forming part of Financial statements
As per our attached report of even date

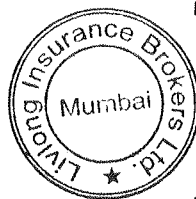
1-49

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

G. Sankar

G.Sankar
Partner
Membership No.: 046050

Place : Mumbai
Dated : Apr 25, 2022



For and on behalf of Board of Directors

Anurag Naik

Anurag Naik
Whole-time Director
(DIN: 07910593)

Ronak Gandhi

Ronak Gandhi
Director
(DIN: 09078918)

Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited)

Statement of Profit and Loss for the year ended March 31, 2022

(₹ in million)

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenues			
a. Revenue from Operations	24	510.20	425.89
b. Other Income	25	5.97	7.31
Total Income		516.17	433.20
Expenses			
a. Employee Benefits Expense	26	100.13	95.38
b. Finance Costs	27	3.08	2.89
c. Depreciation and Amortization Expense	28	13.89	22.63
d. Other Expenses	29	94.30	68.29
Total Expenses		211.40	189.19
Profit Before Tax		304.77	244.01
Tax Expenses:			
Current Tax		74.09	62.73
Deferred Tax		2.29	(1.21)
Short/(Excess) Provision for Tax		1.26	0.66
Total Tax Expenses		77.64	62.18
Profit/(loss) for the period before impact of rate change on opening deferred tax		227.13	181.82
Impact of change in rate on opening deferred tax		-	-
Profit/(Loss) for the period		227.13	181.82
Other Comprehensive Income	30		
A (i) Items that will not be reclassified to profit or loss		(0.05)	0.27
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.02)	(0.07)
Other Comprehensive Income		(0.07)	0.20
Total Comprehensive Income for the Period		227.06	182.02
Earnings per equity share of face value of ₹ 10 each	31		
Basic in (₹)		227.13	181.82
Diluted in (₹)		227.13	181.82

See accompanying notes forming part of Financial statements
As per our attached report of even date

1-49

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

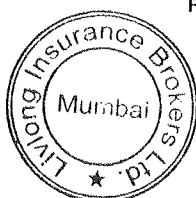
G.Sankar

G.Sankar
Partner
Membership No.: 046050

Place : Mumbai
Dated : Apr 25, 2022



For and on behalf of Board of Directors



Anurag Naik
Anurag Naik
Whole-time Director
(DIN: 07910593)

Ronak Gandhi

Ronak Gandhi
Director
(DIN: 09078918)

Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited)

Cash Flow Statement for the year ended March 31, 2022

(₹ in million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash Flows From Operating Activities		
Net Profit/(Loss) before taxation, and extraordinary item	304.77	244.01
Adjustments for:		
Depreciation & Amortisation	13.89	22.63
Provisions for Gratuity	0.73	0.77
Provisions for Expenses	37.43	24.17
Provisions for Leave Encashment	3.24	2.89
Interest Expenses	3.08	2.89
Interest Income on Bank Fixed Deposits	(0.66)	(0.75)
Capital Gain on Investments	(3.28)	(2.01)
Gain on Termination on Finance Lease	(1.57)	(0.79)
Net Loss/(Gain) on Fair Value of Investments	(0.33)	(0.08)
Net Loss/(Gain) on sale of Fixed Assets	0.81	1.95
Operating Profit/(Loss) Before Working Capital Changes	358.11	295.68
(Increase)/Decrease in Trade & other Receivables	(19.12)	14.70
(Increase)/Decrease in Short Term Loans & Advances	0.01	-
(Increase)/Decrease in Other Current Assets	2.04	(51.49)
Increase/(Decrease) in Current Liabilities	3.89	(5.23)
(Increase)/Decrease in Other Non-Current Assets	(0.08)	5.81
Increase/(Decrease) in Provisions	(2.88)	(2.14)
Increase/(Decrease) in Trade Payable	(24.02)	(14.07)
Cash Generated From Operations	317.95	243.26
Taxes	(68.19)	(67.70)
Net cash flow from/(used in) operating activities (A)	249.76	175.56
Cash Flows From Investing Activities		
Interest Income on Bank Fixed Deposits	0.31	0.60
Purchase of Fixed Assets	(2.49)	(0.36)
Sale of Fixed Assets	0.58	0.55
Net short term investment	(55.47)	26.79
Net cash flow from/(used in) investing activities (B)	(57.07)	27.57
Cash Flows From Financing Activities		
Dividend paid	(185.00)	(185.00)
(Decrease) in borrowings	-	(6.36)
Interest Expenses	(0.00)	(0.15)
Repayment of lease liabilities Including Interest	(12.00)	(13.02)
Net cash flow from/(used in) financing activities (C)	(197.00)	(204.53)
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)	(4.31)	(1.40)
Cash and Cash Equivalents at Beginning of Year (Refer Note No. 10)	5.78	7.18
Cash and Cash Equivalents at End of Year (Refer Note No. 10)	1.47	5.78
Net Increase/(Decrease) in Cash and Cash Equivalents	(4.31)	(1.40)

See accompanying notes forming part of the financial statements (1-49)
As per our attached report of even date

For V Sankar Aiyar & Co.

Chartered Accountants

Firm's Registration No.109208W

G. Sankar

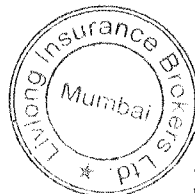
G.Sankar

Partner

Membership No.: 046050

Place : Mumbai

Dated : Apr 25, 2022



For and on behalf of Board of Directors

Anurag Naik

Anurag Naik

Whole-time Director

(DIN: 07910593)

Ronak Gandhi

Ronak Gandhi

Director

(DIN: 09078918)

Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited)

Statement of Changes in Equity for the year ended March 31, 2022

Particulars	As at March 31, 2022		As at March 31, 2021	
	No of shares	Amount	No of shares	Amount
A] Equity Share Capital				
At the beginning of the year	5,00,000	-	5,00,000	5.00
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-
Add: Shares issued during the year under ESOP scheme	-	-	-	-
Less: Shares extinguished on buyback (Refer Note 18)	-	-	-	-
Closing at the end of year	5,00,000	-	5,00,000	5.00

Particulars	Reserves and Surplus						Total
	Capital Reserve	Capital Redemption reserve	Securities Premium	General Reserve	Retained Earnings	Share options outstanding account	
B] Other Equity							
2021-22							
Balance as at April 01, 2021	-	-	5.00	-	158.93	-	160.85
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-
Transfer from/to reserve	-	-	-	-	-	-	-
Additions/(deletions) during the year	-	-	-	-	227.13	-	227.06
Total comprehensive income for the year	-	-	-	-	(185.00)	-	(185.00)
Appropriation towards Dividend	-	-	-	-	-	-	-
Balance as at March 31, 2022	-	-	5.00	-	201.06	-	202.91

Particulars	Reserves and Surplus						Total
	Capital Reserve	Capital Redemption reserve	Securities Premium	General Reserve	Retained Earnings	Share options outstanding account	
2020-21							
Balance as at April 01, 2020	-	-	5.00	-	162.11	-	163.83
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-
Transfer from/to reserve	-	-	-	-	-	-	-
Additions/(deletions) during the year	-	-	-	-	181.82	-	182.02
Total comprehensive income for the year	-	-	-	-	(185.00)	-	(185.00)
Appropriation towards Dividend (Including TDS)	-	-	-	-	-	-	-
Balance as at March 31, 2021	-	-	5.00	-	158.93	-	160.85

See accompanying notes forming part of the financial statements (1-49)

Foot notes : Nature and purpose of reserves

i) Securities premium : Securities premium represents the surplus of proceeds received over the face value of shares, at the time of issue of shares.

ii) Retained earnings : The balance in retained earnings primarily represents the surplus after payment of dividend (including tax on dividend) and transfer to reserves.

As per our attached report of even date

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



Sankar
G.Sankar
Partner
Membership No.: 046050
Place : Mumbai
Dated : Apr 25, 2022



For and on behalf of Board of Directors

Prasad
Anurag Neik
Whole-time Director
(DIN: 07910593)

Ronik Gandhi
Ronik Gandhi
Director
(DIN: 09078918)

Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited)

Notes forming part of the Financial Statements for the year ended March 31, 2022

Note 1. Corporate Information

Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited) ("the Company") is subsidiary of IIFL Securities Limited. The Company undertakes business of Direct Insurance Broking with specific functions as permissible by the IRDA (Insurance Brokers) Regulations 2002 and other related activities.

Note 2. Summary of significant accounting policies:

2.01 Basis of accounting and preparation of financial statements:

The standalone financial statements of the company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 by Ministry of Corporate Affairs ('MCA') as amended from time to time.

The Financial Statements of the Company comprises of Balance Sheets and Statement of Changes in Equity as at March 31, 2022 and March 31, 2021. Cash Flow Statements and Statement of Profit and Loss for years ended March 31, 2022 and March 31, 2021, a summary of significant accounting policies, notes and other explanatory Information. 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 Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The Financial Statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period (Refer accounting policy regarding financial instruments)

The financial statements are presented in Indian Rupee (INR) which is company's presentation and functional currency.

The Financial statements are approved for issue by the company's Board of Directors at its meeting held on Apr 25, 2022.

2.02 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:

(i) Classification of assets and liabilities into current and non-current

The management classifies the assets and liabilities into current and non-current categories based on the operating cycle of the respective business / projects which has been determined to be 12 months cycle.

(ii) Provision for litigation:

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.

(iii) 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.

(iv) Estimation as to the useful lives of Property, Plant & Equipment 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 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.

(v) Measurement of defined benefit obligations and other employee benefits:

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services.

The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Notes - 'Employee benefits'.

(vi) Impairment of financial assets

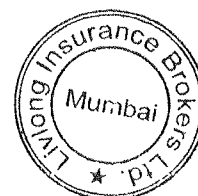
The provision for expected credit loss involves estimating the probability of default and loss given default based on the Company own experience & forward looking estimation.

(vii) Determination of lease term

Ind AS 116 Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

(viii) 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.



Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited)

Notes forming part of the Financial Statements for the year ended March 31, 2022

2.03 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- i) Expected to be realised or intended to be sold or consumed in normal operating cycle
 - ii) Held primarily for the purpose of trading
 - iii) Expected to be realised within twelve months after the reporting period, or
 - iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- All other assets are classified as non-current.

A liability is current when:

- i) It is expected to be settled in normal operating cycle
 - ii) It is held primarily for the purpose of trading
 - iii) It is due to be settled within twelve months after the reporting period, or
 - iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.04 Foreign currency translation:

i) **Functional, Reporting and presentation currency:** The financial statements are presented in Indian Rupee which is the Company's functional and presentation currency.

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
- income and expenses are translated at average exchange rates, and
- all resulting exchange differences are recognised in other comprehensive income.

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.

2.05 Comprehensive income (loss):

Comprehensive income (loss) consists of net earnings (loss) and other comprehensive income (loss) and includes all changes in total equity during a period, except for those resulting from investments by owners and distributions to owners. Accumulated other comprehensive income (loss) (net of income taxes) is included in the balance sheet as a component of common shareholders' equity.

2.06 Cash and Cash Equivalents :

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments. 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.

2.07 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 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.

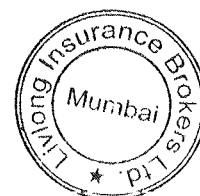
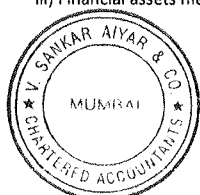
Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through 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)



Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited)

Notes forming part of the Financial Statements for the year ended March 31, 2022

i. Financial assets measured at amortized cost:

A financial asset is measured at the amortized cost if both the following conditions are met:

- The Company business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
- 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.

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:

A financial asset is measured at FVTOCI if both of the following conditions are met:

- The business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Such financial assets are measured initially as well as at each reporting date at fair value. Fair value changes are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes interest income and impairment losses and its reversals in the Statement of Profit and Loss.

On Derecognition of such financial assets, cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss.

iii. Investments in equity instruments at FVOCI:

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 each of the reporting dates, 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 company, 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. 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 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.

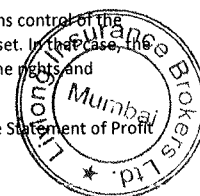
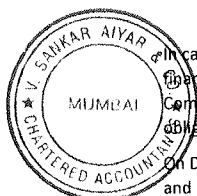
Derecognition:

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:

- The contractual rights to cash flows from the financial asset expires;
- 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;
- 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);
- 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.



Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited)

Notes forming part of the Financial Statements for the year ended March 31, 2022

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 as 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.

ECL are measured in a manner that they 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

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 historically observed default rates and changes in the forward-looking estimates are updated.

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.

2.08 Determination of 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.

Determination of 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.

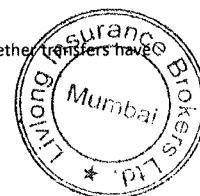
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest 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 that are unobservable for the asset or liability

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.



Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited)

Notes forming part of the Financial Statements for the year ended March 31, 2022

2.09 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.

2.10 Revenue recognition:

Revenue from services is recognized when a customer obtains a control over services and thus has ability to direct the use and obtain the benefits from such services or as per the terms agreed in the contract.

Revenue is recognised at the transaction price which is the amount of consideration to which Company is expected to be entitled to in exchange for transferring promised services to a customer, excluding amounts collected on behalf of third parties (for example, goods and service tax).

Rendering of Services

Revenue from rendering services is recognised when the outcome of a transaction can be estimated reliably by reference to the stage of completion of the transaction. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- i. the amount of revenue can be measured reliably;
- ii. it is probable that the economic benefits associated with the transaction will flow to the Company;
- iii. the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- iv. the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Stage of completion is determined by the proportion of actual costs incurred to-date, to the estimated total costs of the transaction.

Unbilled revenue represents value of services performed in accordance with the contract terms but not billed.

Commission income is recognised as and when the terms of the contract are fulfilled.

Revenue from lending / Investments

i. Interest income on investments and loans is accrued on a time basis by reference to the principal outstanding and the effective interest rate including interest on investments classified as fair value through profit or loss or fair value through other comprehensive income. Interest on customer dues is recognised as income in the Statement of Profit and Loss on accrual basis provided there is no uncertainty towards its realisation.

ii. Dividend income is accounted in the period in which the right to receive the same is established.

iii. Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

2.11 Employee Benefits:

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. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

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.

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. 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:

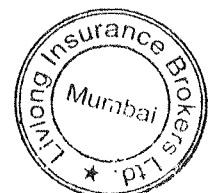
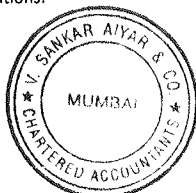
I. Defined contribution plans:

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:

Gratuity scheme: The Company, operates a gratuity scheme for employees. The contribution is paid to a separate fund, towards meeting the Gratuity obligations.



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Notes forming part of the Financial Statements for the year ended March 31, 2022

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 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.

2.12 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 income tax

Provision for current tax is made as per the provisions of the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. 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). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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.

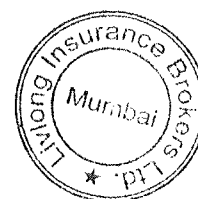
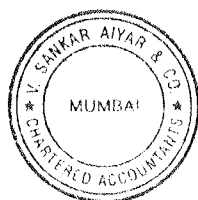
The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

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.

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 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.



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Notes forming part of the Financial Statements for the year ended March 31, 2022

2.13 Property, Plant & 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 property, plant and equipment 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 property, plant and equipment 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 property, plant and equipment 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. 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 are 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 INDAS, the Company has elected to continue with the carrying value for all properties, Plant & equipment as recognised in its IGAAP financials as deemed cost at the transition date of 01-April, 2017.

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. Depreciation on tinting systems leased to dealers, is provided under Straight Line Method over the estimated useful life of nine years as per technical evaluation. 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.

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

* For these class of assets management believes that the useful lives as given above best represent the period over which management expects to use

these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

Individual assets or group of similar assets costing less than or equal to ₹ 5,000 are fully depreciated in the year of purchase.

Capital work in progress and Capital advances:

Cost of assets not 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 Other Non-Current Assets.

2.14 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.

On transition to INDAS, the Company has elected to continue with the carrying value for all intangible assets as recognised in its IGAAP financials as deemed cost at the transition date of 01-April, 2017.

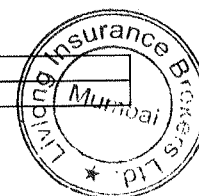
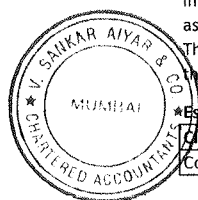
Amortization:

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 life of the assets is as under:

Class of assets	Useful life in years
Computer software	3



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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.

Impairment:

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.

2.15 Provisions, Contingent Liabilities and Contingent Assets:

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, no provision or disclosure is made.

Contingent assets are disclosed only where an inflow of economic benefits is probable.

2.16 Borrowing Costs:

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.

2.17 Leases - Ind AS 116 :

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.

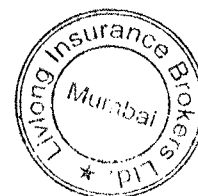
As a lessee :

The Company's lease asset classes primarily consist of leases for buildings and vehicle. The Company assesses whether a contract contains a lease, at inception of a 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 assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.



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Notes forming part of the Financial Statements for the year ended March 31, 2022

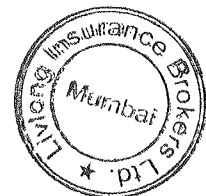
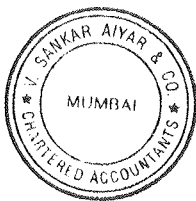
Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.18 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.



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Notes forming part of the Financial Statements for the year ended March 31, 2022

Note 3 : Property, Plant and Equipment

Tangible Assets:

(₹ in million)

Particulars	Computer	Electrical Equipment	Furniture & Fixture	Office Equipment	Total
As at March 31, 2020	16.31	4.10	9.94	1.95	32.30
Addition	0.17	0.05	0.01	0.11	0.34
Disposals/Transfers	0.41	1.64	2.94	0.32	5.32
As at March 31, 2021	16.07	2.50	7.01	1.75	27.33
Addition	1.95	0.02	0.29	0.23	2.49
Disposals/Transfers	0.84	1.32	2.45	0.02	4.63
As at March 31, 2022	17.18	1.20	4.85	1.96	25.19
Accumulated Depreciation:					
As at March 31, 2020	9.33	1.62	5.61	1.31	17.87
Depreciation charge for the year	5.51	0.71	1.22	0.30	7.74
Disposals/Transfers	0.28	0.77	1.50	0.24	2.80
As at March 31, 2021	14.56	1.56	5.32	1.36	22.81
Depreciation charge for the year	1.83	0.34	0.67	0.22	3.06
Disposals/Transfers	0.36	0.88	1.98	0.01	3.23
As at March 31, 2022	16.03	1.02	4.01	1.57	22.64

Net Book Value:

(₹ in million)

Particulars	Computer	Electrical Equipment	Furniture & Fixture	Office Equipment	Total
As at March 31, 2021	1.51	0.94	1.68	0.38	4.52
As at March 31, 2022	1.15	0.18	0.83	0.39	2.55

Intangible Assets:

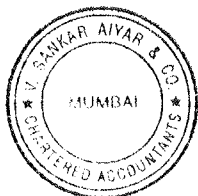
(₹ in million)

Particulars	Software	Total
As at March 31, 2020	11.18	11.18
Addition	0.02	-
Disposals/Transfers	-	-
As at March 31, 2021	11.21	11.18
Addition	-	-
Disposals/Transfers	-	-
As at March 31, 2022	11.21	11.18
Accumulated Depreciation:		
As at March 31, 2020	7.31	7.31
Depreciation charge for the year	3.40	3.40
Disposals/Transfers	-	-
As at March 31, 2021	10.71	10.71
Depreciation charge for the year	0.31	0.31
Disposals/Transfers	-	-
As at March 31, 2022	11.02	11.02

Net Book Value:

(₹ in million)

Particulars	Software	Total
As at March 31, 2021	0.50	0.50
As at March 31, 2022	0.19	0.19



Livlong Insurance Brokers Limited (Formerly known as IFL Insurance Brokers Limited)
Notes forming part of the Financial Statements for the year ended March 31, 2022

Note 4 : Right of Use Asset

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2022 : (₹ in million)

Particulars	Category of ROU asset		Total
	Buildings	Vehicle	
Balance as of March 31, 2020	42.16	0.47	42.63
Additions	15.33	1.00	16.33
Deletion	(10.32)	-	(10.32)
Depreciation	(11.20)	(0.29)	(11.49)
Balance as of March 31, 2021	35.98	1.17	37.15
Additions	22.49	-	22.49
Deletion	(20.38)	-	(20.38)
Depreciation	(10.08)	(0.44)	(10.52)
Balance as of March 31, 2022	28.01	0.73	28.74

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities as at March 31, 2022 (₹ in million)

Particulars	Buildings	Vehicle	As at March 31, 2022
Current lease liabilities	8.63	0.37	9.00
Non-current lease liabilities	21.33	0.43	21.76
Total	29.96	0.80	30.76

The following is the break-up of current and non-current lease liabilities as at March 31, 2021 (₹ in million)

Particulars	Buildings	Vehicle	As at March 31, 2021
Current lease liabilities	7.61	0.42	8.03
Non-current lease liabilities	30.39	0.80	31.19
Total	38.00	1.22	39.22

The following is the movement in lease liabilities during the year ended March 31, 2022 : (₹ in million)

Particulars	Category of ROU asset		Total
	Buildings	Vehicle	
Balance at the beginning	38.00	1.22	39.22
Additions	22.49	-	22.49
Deletion	(21.94)	-	(21.94)
Finance cost accrued during the period	2.90	0.09	2.99
Payment of lease liabilities	(11.49)	(0.51)	(12.00)
Balance at the end	29.96	0.80	30.76

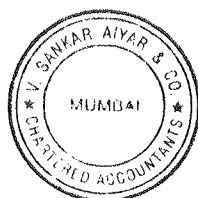
The following is the movement in lease liabilities during the year ended March 31, 2021 : (₹ in million)

Particulars	Category of ROU asset		Total
	Buildings	Vehicle	
Balance at the beginning	43.79	0.49	42.63
Additions	15.33	1.00	16.33
Deletion	(11.11)	-	(11.11)
Finance cost accrued during the period	2.67	0.07	2.74
Payment of lease liabilities	(12.69)	(0.34)	(13.02)
Balance at the end	38.00	1.22	37.58

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2022 on an undiscounted basis:

Particulars	(₹ in million)	
	As at March 31, 2022	As at March 31, 2021
Less than one year	11.12	10.72
One to five years	22.49	30.72
More than five years	4.08	8.38
Total	37.69	49.82

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.



Amounts recognised in profit or loss

(₹ in million)

Particulars	As at March 31, 2022
Interest on lease liabilities	2.99
Variable lease payments not included in the measurement of lease liabilities	-
Income from sub-leasing right-of-use assets	-
Expenses relating to short-term leases	-
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	0.34
Total	3.33

(₹ in million)

Particulars	As at March 31, 2021
Interest on lease liabilities	2.74
Variable lease payments not included in the measurement of lease liabilities	-
Income from sub-leasing right-of-use assets	-
Expenses relating to short-term leases	-
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	0.70
Total	3.44

Amounts recognised in the statement of cash flows

(₹ in million)

Particulars	As at March 31, 2022
Total cash outflow for leases	12.00

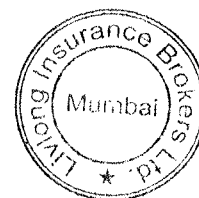
Amounts recognised in the statement of cash flows

(₹ in million)

Particulars	As at March 31, 2021
Total cash outflow for leases	13.02

Rent Concession

The Ministry of Corporate Affairs (MCA) has issued amendment in August 2020 relating to: Ind AS 116, Leases. The said amendment as a Practical expedient permits lessees not to account for COVID-19 related rent concessions as a lease modification. The company has exercised the option of not accounting for Covid related rent concessions as lease modification and has accounted for the rent concession received from the lessors of Rs. 0.51 Million (Previous year.2.28 Million) as income under the head "Other income".



Livlong Insurance Brokers Limited (Formerly known as IFL Insurance Brokers Limited)
Notes forming part of the Financial Statements for the year ended March 31, 2022

Note 5 : Non-current Financial Assets - Others

Particulars	₹ In million	
	As at March 31, 2022	As at March 31, 2021
Balances with bank:		
- In Deposit Account (Maturity more than 12 months)*	3.05	2.76
Total	3.05	2.76

*above deposits are lien marked with IRDA as per regulations.

Note 6 : Deferred Tax Assets

Deferred tax relates to the following:

Particulars	Opening balance As at April 1,	Impact of change in rate on opening deferred	As at March 31, 2022		Closing balance
			Recognised in profit or loss	Recognised in/reclassified from OCI	
Deferred tax assets:					
Unabsorbed depreciation	6.10	-	(0.28)	-	5.82
Provisions for doubtful receivables/other financial asset (including expected credit loss)	3.75	-	(2.03)	-	1.72
Compensated absences and retirement benefits	0.88	-	(0.06)	0.02	0.84
Finance Lease	0.52	-	(0.02)	-	0.50
Bonus	0.09	-	0.18	-	0.27
Total (a)	11.34	-	(2.21)	0.02	9.15
Deferred tax liabilities:					
Unrealised profit on investments	(0.02)	-	(0.08)	-	(0.10)
Total (b)	(0.02)	-	(0.08)	-	(0.10)
Deferred tax assets/(liability) (a) + (b)	11.32	-	(2.29)	0.02	9.04

Particulars	Opening balance As at April 1,	Impact of change in rate on opening deferred	As at March 31, 2021		Closing balance
			Recognised in profit or loss	Recognised in/reclassified from OCI	
Deferred tax assets:					
Unabsorbed depreciation	4.31	-	1.79	-	6.10
Provisions for doubtful receivables/other financial asset (including expected credit loss)	4.25	-	(0.50)	-	3.75
Compensated absences and retirement benefits	1.20	-	(0.26)	(0.07)	0.88
Finance Lease	0.42	-	0.11	-	0.52
Bonus	-	-	0.09	-	0.09
Total (a)	10.18	-	1.23	(0.07)	11.34
Deferred tax liabilities:					
Unrealised profit on investments	(0.00)	-	(0.02)	-	(0.02)
Total (b)	(0.00)	-	(0.02)	-	(0.02)
Deferred tax assets/(liability) (a) + (b)	10.18	-	1.21	(0.07)	11.32

Note 7 : Other Non-Current Assets

Particulars	₹ In million	
	As at March 31, 2022	As at March 31, 2021
Advance Income Tax & Tax Deducted at source (Net of Provision)	26.99	22.30
Prepaid Expenses	0.16	0.09
Total	27.15	22.39

Note 8 : Current Financial Asset - Investments

Particulars	₹ In million	
	As at March 31, 2022	As at March 31, 2021
At Fair Value through profit and loss		
Investment in ICICI MUTUAL FUND March 31, 2022 - 2,98,896.728 (March 31, 2021 - 1,15,285.238)	94.23	35.13
Total	94.23	35.13

Note 9 : Current Financial Assets - Trade Receivables

Particulars	₹ In million	
	As at March 31, 2022	As at March 31, 2021
(i) Trade Receivables		
- Receivables considered good - unsecured (good)	2.73	11.73
- Receivables which have significant increase in Credit Risk	2.51	0.56
- Receivables - credit impaired	1.52	14.90
Total (i) Gross	6.76	27.19
- Less: Impairment loss allowance	(1.89)	(14.97)
Net Total (i)	4.87	12.23
(ii) Other Receivables		
- Receivables considered good - unsecured (good)	68.13	41.66
- Receivables which have significant increase in Credit Risk	-	-
Net Total (ii)	68.13	41.66
Total (i+ii)	73.00	53.88

Trade Receivables ageing schedule FY 2021-22

Particulars	Unbilled	Outstanding for following periods from due date of payment					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	68.13	2.73	-	-	-	-	2.73
(ii) Undisputed Trade Receivables - considered doubtful	-	2.10	0.41	-	-	-	2.51
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	-	0.69	0.83	-	1.52
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-

Trade Receivables ageing schedule FY 2020-21

Particulars	Unbilled	Outstanding for following periods from due date of payment					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	41.66	11.73	-	-	-	-	11.73
(ii) Undisputed Trade Receivables - considered doubtful	-	0.48	0.08	-	-	-	0.56
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	-	0.54	14.36	-	14.90
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-

Note 10 : Current Financial Assets - Cash and Cash Equivalents

Particulars	₹ In million	
	As at March 31, 2022	As at March 31, 2021
Cash & Cash Equivalents		
Cash in hand	-	-
Balances with Bank:		
- In Current Accounts	1.47	5.78
Total	1.47	5.78

Note 11 : Current Financial Assets - Bank Balances

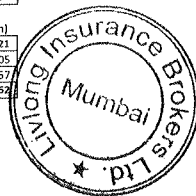
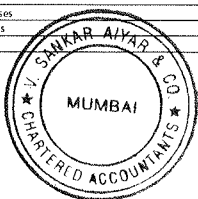
Particulars	₹ In million	
	As at March 31, 2022	As at March 31, 2021
Balances with bank:		
In Deposit account (Maturity more than 3 months less than 12 months)	10.03	10.03
Total	10.03	10.03

Note 12 : Other Financial Assets - Other Current

Particulars	₹ In million	
	As at March 31, 2022	As at March 31, 2021
Accrued Interest on Fixed Deposit	0.03	0.19
Provision for Gratuity	0.41	-
Receivable from related parties (Refer Note 36)	0.36	0.50
Deposit - Legal Cases	52.82	52.82
Security deposit with landlords	7.71	10.27
Total	61.33	63.78

Note 13 : Other Current Assets

Particulars	₹ In million	
	As at March 31, 2022	As at March 31, 2021
Prepaid Expenses	1.05	1.05
Other Advances	0.99	0.57
Total	2.04	1.62



Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited)

Notes forming part of the Financial Statements for the year ended March 31, 2022

Note 14 : Equity

(a) Equity Share Capital

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

(₹ In million)

Particulars	As at March 31, 2022	As at March 31, 2021
Authorized Shares:		
10,00,000 (Previous Year 10,00,000) Equity Shares of ₹ 10/- each	10.00	10.00
Issued, Subscribed and paid up:		
10,00,000 (Previous Year 10,00,000) Equity Shares of ₹ 10/- each fully paid-up	10.00	10.00

b. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at March 31, 2022	As at March 31, 2021
Issued, subscribed and paid up at the beginning of the year [No. of Shares]	10,00,000	10,00,000
Add : Issued during the Year [No. of Shares] *	-	-
Issued, Subscribed and paid up at the end of the year [No. of Shares]	10,00,000	10,00,000

* Pursuant to the provisions of the section 62(1)(a) of the Companies Act, 2013 and the applicable rules (including any statutory modification thereof), applicable laws and in accordance with the relevant provisions of the Memorandum and Articles of Association of the Company, 5,00,000 (Five Lakh Only) Equity Shares in the Company of Rs. 20/- each including premium of Rs.10/- each aggregating to Rs. 1,00,00,000 (Rupees one crore only) be and are hereby issued on right basis, ranking pari passu with the existing equity shares in all respects, to IIFL Securities Limited.

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 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.

d. Details of shareholders holding more than 5% shares in the company

Name of Shareholders	As at March 31, 2022
	No. of Shares
IIFL Securities Limited	10,00,000

Name of Shareholders	As at March 31, 2021
	No. of Shares
IIFL Securities Limited	10,00,000

e. Details of shareholding of promoters

Shares held by promoters at the end of the year	March 31, 2022			March 31, 2021		
	No. of Shares	% of Total Shares	% Changed during the year	No. of Shares	% of Total Shares	% Changed during the year
Promoter Name						
IIFL Securities Limited	10,00,000	100%	NIL	10,00,000	100%	NIL

f. During the period of five years immediately preceding the balance sheet date, the company has not issued any shares without payment being received in cash or by any way of bonus shares or shares bought back.

Note 15 : Other Equity

(₹ In million)

Particulars	As at March 31, 2022	As at March 31, 2021
Retained Earnings	201.06	158.93
Securities premium	5.00	5.00
Other Comprehensive Income:		
Remeasurement on Defined Benefit Plan (net of tax)	(4.22)	(4.21)
Income Tax on Defined Benefit Plan	1.07	1.14
Total	202.91	160.86

Note 16 : Non- Current Financial Liabilities - Lease

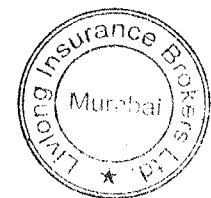
(₹ In million)

Particulars	As at March 31, 2022	As at March 31, 2021
Finance lease obligation	21.76	31.19
Total	21.76	31.19

Note 17 : Provisions - Non-current

(₹ In million)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Leave Encashment	2.38	2.01
Total	2.38	2.01



Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited)
Notes forming part of the Financial Statements for the year ended March 31, 2022

Note 18 : Current Financial Liabilities - Trade & other Payables

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
(1) Trade Payable		
- Outstanding dues of micro & small enterprises	-	-
- Outstanding dues of creditors other than micro & small enterprises	-	-
(a) Creditors for supplies and services	0.17	0.04
(2) Other Payable		
- Outstanding dues of micro & small enterprises	-	-
- Outstanding dues of creditors other than micro & small enterprises	-	-
(a) Accrued Salaries & Benefits	0.41	0.23
(b) Provision for Expenses	37.02	23.94
(c) Other Trade Payables	0.03	-
Total	37.63	24.21

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:

Particulars	FY 2021-22	FY 2020-21
(a) Principal amount remaining unpaid to any supplier at the year end	-	-
(b) Interest due thereon remaining unpaid to any supplier at the year end	-	-
(c) Amount of interest paid and payments made to the supplier beyond the appointed day during the year	-	-
(d) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
(e) Amount of interest accrued and remaining unpaid at the year end	-	-
(f) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the act	-	-

Trade Payables ageing schedule FY 21-22

(₹ in million)

Particulars	Outstanding for following periods from due date of payments					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	37.46	0.11	-	0.06	-	37.63
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

Trade Payables ageing schedule FY 20-21

(₹ in million)

Particulars	Outstanding for following periods from due date of payments					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	24.17	0.04	-	-	-	24.21
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

Note 19 : Current Financial Liabilities - Lease

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Financial Lease obligation	9.00	8.03
Total	9.00	8.03

Note 20 : Current Financial Liabilities - Other

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Gratuity	-	0.60
Payable to related parties (Refer Note 36)	0.55	-
Other payables	0.03	0.00
Total	0.58	0.60

Note 21 : Other Current Liabilities

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory Liabilities Payable	8.62	7.82
Advances received from customers	6.50	2.66
Total	15.12	10.48

Note 22 : Provisions - Current

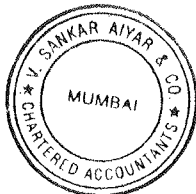
(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Leave Encashment	0.86	0.87
Total	0.86	0.87

Note 23 : Current Tax Liabilities (Net)

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for tax (Net of Advance Income Tax & TDS)	12.58	0.60
Total	12.58	0.60



Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited)

Notes forming part of the Financial Statements for the year ended March 31, 2022

Note 24 : Revenue From Operations

(₹ in million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Commission Income	510.20	425.89
Total	510.20	425.89

Note 25 : Other Income

(₹ in million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest Income on Bank Fixed Deposits	0.66	0.75
Interest Income on Income Tax Refund	-	1.38
Financial Assets measured at fair value through Profit & Loss account(net)		
- Realised	3.28	2.01
- Unrealised	0.33	0.08
Gain on Termination on Finance Lease	1.70	0.79
Other income	0.00	2.30
Total	5.97	7.31

Note 26 : Employee Benefit Expense

(₹ in million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries and bonus	92.70	86.90
Contribution to provident and other funds	3.28	3.29
Share based payments #	0.44	0.71
Gratuity*	0.73	0.77
Staff Welfare Expenses	2.42	2.60
Leave Encashment	0.56	1.11
Total	100.13	95.38

Cash-settled share-based payments

In respect of the cash-settled share-based payments, Employee Stock Options (ESOS) of the holding company are issued to eligible employees of the company. The company makes the necessary payment to the holding company.

*The Company is recognising and accruing the employee benefit as per Ind AS – 19 on “Employee Benefits” the disclosures of which are as follows :

A. Defined Benefit Plans:

i) Reconciliation of opening and closing balances of Defined Benefit Obligation

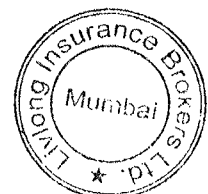
(₹ in million)

Particulars	2021-22	2020-21
Defined benefit obligation as at beginning of year	8.05	7.11
Service Cost	0.69	0.61
Interest on Defined Benefit Obligation	0.52	0.44
Benefit Paid From the Fund	(0.08)	(0.13)
Actuarial changes arising from changes in demographic assumptions	(0.00)	-
Actuarial changes arising from changes in financial assumptions	(0.39)	(0.22)
Actuarial Loss/(Gain) arising on account of experience changes	0.39	0.18
Liabilities assumed / (settled)	(0.31)	0.05
Defined benefit obligation at the end of the year	8.87	8.05

ii) Reconciliation of opening and closing balances of fair value of Plan Assets

(₹ in million)

Particulars	2021-22	2020-21
Fair value of plan assets at the beginning of the year	7.45	4.47
Interest on Plan Asset	0.48	0.28
Benefits paid	(0.08)	(0.13)
Actual return on Plan Assets less Interest on Plan Assets	(0.08)	0.23
Assets acquired /(settled)	-	-
Contributions by employer	1.50	2.60
Fair value of plan assets at the end of the year	9.27	7.45



Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited)

Notes forming part of the Financial Statements for the year ended March 31, 2022

iii) Amount Recognized in the Balance Sheet

(₹ in million)

Particulars	2021-22	2020-21
Net Assets and Liabilities recognised in Balance Sheet		
Present value of Funded Defined Benefit Obligation	(8.87)	(8.05)
Fair value of Plan assets	9.27	7.45
Amount not recognised due to asset limit	-	-
Net Assets and (Liabilities) recognised in Balance Sheet	0.40	(0.60)

iv) Expenses recognised during the year

(₹ in million)

Particulars	2021-22	2020-21
Expenses recognised in Statement of Profit and Loss		
Service cost	0.69	0.61
Interest on Net Defined Benefit Liability / (Asset)	0.04	0.16
Expenses recognised in Statement of Profit and Loss	0.73	0.77

v) Expenses recognised in Other Comprehensive Income

(₹ in million)

Particulars	2021-22	2020-21
Expenses recognised in Other Comprehensive Income		
Actuarial (Gains)/Losses on Obligation for the Period	(0.01)	(0.04)
Actual return on Plan Assets less Interest on Plan Assets	0.08	(0.23)
Expenses recognised in Other Comprehensive Income	0.07	(0.27)

vi) Balance sheet reconciliation

(₹ in million)

Particulars	2021-22	2020-21
Opening net liability	0.60	2.64
Expenses recognized in Statement of Profit or Loss	0.73	0.77
Expenses recognized in OCI	0.07	(0.27)
Net Liability / (Asset) Transfer IN	(0.31)	0.05
Net Liability / (Asset) Transfer Out	-	-
(Benefit Paid Directly by the Employer)	-	-
(Employer's Contribution)	(1.50)	(2.60)
Net Liability /(assets) recognized in the balance sheet	(0.41)	0.60

vii) Investment Details :

(₹ in million)

Particulars	2021-22	2020-21
Category Fund	-	-
Insurance Fund	9.27	7.45
Total	9.27	7.45

vii) Actuarial Assumptions

Discount Rate	6.49%	6.49%
Expected rate of return on plan assets	6.49%	6.49%
Future salary Increase	7.00%	7.00%
Rate of employee turnover	For service 4 years and below 49% p.a. & thereafter 5% p.a.	For service 4 years and below 49% p.a. & thereafter 5% p.a.
Mortality Table	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

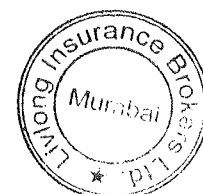
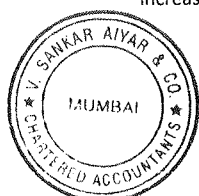
(a) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(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) Sensivity analysis :

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by one percentage, keeping all other actuarial assumptions constant. The following table summarizes the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 100 basis points.



Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited)

Notes forming part of the Financial Statements for the year ended March 31, 2022

(₹ in million)

Particulars	For the period ended on march 31, 2022	For the period ended on march 31, 2021
Change in Discounting Rate:		
Delta Effect of increase by 100 basis point	(0.86)	(0.78)
Delta Effect of decrease by 100 basis point	1.01	0.93
Change in Salary Escalation Rate:		
Delta Effect of increase by 100 basis point	0.76	0.68
Delta Effect of decrease by 100 basis point	(0.67)	(0.61)
Change in Employee Turnover Rate:		
Delta Effect of increase by 100 basis point	0.12	0.07
Delta Effect of decrease by 100 basis point	(0.14)	(0.08)

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.

B. Defined Contributions Plans

Company's Contributions to defined Contribution Plans recognised as expense for the year as under:

(₹ in million)

Particulars	2021-22	2020-21
Contribution to provident fund	1.79	1.64
Contribution to ESIC	0.06	0.10
Contribution to labour welfare fund	0.00	0.00
Contribution to EPS	1.43	1.54
Contribution to NPS	-	0.01

Note 27 : Finance Cost

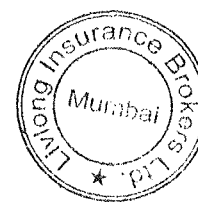
(₹ in million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on borrowings	0.00	0.15
Interest on operating lease	2.99	2.74
Interest Others	0.09	-
Total	3.08	2.89

Note 28 : Depreciation and Amortization Expense

(₹ in million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on property, plant and equipment	3.06	7.74
Depreciation on right of use asset	10.52	11.49
Amortization of intangible assets	0.31	3.40
Total	13.89	22.63



Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited)

Notes forming part of the Financial Statements for the year ended March 31, 2022

Note 29 : Other Expenses

(₹ in million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Advertisement	5.28	1.37
Exchange and Statutory Charges	5.40	0.01
Marketing Expense	3.20	2.08
Direct Operating Expenses	2.14	0.39
Bank Charges	0.01	0.00
Communication	2.72	2.33
Electricity	1.34	1.72
Legal and Professional charges	11.52	4.55
Office Expenses	7.85	7.25
Subscription	0.00	0.02
Postage and Courier	0.03	0.01
Printing and Stationery	0.24	0.17
(Profit)/Loss on sale of assets	0.81	1.95
Expected credit loss (including Provision for doubtful debts and bad debts)	3.07	3.04
Rates & Taxes	0.00	0.00
Repairs & Maintenance		
- Computer	0.00	0.01
- Others	27.52	28.03
Remuneration to Auditors :		
As auditors - Statutory Audit	0.35	0.35
As auditors - Other Audit		
Certification work and other matters	-	-
Out of pocket expenses	-	0.01
Software Charges	17.09	10.08
Travelling and Conveyance	1.53	0.89
Corporate Social Responsibility Expense	4.07	3.79
Miscellaneous Expenses	0.13	0.25
Total	94.30	68.29

Note 30 : Other Comprehensive Income

(₹ in million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Items that will not be reclassified to profit or loss:		
i) Remeasurement of Defined Benefit Plan	(0.05)	0.27
ii) Income Tax on above	(0.02)	(0.07)
Total	(0.07)	0.20

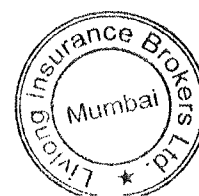
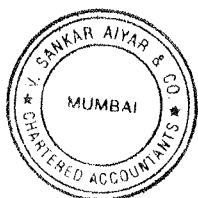
Note 31 : Earning Per Share (EPS)

(₹ in million)

Particulars	2021-22	2020-21
Net profit after Tax as per Statement of Profit & Loss attributable to Equity Shareholders	227.13	181.82
Weighted Number of Equity Shares used as denominator for calculating Basic & Diluted EPS	10,00,000.00	10,00,000.00
Basic Earning per Share (₹)	227.13	181.82
Diluted Earning per Share (₹)	227.13	181.82
Face Value per Equity Share (₹)	10.00	10.00

Note 32 : Corporate Social Responsibility (CSR) :

During the year ended March 31, 2022, the Company spent ₹ 4.07 million (Previous year ₹ 3.79 million) out of the total amount of ₹ 4.07 million (Previous year ₹ 3.79 million) required to be spent as per section 135 of the Companies Act 2013 in respect of Corporate Social Responsibility (CSR). The aforementioned amount has been contributed to India Infoline Foundation.



Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited)

Notes forming part of the Financial Statements for the year ended March 31, 2022

Note 33 : Contingent Liabilities and Commitments

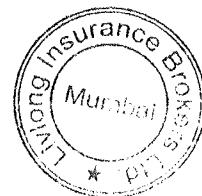
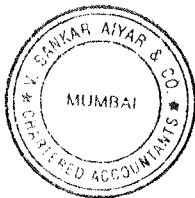
(₹ in million)

Particulars	2021-22	2020-21
(I) Contingent Liabilities		
Claims against the company/disputed liabilities not acknowledge as debts * & **		
In respect of Tax cases net of	0.12	-
In respect of Legal cases (Recourse to recovery of Rs.24.85 Millions)	40.99	54.19
(II) Commitments		
Outstanding Commitment of Capital Expenditure as on balance sheet date	1.35	3.73

(a) The management expects that the demand is likely to be either deleted or substantially reduced and accordingly no provision is been made.

(b)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.

Note 34 : There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at 31st March, 2022.



Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited)

Notes forming part of the Financial Statements for the year ended March 31, 2022

Note 35 : Segment Reporting:

In the opinion of the management, there is only one reportable business segment as envisaged by Ind AS 108 on 'Operating Segment' issued by Institute of Chartered accountant 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 36 : Related Party Transaction

(a) As Per Ind As 24, the disclosures of transaction with the related parties are given below :

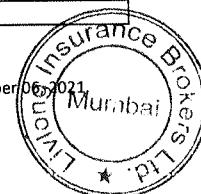
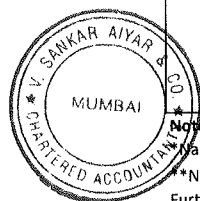
List of related parties where control exists and also related parties with whom transactions have taken place and relationships :

Nature of relationship	Name of party
Holding Company	IIFL Securities Limited
Director or their relatives	Mr. Anurag Umakant Naik - Whole-time Director
	Mr. Bhawani Shankar Jhanwar (till June 13, 2021)
	Mr. Ronak Dhirajlal Gandhi (w.e.f June 13, 2021)
	Mr. Mohammed Shahid (till February 22, 2022)
Key Managerial Personnel (KMP)	Mr. Anurag Umakant Naik - Whole-time Director
Fellow Subsidiaries	IIFL Commodities Limited
	India Infoline Foundation
	Livlong Protection & Wellness Solutions Limited (Formerly IIFL Corporate Services Limited) (Formerly IIFL Asset Reconstruction Limited) **
	IIFL Management Services Limited
	IIFL Facilities Services Limited
	IIFL Capital Inc
	IIFL Securities Services IFSC Limited
	IIFL Wealth (UK) Limited
	Shreyans Foundations LLP
	Meenakshi Tower LLP
Other Related parties	IIFL Finance Limited
	IIFL Home Finance Limited (Formerly India Infoline Housing Finance Limited)
	IIFL Samasta Finance Limited (Formerly Samasta Microfinance Limited)
	IIFL Sales Limited (Step-Down Subsidiary of IIFL Finance Limited)
	IIFL Wealth Management Limited
	IIFL Asset Management Limited
	IIFL Trustee Limited
	IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services Limited)
	IIFL Investment Adviser and Trustee Services Limited
	IIFL Capital Pte. Limited
	IIFL Wealth Prime Limited (Formerly known as IIFL Wealth Finance Limited)
	IIFL Private Wealth Management (Dubai) Limited
	IIFL Inc
	IIFL Asset Management (Mauritius) Limited (Formerly known as IIFL Private Wealth (Mauritius) Limited)
	IIFL Capital (Canada) Limited
	IIFL Wealth Securities IFSC Limited
	IIFL Wealth Altire Limited (Formerly known as IIFL Altire Advisors Limited) (Originally Altire Advisors Private Limited)
	IIFL Wealth Capital Markets Limited (Formerly L&T Capital Markets Limited) (Wholly owned subsidiary of IIFL Wealth Prime Limited)
	IIFL Wealth Portfolio Managers Limited (Formerly IIFL Portfolio Managers Limited)
	IIFLW CSR Foundation
	IIFL (Asia) Pte. Limited (Amalgamated with IIFL Capital Pte Ltd with effect from October 27, 2021)
	IIFL Securities Pte. Limited (Amalgamated with IIFL Capital Pte Ltd with effect from October 27, 2021)
	IIFL Private Wealth Hong Kong Limited (Wound up on March 26, 2021)
	Spaisa Capital Limited
	Spaisa P2P Limited
	Spaisa Insurance Brokers Limited
	Spaisa Trading Limited
	Giskard Datatech Private Limited (Ceased to be associate Company of IIFL Securities Limited (Holding Company) w.e.f. December 30, 2021)
	Mr. Nirmal Jain - Promoter
	Mr. Venkataraman Rajamani - Promoter
	Nirmal Madhu Family Private Trust
	Kalki Family Private Trust
	Ardent Impex Private Limited
	Orpheus Trading Private Limited
	FIH Mauritius Investments Limited
	MNJ Consultants Private Limited
	Sunder Bhawar Ventures Private Limited
India Infoline Employee Trust	

Notes:-

* Name of the Company changed from IIFL Insurance Brokers Limited to Livlong Insurance Brokers Limited w.e.f. February 22, 2022 (ROC approval)

** Name of the Company changed from IIFL Corporate Services Limited to Livlong Protection & Wellness Solutions Limited with effect from October 06, 2021. Further, it is ceased to be Wholly Owned Subsidiary of IIFL Securities Limited with effect from December 01, 2021 (Sale of 5% stake)



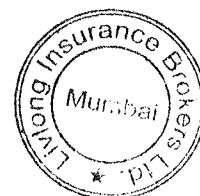
Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited)

Notes forming part of the Financial Statements for the year ended March 31, 2022

(b) Significant Transactions with Related Parties :

(₹ in million)

Nature of transaction	2021-22	2020-21
Donation Paid		
a) Fellow Subsidiaries		
India Infoline Foundation	4.07	3.78
Dividend Paid		
a) Holding Company		
IIFL Securities Limited	185.00	185.00
Interest Expense		
a) Holding Company		
IIFL Securities Limited	-	0.14
Allocation / Reimbursement of expenses Paid		
a) Holding Company		
IIFL Securities Limited	27.50	27.48
ICD Taken		
a) Holding Company		
IIFL Securities Limited	0.50	55.00
ICD Return		
a) Holding Company		
IIFL Securities Limited	0.50	55.00
Others Paid		
a) Holding Company		
IIFL Securities Limited	1.10	0.98
b) Other related parties		
IIFL Finance Limited	0.50	0.22
IIFL Home Finance Limited	0.20	0.07
Spaisa Capital Limited	0.11	-
Others Received		
a) Holding Company		
IIFL Securities Limited	0.16	0.15
b) Fellow Subsidiaries		
IIFL Facilities Services Limited	-	0.02
IIFL Management Services Limited	5.00	
Livlong Protection & Wellness Solutions Limited	0.30	-
c) Other related parties		
IIFL Wealth Management Limited	-	0.02
IIFL Home Finance Limited	0.09	0.07
IIFL Finance Limited	0.02	0.51
Spaisa Capital Limited	-	0.14



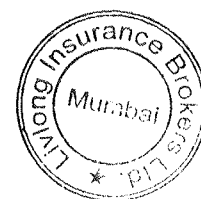
Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited)

Notes forming part of the Financial Statements for the year ended March 31, 2022

(c) Outstanding as on March 31, 2022

(₹ in million)

Nature of transaction	2021-22	2020-21
Others Payable		
a) Holding Company		
IIFL Securities Limited	0.09	-
b) Other related parties		
IIFL Finance Limited	0.24	-
IIFL Home Finance Limited	0.18	-
Spaisa Capital Limited	0.04	-
Others Receivable		
a) Fellow Subsidiaries		
Livlong Protection & Wellness Solutions Limited	0.36	-

Note: Related parties are identified and certified by the management.

Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited)

Notes forming part of the Financial Statements for the year ended March 31, 2022

Note 37 : Lease

(₹ in million)

Minimum Lease Rentals	March 31, 2022	March 31, 2021
Within one year	11.12	10.72
After one year but not more than five years	22.49	30.72
More than five years	4.08	8.38

Note 38 : Income Taxes

The major components of income tax expense for the years ended March 31, 2022 are :

Components of tax expenses/(Income) includes the following:

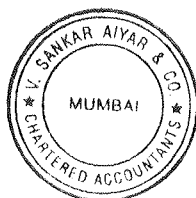
(₹ in million)

Particulars	March 31, 2022	March 31, 2021
Current Income Tax:		
Current Year	74.09	62.73
Changes in estimates related to prior years	1.26	0.66
Deferred Tax:		
Origination and reversal of temporary differences	2.29	(1.21)
Recognition of previously unrecognised tax losses	-	-
Income tax expense reported in the statement of Profit or Loss	77.64	62.18

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2022 :

(₹ in million)

Particulars	March 31, 2022	March 31, 2021
Profit before Tax	304.77	244.01
Tax Rate	25.17%	25.17%
Tax	76.71	61.41
Tax effect of :		
Disallowance Expenses		
Exempt / Deductible Income	1.05	0.95
Tax-exempt income- Others (includes deduction under section 80JJAA)	(0.10)	(0.56)
Differential Tax Rate on Income	-	-
DTA not recognised earlier	-	-
Rate Difference in DTA creation	(1.25)	(0.28)
Adjustments for current tax for prior periods	1.26	0.66
Income tax expense reported in the statement of Profit and Loss	77.64	62.18
Effective Income Tax Rate	25.07%	25.21%



Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited)

Notes forming part of the Financial Statements for the year ended March 31, 2022

Note 39 : Financial Instruments – Fair Values And Risk Management

A. Accounting classification

The carrying value of financial Instruments by categories is as follows:

(₹ in million)

Particulars	31st Mar,2022		31st Mar,2021	
	Fair value through profit or loss	At amortised cost	Fair value through profit or loss	At amortised cost
A] Financial Assets				
Investment in Mutual Fund	94.23	-	35.13	-
Security deposit with landlords	-	7.71	-	10.27
Security deposit with others	-	52.82	-	52.82
Trade receivables	-	4.87	-	12.23
Other Receivable	-	68.13	-	41.66
Cash and Cash Equivalent	-	1.47	-	5.78
Bank balances other than above	-	10.03	-	10.03
Others Financial Assets	-	3.84	-	3.45
Total	94.23	148.87	35.13	136.23
B] Financial Liabilities				
Trade & other Payables	-	37.63	-	24.21
Lease Liabilities	-	9.00	-	8.03
Other Current Financial Liabilities	-	0.58	-	0.60
Total	-	47.20	-	32.84

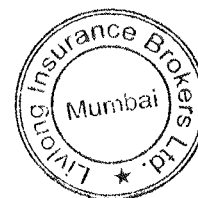
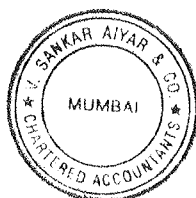
B. Fair value hierarchy

The table which provides the fair value measurement hierarchy of the company's assets and liabilities is as follows:

(₹ in million)

As at March 31, 2022	CARRYING VALUE	Fair Value		
		Level 1	Level 2	Level 3
Financial instruments measured at fair value				
Financial assets				
(a) Investments in Mutual funds and Exchange traded fund	94.23	94.23		
As at March 31, 2021	CARRYING VALUE	Fair Value		
		Level 1	Level 2	Level 3
Financial instruments measured at fair value				
Financial assets				
(a) Investments in Mutual funds and Exchange traded fund	35.13	35.13		

The management assessed that carrying amount of cash and cash equivalents, other bank balances, trade receivables, loans, unsecured borrowings, trade payable and other financial liabilities approximate their fair values largely due to the short- term maturities of these instruments.



Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited)

Notes forming part of the Financial Statements for the year ended March 31, 2022

Note 40 : 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's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The

Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations and investment.

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.

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

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.

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 Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt and Non current investment. The Company does not have any borrowings.

Foreign currency risk: The Company is exposed to foreign currency risk through its purchases of merchandise /receipt of services from overseas parties in various foreign currencies.

The Company evaluates exchange rate exposure arising from foreign currency transactions and the its follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

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, other balances with banks, loans and other receivables and other financial asset.

(₹ in million)				
As at March 31, 2022	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	2.73	2.51	1.52	6.76
Less : Impairment loss allowance	-	(0.37)	(1.52)	(1.89)
Carrying amount	2.73	2.14	-	4.87

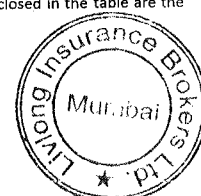
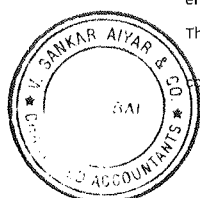
(₹ in million)				
As at March 31, 2021	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Total
Trade Receivables	11.73	0.56	14.90	27.19
Less : Impairment loss allowance	-	(0.07)	(14.90)	(14.97)
Carrying amount	11.73	0.49	-	12.23

(₹ 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
March 31, 2020	0.18	16.79	16.97
Increase/(Decrease) net	-	-	-
March 31, 2021	0.18	16.79	16.97
Increase/(Decrease) net	0.19	(15.27)	(15.08)
March 31, 2022	0.37	1.52	1.89

Financial risk management objectives and policies (Cont.)

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.



Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited)

Notes forming part of the Financial Statements for the year ended March 31, 2022

(₹ in million)				
As at March 31, 2022	< 1 Year	1 to 5 Years	> 5 Years	Total
Trade and Other Payables	37.56	0.06	-	37.62
Bank overdraft	-	-	-	-
Other Financial Liabilities	0.58	-	-	0.58
Total	38.14	0.06	-	38.20

(₹ in million)				
As at March 31, 2021	< 1 Year	1 to 5 Years	> 5 Years	Total
Trade and Other Payables	24.21	-	-	24.21
Bank overdraft	-	-	-	-
Other Financial Liabilities	0.60	-	-	0.60
Total	24.81	-	-	24.81

Exposure To Price Risk

(₹ in million)		
Particulars	March 31, 2022	March 31, 2021
Mutual Fund	94.23	35.13

The effect of upward movement of 5% in the price affects the projected net income by ₹ 4.71 million (previous year ₹ 1.76 million) and further downward movement of 5% the projected net loss will be ₹ 4.71 million (previous year ₹ 1.76 million) for FY 2021-22.

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. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using debt equity ratio

(₹ in million)		
Particulars	31-Mar-22	31-Mar-21
Borrowings	-	-
Total Capital	212.91	170.85
Debt Equity Ratio	NIL	NIL

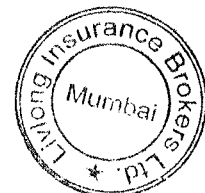
Note 41 : Corporate Social Responsibility

During the year ended March 31, 2022, the Company spent ₹. 4.07 (FY 2020-21 ₹.3.79) out of the total amount of ₹ 4.07 (FY 2020-21 ₹.3.79) required to be spent as per section 135 of the Companies Act 2013 in respect of Corporate Social Responsibility (CSR). The aforementioned amount has been contributed to India Infoline Foundation.

(₹ in million)		
Particulars	March 31, 2022	March 31, 2021
Amount required to be spent by the company during the year	4.07	3.79
Amount of expenditure incurred	4.07	3.79
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall	NA	NA
Nature of CSR activities	Contribution to Foundation	Contribution to Foundation
Details of related party transactions	India Infoline Foundation	India Infoline Foundation

Note 42 : Ratio Analysis

Particulars	March 31, 2022	March 31, 2021	Variance (%)	Remarks
(a) Current Ratio	3.20	3.80	-16%	
(b) Debt-Equity Ratio	NA	NA	NA	
(c) Debt Service Coverage Ratio	NA	NA	NA	
(d) Return on Equity Ratio	1.18	1.06	12%	
(e) Inventory turnover Ratio	NA	NA	NA	
(f) Trade Receivables turnover Ratio	59.70	26.05	129%	Increase in ratio due to increase in revenue from operation
(g) Trade Payables turnover Ratio	3.05	3.56	-14%	
(h) Net capital turnover Ratio	3.10	3.45	-10%	
(i) Net Profit Ratio	0.44	0.42	5%	Increase in ratio due to increase in revenue from operation
(j) Return on capital employed	1.45	1.41	2%	Increase in ratio due to increase in revenue from operation
(k) Return on investment	0.06	0.04	27%	Increase in ratio due to increase investment in Mutual fund



Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited)

Notes forming part of the Financial Statements for the year ended March 31, 2022

Note 43 : Fee and Commission Income

Disaggregation of fee and commission income

In the following table, fee and commission 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 fee and commission income.

Particulars	Financial Product distribution	
	2021-22	2020-21
Base Commission	368.58	297.49
Renewal Commission	138.12	122.73
Commission Income - Others	3.50	5.67
Total fee and commission income from contracts with customers	510.20	425.89

Contract balances

The following table provides information about receivables and contract liabilities from contracts with customers.

Particulars	31-Mar-22		31-Mar-21	
Unbilled Receivables, which are included in other financial assets	68.13		41.66	
Contract liabilities, which are included in other liabilities	-		-	

Note 44 : Income received from Insurer (Top 10 + Others)

As per regulation 34 (6) of IRDAI (Insurance Brokers) Regulations, 2018, following are the details of all the incomes received from insurers:

Name of the Insurer	31-Mar-22		31-Mar-21	
BHARTI AXA LIFE INSURANCE COMPANY LIMITED	171.45		126.33	
ICICI PRUDENTIAL LIFE INSU. CO. LTD	71.32		62.39	
Care Health Insurance Limited	52.04		38.87	
RELIANCE NIPPON LIFE INSURANCE COMPANY LTD	51.87		61.86	
STAR HEALTH AND ALLIED INSURANCE COMPANY LIMITED	48.13		51.09	
HDFC LIFE INSURANCE CO. LIMITED	46.11		28.83	
ManipalCigna Health Insurance Company Limited	16.11		12.42	
THE ORIENTAL INSURANCE COMPANY LIMITED	8.49		-	
Hdfc Ergo General Insurance Co. Ltd	5.67		4.23	
Magma Hdf General Insurance Co Ltd	3.00		-	
RELIGARE HEALTH INSURANCE CO. LTD.	-		32.80	
TATA AIA LIFE INSURANCE COMPANY LTD	-		3.55	
OTHERS	9.54		3.53	

Note 45 : Labour Code

1. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and postemployment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020 draft rules were published and invited for stakeholders' suggestions. However, the date on which the Code will come into effect has not been notified.

The Company will have to assess the impact of the Code on actuarial valuation of gratuity, leave encashment etc. In this regard it is suggested that the company may ask the actuary to work out the same and share with you so that a call can be taken.

Note 46 : Other Disclosure

1. 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.

2. 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.

3. The Company does not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.

4. 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).

5. The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.

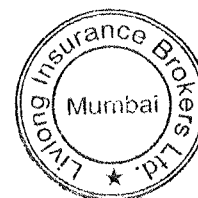
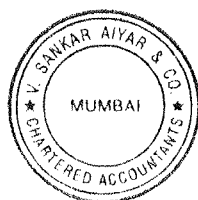
6. During the year, the company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

7. 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.

8. There are no charges or satisfaction yet to be registered with the registrar of companies beyond the statutory period.

9. 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.

10. The company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.



Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited)
Notes forming part of the Financial Statements for the year ended March 31, 2022

Note 47 : Recent Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below:

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its consolidated financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

Note 48 : Note On Covid-19 Impact

While COVID-related challenges persisted in FY22, they were for relatively smaller periods as compared to FY21 and didn't necessitate complete lockdown. Nonetheless, leveraging the learnings from FY21, Company swiftly implemented the best practices to ensure the safety and well-being of employees and other stakeholders. Company's operations continued smoothly, backed by its seamless and robust technology and well-established processes. Company focused on further cementing its bonds with customers, providing the best working environment to its people. It's strong balance sheet, profitability and resilient business model enabled it to combat these unprecedented challenges efficiently.

Note 49 : Figures for the previous year have been regrouped, re-arranged, reclassified wherever necessary As per our attached report of even date

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



G.Sankar
Partner
Membership No.: 046050

Place : Mumbai
Dated : Apr 25, 2022



For and on behalf of Board of Directors



Anurag Naik
Whole-time Director
(DIN: 07910593)



Rohak Gandhi
Director
(DIN: 07784380)