

India Infoline Foundation
Balance Sheet as at March 31, 2019

(Amount in ₹)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
I ASSETS				
(1) Non-Current Assets				
(a) Property, Plant and Equipment	3	3,74,118	-	-
(b) Other non-current assets	4	25,802	11,000	-
Sub total		3,99,920	11,000	-
(2) Current Assets				
(a) Financial assets				
(i) Cash and cash equivalents	5	4,93,50,598	1,21,30,553	3,08,55,702
(ii) Bank balance other than (i) above	6	9,50,00,000	7,85,00,000	1,48,00,000
(iii) Others	7	75,910	1,86,557	15,130
(b) Current tax assets (net)		4,98,828	1,39,097	1,681
(c) Other current assets	8	99,846	-	28,376
Sub total		14,50,25,182	9,09,56,207	4,57,00,889
Total		14,54,25,102	9,09,67,207	4,57,00,889
II EQUITY AND LIABILITIES				
Equity				
(a) Corpus		10,000	10,000	10,000
(b) Other equity	9	14,46,04,762	9,05,70,590	4,51,82,226
Sub total		14,46,14,762	9,05,80,590	4,51,92,226
Liabilities				
(1) Non-Current Liabilities				
(a) Provisions	10	2,36,879	1,20,404	47,960
Sub total		2,36,879	1,20,404	47,960
(2) Current Liabilities				
(a) Financial liabilities				
(i) Trade payables	11	-	-	-
- Outstanding dues of micro & small enterprises		-	-	-
- Outstanding dues of creditors other than micro & small enterprises		4,22,657	1,22,407	1,01,093
(ii) Other financial liabilities	12	5,619	37,805	-
(b) Other current liabilities	13	1,32,670	1,03,502	3,49,829
(c) Provisions	14	12,515	2,499	9,781
Sub total		5,73,461	2,66,213	4,60,703
Total		14,54,25,102	9,09,67,207	4,57,00,889
See accompanying notes forming part of Financial statements	1-24			

As per our attached report of even date

For V Sankar Aiyar & Co.

Chartered Accountants

Firm's Registration No.109208W

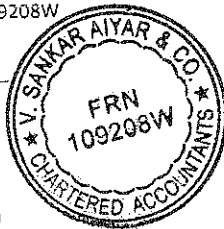
G.Sankar

Partner

Membership No.: 046050

Place : Mumbai

Dated : May 13, 2019



For and on behalf of Board of Directors

[Signature]

Pritesh Mehta

Director

(DIN: 00097471)

[Signature]

Anil Mascarenhas

Director

(DIN: 03575717)

India Infoline Foundation
Income and Expenditure Account for the year ended March 31, 2019

(Amount in ₹)

Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
Incomes			
a. Revenue from operations	15	22,42,61,763	18,63,98,705
b. Other income	16	35,29,493	13,65,568
Total income		22,77,91,256	18,77,64,273
Expenses			
a. Employee benefits expense	17	80,31,717	34,67,766
b. Depreciation and amortization expense	18	74,577	-
c. Other expenses	19	16,56,50,893	13,88,42,457
Total expenses		17,37,57,187	14,23,10,223
Surplus/(deficit) before tax		5,40,34,069	4,54,54,050
Tax expenses:			
Current tax		-	-
Deferred tax		-	-
Total tax expenses		5,40,34,069	4,54,54,050
Surplus/(deficit) for the period			
Other Comprehensive Income			
(i) Items that will not be reclassified to income and expenditure		103	(65,686)
(ii) Income tax relating to items that will not be reclassified to income and expenditure		-	-
Other Comprehensive Income		103	(65,686)
Total Comprehensive Income for the Period		5,40,34,172	4,53,88,364
See accompanying notes forming part of Financial statements	1-24		

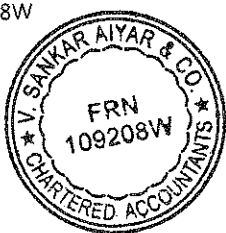
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For and on behalf of Board of Directors

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

G. Sankar

G.Sankar
Partner
Membership No.: 046050



Pritesh Mehta

Pritesh Mehta
Director
(DIN: 00097471)

Anil Mascarenhas

Anil Mascarenhas
Director
(DIN: 03575717)

Place : Mumbai
Dated : May 13, 2019

India Infoline Foundation
Cash Flow Statement for the year ended March 31, 2019

(Amount in ₹)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Cash flows from operating activities		
Net surplus before taxation, and extraordinary item	5,40,34,069	4,54,54,050
Adjustments for:		
Depreciation and amortisation	74,577	-
Interest income	(35,29,493)	(13,65,568)
Provisions for gratuity	56,501	(48,622)
Provisions for leave encashment	92,804	(11,338)
Operating surplus before working capital changes	5,07,28,459	4,40,28,523
(Increase)/Decrease in other non current assets	(14,802)	(11,000)
(Increase)/Decrease in other current assets	10,801	(1,43,051)
Increase/(Decrease) in current liabilities	(3,018)	(2,08,522)
Increase/(Decrease) in Provisions	(22,711)	59,435
Increase/(Decrease) in Trade Payable	3,00,250	21,314
Cash generated from operations	5,09,98,978	4,37,46,699
Taxes	(3,59,731)	(1,37,416)
Net cash flow from/(used in) operating activities (A)	5,06,39,247	4,36,09,283
Cash flows from investing activities		
Interest income	35,29,493	13,65,568
Purchase of fixed assets	(4,48,695)	-
Deposit placed with bank	(1,65,00,000)	(6,37,00,000)
Sale of investments	-	-
Net cash flow from/(used in) investing activities (B)	(1,34,19,202)	(6,23,34,432)
Cash flows from financing activities		
Increase in corpus	-	-
Net cash flow from/(used in) financing activities (C)	-	-
Net increase/(decrease) in cash and cash equivalents (A+B+C)	3,72,20,045	(1,87,25,149)
Cash and cash equivalents at beginning of year	1,21,30,553	3,08,55,702
Cash and cash equivalents at end of year	4,93,50,598	1,21,30,553
Net Increase/(Decrease) in cash and cash equivalents	3,72,20,045	(1,87,25,149)
See accompanying notes forming part of the Financial Statements (1-24)		

As per our attached report of even date

For V Sankar Aiyar & Co.

Chartered Accountants

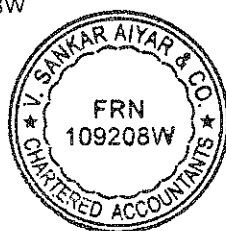
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G. Sankar

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Partner

Membership No.: 046050



For and on behalf of Board of Directors

Pritesh Mehta

Director

(DIN: 00097471)

Anil Mascarenhas

Director

(DIN: 03575717)

Place : Mumbai

Dated : May 13, 2019

India Infoline Foundation

Statement of changes in equity for the year ended March 31, 2019

(Amount in ₹)

Particulars	Retained earnings	Remeasurment on defined benefit plan	Total
Balance as at April 1, 2017	4,51,82,226	-	4,51,82,226
Restated balance at the beginning of the reporting period	-	-	-
Opening restated balance as on April 1, 2017	4,51,82,226	-	4,51,82,226
Total comprehensive income for the year	4,54,54,050	(65,686)	4,53,88,364
Balance as at March 31, 2018	9,06,36,276	(65,686)	9,05,70,590
Total comprehensive income for the year	5,40,34,069	103	5,40,34,172
Balance as at March 31, 2019	14,46,70,345	(65,583)	14,46,04,762

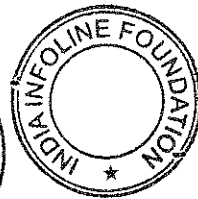
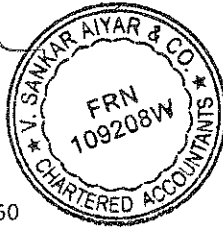
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For V Sankar Aiyar & Co.

Chartered Accountants

Firm's Registration No.109208W

G. Sankar



Pritesh Mehta

Pritesh Mehta
Director
(DIN: 00097471)

AS

Anil Mascarenhas
Director
(DIN: 03575717)

G.Sankar
Partner
Membership No.: 046050

Place : Mumbai
Dated : May 13, 2019

Note 1 Corporate Information

India Infoline Foundation is section 8 Company as per the Companies Act, 2013 was incorporated on February 2014 and its formed to undertake charitable activities

1.1 Composite Scheme of Arrangement:

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

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

The Appointed Date for the amalgamation of IIFL M&R with the IIFL Holdings is opening hours of April 01, 2017 and for all the other demergers/transfers/amalgamation, the Appointed Date is opening hours of April 01, 2018.

The shareholders of the respective Companies have approved the Scheme. The National Company Law Tribunal Bench at Mumbai (Tribunal) has approved the aforementioned Scheme on March 07, 2019 under the applicable provisions of the Companies Act, 2013.

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

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

- Merger of IIFL M&R with IIFL Holdings with effect from the Appointed Date i.e. April 01, 2017;
 - Demerger of Securities Business Undertaking and the Wealth Business Undertaking from IIFL Holdings with effect from the Appointed Date i.e. April 01, 2018; and
 - Transfer of the Broking and Depository Participant Business Undertaking from IIFL Wealth to its wholly owned subsidiary, IIFL Distribution Services Limited with effect from the Appointed Date April 01, 2018.
 - Merger of the IIFL Finance with IIFL Holdings to be given effect after receipt of necessary registration from the RBI.
- Pursuant to the above, the Company has become 100% subsidiary of IIFL Securities Limited w.e.f April 01, 2018 as per the scheme.

Note 2 Summary of significant accounting policies:

2.01 Basis of accounting and preparation of financial statements:

The 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.

For all periods up to and including the year ended 31st March 2018 the Company prepared its financial statements in accordance with accounting standards notified under the Section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP) as amended from time to time. The financial statements for the year ended 31st March 2019 are the company's first Ind AS financial statements. Refer Note 22 for Information on how the company has adopted Ind AS.

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.

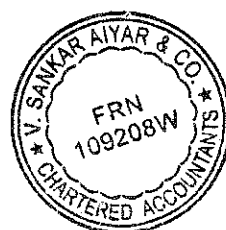
The Financial statements are approved for issue by the company's Board of Directors at its meeting held on May 13, 2019.

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.

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.

2.05 Comprehensive income (loss):

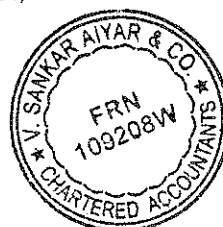
Comprehensive income (loss) consists of net earnings (loss) and other comprehensive income (loss) and includes all changes in total equity during a period, except for those resulting from investments by owners and distributions to owners. Accumulated other comprehensive income (loss) (net of income taxes) 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

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:

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.

Trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement:

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

- i) The Company business model for managing the financial asset and
- ii) The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

- i) Financial assets measured at amortized cost
- ii) Financial assets measured at fair value through other comprehensive income (FVTOCI)
- iii) Financial assets measured at fair value through profit or loss (FVTPL)

i. Financial assets measured at amortized cost:

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

- a) The Company business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI.

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

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:

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

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
- iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- iv. The Company neither transfers nor retains, substantially all risk and rewards of ownership, and does not retain control over the financial asset.

In cases where Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On Derecognition of a financial asset, the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

iv. Impairment of financial assets:

The Company applies Expected Credit Loss (ECL) model for measurement and recognition of loss allowance on the following:

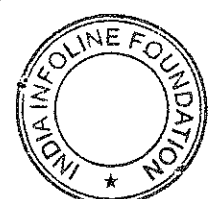
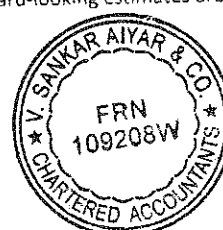
- i. Trade receivables and lease receivables
- ii. Financial assets measured at amortized cost (other than trade receivables and lease receivables)
- iii. Financial assets measured at fair value through other comprehensive income (FVTOCI)

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 conditions.

As a practical expedient, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the 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

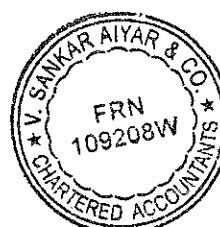
For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

2.09 Revenue recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

(a) Donations are accounted as per the date of receipt & all donations received during the period are towards the objectives of the Company.

(b) Voluntary contributions are accounted on the date of receipt. All voluntary contributions received during the year are towards the objectives of the Company.



Income from Investments

Interest income on investments 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.

2.10 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:

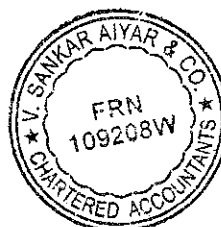
Gratuity scheme: The Company, operates a gratuity scheme for employees. The contribution is paid to a separate fund, towards meeting the Gratuity obligations.

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.



2.11 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 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.

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.

2.12 Property, Plant & Equipment:

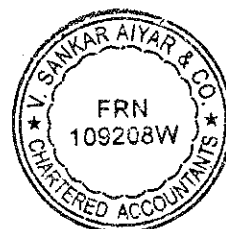
Measurement at recognition: An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

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.

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.

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
Computers*	3

* For 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.

2.13 Provisions, Contingent Liabilities and Contingent Assets:

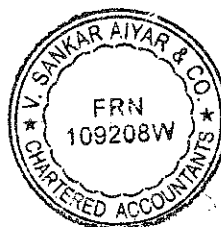
The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated. The 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.



India Infoline Foundation

Notes forming part of the Financial Statements for the year ended March 31, 2019

Note 3 : Property, Plant and Equipment

Tangible Assets:

(Amount in ₹)

Particulars	Computers
Cost:	
As at March 31, 2018	-
Additions	4,48,695
Disposals/transfers	-
As at March 31, 2019	4,48,695
Accumulated depreciation:	
As at March 31, 2018	-
Depreciation charge for the year	74,577
Disposals/transfers	-
As at March 31, 2019	74,577

Net Book Value:

(Amount in ₹)

Particulars	Computers
As at March 31, 2018	-
As at March 31, 2019	3,74,118

Note 4 : Other non current assets

(Amount in ₹)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Other advances	25,802	11,000	-
Total	25,802	11,000	-

Note 5 : Cash and cash equivalents

(Amount in ₹)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Cash & cash equivalents			
Cash in hand	-	-	-
Balances with bank:			
In current accounts	8,36,729	46,30,553	11,55,702
In deposit accounts (maturity less than 3 months)	4,85,13,869	75,00,000	2,97,00,000
Total cash & cash equivalents	4,93,50,598	1,21,30,553	3,08,55,702

Note 6 : Other Bank Balance

(Amount in ₹)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Balances with bank:			
In deposit accounts (maturity more than 3 months)	9,50,00,000	7,85,00,000	1,48,00,000
Total other bank balance	9,50,00,000	7,85,00,000	1,48,00,000

Note 7 : Other financial assets

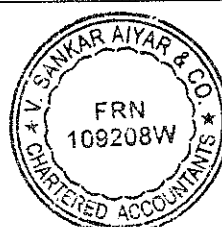
(Amount in ₹)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Interest accrued on fixed deposit	75,910	1,86,557	15,130
Total	75,910	1,86,557	15,130

Note 8 : Other current assets

(Amount in ₹)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Prepaid expenses	99,846	-	-
Service tax credit	-	-	28,376
Total	99,846	-	28,376



India Infoline Foundation

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in ₹)			
Note 9 : Other equity			
Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Retained earnings	14,46,70,345	9,06,36,276	4,51,82,226
Remeasurment on Defined Benefit Plan	(65,583)	(65,686)	-
Total	14,46,04,762	9,05,70,590	4,51,82,226

(Amount in ₹)			
Note 10 : Provisions			
Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Provision for gratuity	1,58,849	1,02,901	26,600
Provision for leave encashment	78,030	17,503	21,360
Total	2,36,879	1,20,404	47,960

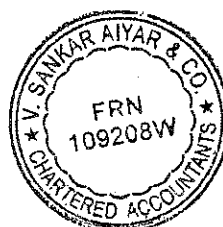
(Amount in ₹)			
Note 11 : Trade payables			
Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
- Outstanding dues of micro & small enterprises	-	-	-
- Outstanding dues of creditors other than micro & small enterprises	-	-	-
(a) Accrued salaries & benefits	6,387	3,491	-
(b) Provision for expenses	3,87,978	91,181	47,256
(c) Other payable	28,292	27,735	53,837
Total	4,22,657	1,22,407	1,01,093

The following disclosure is made as per the requirement under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) on the basis of confirmations sought from suppliers on registration with the specified authority under MSMED:

Particulars	FY 2018-19	FY 2017-18	FY 2016-17
(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	-	-	-

(Amount in ₹)			
Note 12 : Other financial liabilities			
Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Payable to related parties (Refer note 20)	5,619	37,805	-
Total	5,619	37,805	-

(Amount in ₹)			
Note 13 : Other current liabilities			
Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Statutory liabilities payable	1,32,670	1,03,502	3,49,829
Total	1,32,670	1,03,502	3,49,829



India Infoline Foundation

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in ₹)			
Note 14 : Short term provisions			
Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Provision for gratuity	726	379	180
Provision for leave encashment	11,789	2,120	9,601
Total	12,515	2,499	9,781

(Amount in ₹)		
Note 15 : Revenue from operations		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Donation received	22,42,61,763	18,63,98,705
Total	22,42,61,763	18,63,98,705

(Amount in ₹)		
Note 16 : Other income		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest income on fixed deposits	35,29,493	13,65,568
Total	35,29,493	13,65,568

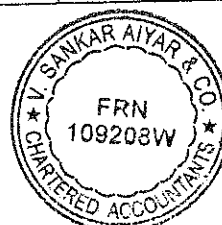
(Amount in ₹)		
Note 17 : Employee benefit expense		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries and bonus	72,06,484	33,14,853
Contribution to provident and other funds	4,40,570	66,832
Gratuity*	56,398	17,064
Staff welfare expenses	2,35,461	80,355
Leave Encashment	92,804	(11,338)
Total	80,31,717	34,67,766

*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 plan

(Amount in ₹)		
Particulars	2018-19	2017-18
Defined benefit obligation as at beginning of year	1,03,280	26,780
Service Cost	48,363	15,251
Interest on Defined Benefit Obligation	8,035	1,813
Actuarial changes arising from changes in demographic assumptions	-	34,148
Actuarial changes arising from changes in financial assumptions	(39,830)	10,377
Actuarial Loss/(Gain) arising on account of experience changes	39,727	21,161
Liabilities assumed / (settled)	-	(6,250)
Defined benefit obligation at the end of the year	1,59,575	1,03,280

(Amount in ₹)		
Particulars	2018-19	2017-18
Fair value of plan assets at the beginning of the year	-	-
Interest on Plan Asset	-	-
Benefits paid	-	-
Actual return on Plan Assets less Interest on Plan Assets	-	-
Assets acquired / (settled)	-	-
Contributions by employer	-	-
Fair value of plan assets at the end of the year	-	-



India Infoline Foundation

Notes forming part of the Financial Statements for the year ended March 31, 2019

	(Amount in ₹)	
Particulars	2018-19	2017-18
Net Assets and Liabilities recognised in Balance Sheet		
Present value of Funded Defined Benefit Obligation	(1,59,575)	(1,03,280)
Fair value of Plan assets	-	-
Funded statues (Surplus/(deficit))	(1,59,575)	(1,03,280)
Net Assets and (Liabilities) recognised in Balance Sheet	(1,59,575)	(1,03,280)

	(Amount in ₹)	
Particulars	2018-19	2017-18
Expenses recognised in Statement of Profit and Loss		
Service cost	48,363	15,251
Interest on Net Defined Benefit Liability / (Asset)	8,035	1,813
Expenses recognised in Statement of Profit and Loss	56,398	17,064

	(Amount in ₹)	
Particulars	2018-19	2017-18
Expenses recognised in Other Comprehensive Income		
Actuarial (Gains)/Losses on Obligation for the Period	(103)	65,686
Actual return on Plan Assets less Interest on Plan Assets	-	-
Expenses recognised in Other Comprehensive Income	(103)	65,686

	2018-19	2017-18
Actuarial Assumptions		
Discount Rate	7.77%	7.78%
Expected rate of return on plan assets	NA	NA
Future salary Increase	5.00%	5.00%
Mortality Table	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

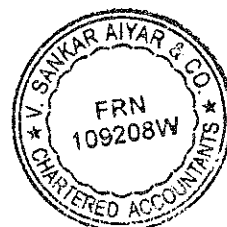
(a) The estimate of future salary increase, considered in the actuarial valuation, takes into account inflation, seniority, promotion, increments and other relevant factors.

(b) The Expected Rate of Return on Plan Assets is determined considering several applicable factors, mainly the composition of Plan Assets held assessed risks, historical results of return on Plan Assets and the Company's policy for Plan Assets Management.

Sensitivity analysis :

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting year, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

	(Amount in ₹)	
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Change in discounting rate:		
Delta effect of increase by 100 basis point	(15,468)	(10,155)
Delta effect of decrease by 100 basis point	18,176	11,890
Change in salary escalation rate:		
Delta effect of increase by 100 basis point	18,506	11,864
Delta effect of decrease by 100 basis point	(15,985)	(10,312)
Change in employee turnover rate:		
Delta effect of increase by 100 basis point	(1,745)	(1,907)
Delta effect of decrease by 100 basis point	1,183	1,852



India Infoline Foundation

Notes forming part of the Financial Statements for the year ended March 31, 2019

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

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.

(Amount in ₹)

Maturity analysis of the benefit payments: from the employer

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
1st following year	726	379
2nd following year	785	2,766
3rd following year	6,021	2,847
4th following year	7,365	6,516
5th following year	13,461	7,227
Sum of years 6 To 10	1,44,104	38,202
Sum of years 11 and above	2,81,367	2,30,539

b) Defined contributions plan

Company's contributions to defined contribution plans recognised as expense for the year as under:

(Amount in ₹)

Particulars	2018-19	2017-18
Contribution to provident & other funds	3,06,639	49,296
Total	3,06,639	49,296

Note 18 : Depreciation and amortization expense

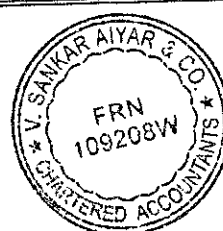
(Amount in ₹)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation on property, plant and equipment	74,577	-
Total	74,577	-

Note 19 : Other expenses

(Amount in ₹)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Bank charges	531	964
Communication	19,111	2,387
Corporate social responsibility expense	4,00,14,599	4,16,04,628
Donation paid	12,42,86,497	9,54,15,058
Legal and professional charges	2,35,258	50,113
Other expenses	79,963	86,564
Postage and courier	-	602
Printing and stationery	28,314	20,973
Rates & taxes	1,621	12,992
Remuneration to Auditors :		
As auditors - Statutory Audit	101	101
Software charges	-	414
Travelling and conveyance	9,84,897	16,47,661
Total	16,56,50,893	13,88,42,457



India Infoline Foundation

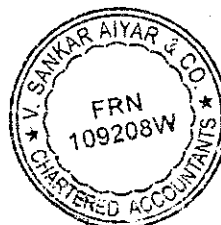
Notes forming part of the Financial Statements for the year ended March 31, 2019

Note 20 : Related Party Transaction

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

Nature of relationship	Name of party
(a) Holding Company	IIFL Holdings Limited (upto April 01, 2018) *
	IIFL Securities Limited (Formerly India Infoline Limited) - (From April 01, 2018) *
(b) Fellow Subsidiaries * (Upto April 01, 2018)	India Infoline Finance Limited
	India Infoline Housing Finance Limited
	IIFL Asset Management Limited (Formerly India Infoline Asset Management Company Limited)
	IIFL Wealth Finance Limited (Formerly Chephis Capital Markets Limited)
	IIFL Wealth Management Limited
(c) Fellow Subsidiaries * (from April 01, 2018)	IIFL Management Services Limited (Formerly India Infoline Insurance Services Limited)
	IIFL Insurance Brokers Limited (Formerly India Infoline Insurance Brokers Limited)
	IIFL Facilities Services Limited (Formerly IIFL Real Estate Limited)
	IIFL Assets Reconstruction Limited
	IIFL Wealth UK Limited
	IIFL Capital Inc
	IIFL Commodities Limited (Formerly India Infoline Commodities Limited)
	IIFL Securities Services IFSC Limited (from August 06, 2018)
(d) Group Companies	SPaisa Capital Limited (Formerly IIFL Capital Limited)
	SPaisa P2P Limited
	SPaisa Insurance Brokers Limited
	Samasta Microfinance Limited w.e.f 1st March 2017
	Ayusha Dairy Private Limited w.e.f 1st March 2017
	IIFL Capital Pte. Limited
	IIFL Securities Pte. Limited
	IIFL Asset Management Limited (Formerly India Infoline Asset Management Company Limited)
	IIFL Alternate Asset Advisors Limited
	IIFL Trustee Limited (Formerly India Infoline Trustee Company Limited)
	IIFL Distribution Services Limited
	IIFL Investment Advisers & Trustee Services Limited (Formerly IIFL Trustee Services Limited)
	India Alternatives Investment Advisors Private Limited-ceased to be group company w.e.f. 30th March
	IIFL Asia Pte Limited
	IIFL Private Wealth Hong Kong Limited
	IIFL Assets Management (Mauritius) Limited (Formerly IIFL Private Wealth (Mauritius) Limited)
	IIFL Private Wealth Management (Dubai) Limited
	IIFL Inc.
	IIFL Private Wealth (Suisse) SA.
(e) Key Management Personnel	Anil Mascarenhas
(f) Other Related Parties	Nirmal Jain
	R Venkataraman
	Pritesh Mehta
	Orpheus Trading Pvt. Limited
	Ardent Impex Pvt. Limited

* Date of Demerger - 1 April 2018 being the appointed date in terms of the Composite Scheme of Arrangement amongst India Infoline Finance Limited ("IIFL Finance"), IIFL Finance Limited (formerly know as IIFL Holdings Limited) ("IIFL Holdings"), India Infoline Media and Research Services Limited ("IIFL M&R"), IIFL Securities Limited ("IIFL Securities"), IIFL Wealth Management Limited ("IIFL Wealth") and IIFL Distribution Services Limited ("IIFL Distribution"), and their respective shareholders, under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 ("Scheme") approved by the Board of Directors of the Holding Company at its meeting held on January 31, 2018, and approved by the National Company Law Tribunal Bench at Mumbai (Tribunal) on March 07, 2019 under the applicable provisions of the Companies Act, 2013.



India Infoline Foundation

Notes forming part of the Financial Statements for the year ended March 31, 2019

(b) Significant transactions with related parties :

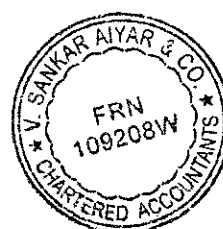
(Amount in ₹)

Nature of transaction	2018-19	2017-18
Donation received		
a. Holding Company		
IIFL Holdings Limited	-	71,80,379
IIFL Securities Limited (Formerly India Infoline Limited)	2,56,22,134	-
b. Fellow subsidiaries		
India Infoline Finance Limited	-	8,68,82,916
IIFL Wealth Management Limited	-	3,28,41,239
IIFL Facilities Services Limited (Formerly IIFL Real Estate Limited)	15,26,730	8,18,505
IIFL Commodities Limited (Formerly India Infoline Commodities Limited)	10,35,465	12,39,790
IIFL Insurance Brokers Limited (Formerly India Infoline Insurance Brokers Limited)	23,40,346	17,73,081
IIFL Management Services Limited	75,400	-
IIFL Wealth Finance Limited (Formerly Chephis Capital Markets Limited)	-	1,07,56,498.00
IIFL Asset Management Limited (Formerly India Infoline Asset Management Company Limited)	-	42,38,460
IIFL Home Finance Limited	-	2,12,09,000
IIFL Securities Limited (Formerly India Infoline Limited)	-	1,94,58,838
c. Others		
IIFL Wealth Finance Limited (Formerly Chephis Capital Markets Limited)	2,45,40,533	-
IIFL Asset Management Limited (Formerly India Infoline Asset Management Company Limited)	13,35,754	-
IIFL Home Finance Limited	3,60,45,000	-
IIFL Holdings Limited	1,14,00,000	-
India Infoline Finance Limited	9,76,21,022	-
IIFL Wealth Management Limited	1,81,17,304	-
IIFL Investment Advisors And Trustee Services Limited	10,50,116	-
IIFL Alternate Asset Advisors Limited	9,76,959	-
Others paid		
a. Holding Company		
IIFL Securities Limited (Formerly India Infoline Limited)	7,02,467	-
b. Fellow subsidiaries		
India Infoline Finance Limited	-	6,250
IIFL Securities Limited (Formerly India Infoline Limited)	-	1,13,769

(c) Balance outstanding :

(Amount in ₹)

Nature of transaction	March 31, 2019	March 31, 2018	April 01, 2017
a. Holding Company			
IIFL Securities Limited (Formerly India Infoline Limited)	5,619	37,805	-



India Infoline Foundation

Notes forming part of the Financial Statements for the year ended March 31, 2019

Note 21 :- Financial Risk Management

The Company financial risk management is an integral part of how to plan and execute its business strategies. The Company risk management policy is approved by the board committee.

The Company principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company operations. The Company principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations and Investment.

The Company is exposed to credit risk and liquidity risk. The Company senior management oversees the management of these risks. The Company senior management is overseen by the 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.

21 B. 1. Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. Since the Company has exposure to regulated entities, the credit risk is limited. It is mitigated by timely monitoring of receivables. The Company has robust accounts receivable collection mechanism which has ensured near zero level of credit risk since inception.

21 B. 2. Credit risk exposure

There is no requirement for providing for expected credit loss as the Company has robust collection mechanism and has not written off any amount due to client credit risk exposure.

21 C. 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.

Particulars	Carrying amount up to 1 year		
	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Trade and other payables	4,22,657	1,22,407	1,01,093
Other financial liabilities	5,619	37,805	-
Total	4,28,276	1,60,212	1,01,093

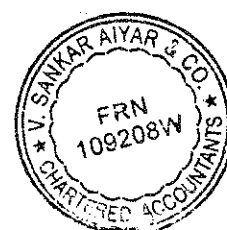
(Amount in ₹)

21 D. 1. Fair values of financial instruments

The company measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

– Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

– Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.



India Infoline Foundation

Notes forming part of the Financial Statements for the year ended March 31, 2019

– Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The company uses widely recognised valuation models to determine the fair value of common and simple financial instruments, such as interest rate and currency swaps, that use only observable market data and require little management judgement and estimation. Observable prices or model inputs are usually available in the market for listed debt and equity securities, exchange-traded derivatives and simple OTC derivatives such as interest rate swaps. The availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determining fair values.

21 D. 2. Financial instruments not measured at fair value

The following table sets out the fair values of financial instruments not measured at fair value and analyses them by the level in the fair value hierarchy into which each fair value measurement is categorised.

(Amount in ₹)

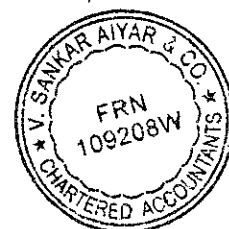
Particulars	At amortised cost		
	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Assets			
Cash and cash equivalents	4,93,50,598	1,21,30,553	3,08,55,702
Bank balance	9,50,00,000	7,85,00,000	1,48,00,000
Other financial asset	75,910	1,86,557	15,130
Total assets	14,44,26,508	9,08,17,110	4,56,70,832
Liabilities			
Trade and other payables	4,22,657	1,22,407	1,01,093
Other financial liabilities	5,619	37,805	-
Total liabilities	4,28,276	1,60,212	1,01,093

The management assessed that carrying amount of cash and cash equivalents, other financial liabilities, trade payables and other financial liabilities approximate their fair value largely due to short - term maturities of these instruments.

Note 22 : First time adoption of Indian Accounting Standards

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

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March 2019, together with the comparative period data as at and for the year ended 31st March 2018, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April 2017, the Company's date of transition to Ind AS. This note explains exemptions availed by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1st April 2017 and the financial statements as at and for the year ended 31st March 2018.



India Infoline Foundation

Notes forming part of the Financial Statements for the year ended March 31, 2019

Exemptions applied

a) Estimates :

The estimates at 1st April 2017 and at 31st March 2018 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- Impairment of financial assets based on expected credit loss model

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1 April 2017, the date of transition to Ind AS and as of 31st March 2018.

b) De-recognition of financial assets and financial liability :

The company has applied the de-recognition requirements under Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

c) Classification and Measurement of Financial Assets :

The Company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS

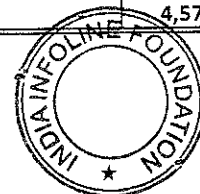
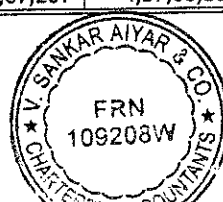
d) Fair Value of Financial Assets and Liabilities :

As per Ind AS exemption, the Company has not fair valued the financial assets and liabilities retrospectively and has measured the same prospectively.

Effect of Ind AS adoption on the standalone balance sheet as at March 31, 2018 and April 1, 2017

(Amount in ₹)

Particulars	As at March 31, 2018			As at April 1, 2017		
	Indian GAAP	Adjustments	As per Ind AS balance sheet	Indian GAAP	Adjustments	As per Ind AS balance sheet
I ASSETS						
(1) Non-Current Assets						
(a) Property, Plant and Equipment	-	-	-	-	-	-
(b) Other non-current assets	11,000	-	11,000	-	-	-
Sub total	11,000	-	11,000	-	-	-
(2) Current Assets						
(a) Financial assets						
Cash and cash equivalents	1,21,30,553	-	1,21,30,553	3,08,55,702	-	3,08,55,702
Bank balance other than (i) above	7,85,00,000	-	7,85,00,000	1,48,00,000	-	1,48,00,000
Others financial assets	1,86,557	-	1,86,557	15,130	-	15,130
(b) Current tax assets (net)	1,39,097	-	1,39,097	1,681	-	1,681
(c) Other current assets	-	-	-	28,376	-	28,376
Sub total	9,09,56,207	-	9,09,56,207	4,57,00,889	-	4,57,00,889
Total	9,09,67,207	-	9,09,67,207	4,57,00,889	-	4,57,00,889
II EQUITY AND LIABILITIES						
Equity						
(a) Corpus	10,000	-	10,000	10,000	-	10,000
(b) Other Equity	9,05,70,590	-	9,05,70,590	4,51,82,226	-	4,51,82,226
Sub total	9,05,80,590	-	9,05,80,590	4,51,92,226	-	4,51,92,226
Liabilities						
(1) Non-Current Liabilities						
(a) Provisions	1,20,404	-	1,20,404	47,960	-	47,960
Sub total	1,20,404	-	1,20,404	47,960	-	47,960
(2) Current Liabilities						
(a) Financial Liabilities						
Trade payables	1,22,407	-	1,22,407	1,01,093	-	1,01,093
Other financial liabilities	37,805	-	37,805	-	-	-
(b) Other current liabilities	1,03,502	-	1,03,502	3,49,829	-	3,49,829
(c) Provisions	2,499	-	2,499	9,781	-	9,781
Sub total	2,66,213	-	2,66,213	4,60,703	-	4,60,703
Total	9,09,67,207	-	9,09,67,207	4,57,00,889	-	4,57,00,889



India Infoline Foundation

Notes forming part of the Financial Statements for the year ended March 31, 2019

Reconciliation of total comprehensive income for the year ended March 31, 2018

(Amount in ₹)

Particulars	Indian GAAP	Adjustments	As per Ind AS for the year ended March 31, 2018
Revenues			
a. Revenue from operations	18,63,98,705	-	18,63,98,705
b. Other income	13,65,568	-	13,65,568
Total income	18,77,64,273	-	18,77,64,273
Expenses			
a. Employee benefits expense	35,33,452	(65,686)	34,67,766
b. Other expenses	13,88,42,457	-	13,88,42,457
Total expenses	14,23,75,909	(65,686)	14,23,10,223
Surplus/(Deficit) before tax	4,53,88,364	65,686	4,54,54,050
Tax expenses:			
Current tax	-	-	-
Deferred tax	-	-	-
Total tax expenses	-	-	-
Surplus/(Deficit) for the period	4,53,88,364	65,686	4,54,54,050
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss	-	(65,686)	(65,686)
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-
Other Comprehensive Income	-	(65,686)	(65,686)
Total Comprehensive Income for the Period	4,53,88,364	-	4,53,88,364

Explanatory Notes to Reconciliation of Total Equity and Total Comprehensive Income

(i) Defined Benefit Liabilities

Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on the basis of actuarial valuation. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability)] are recognised in OCI.

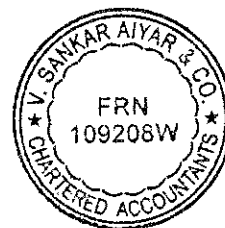
Note 23 : Standards issued but not yet effective :

Amendment to Ind AS 19 – plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

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

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.



India Infoline Foundation

Notes forming part of the Financial Statements for the year ended March 31, 2019

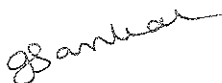
Note 24 : Previous year's figure have been regrouped / reclassified wherever necessary.

As per our attached report of even date

For V Sankar Aiyar & Co.

Chartered Accountants

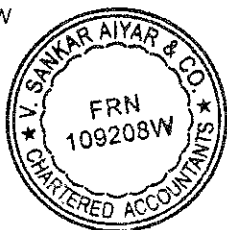
Firm's Registration No.109208W



G.Sankar

Partner

Membership No.: 046050



For and on behalf of Board of Directors



Pritesh Mehta

Director

(DIN: 00097471)



Anil Mascarenhas

Director

(DIN: 03575717)

Place : Mumbai

Dated : May 13, 2019