

IIFL Insurance Brokers Limited

Standalone Financial Statements

As on March 31st, 2019

Tel. : 2200 4465, 2206 7440
Fax : 91-22-2200 0649
E-mail : mumbai@vsa.co.in
Website : www.vsa.co.in

V. Sankar Aiyar & Co.

CHARTERED ACCOUNTANTS
2-C, Court Chambers
35, New Marine Lines
Mumbai - 400 020

INDEPENDENT AUDITOR'S REPORT

To The Members of IIFL Insurance Brokers Limited (formerly known as India Infoline 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 IIFL Insurance Brokers Limited (formerly known as India Infoline Insurance Brokers Limited) ("the Company"), which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended and 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, 2019, profit, total comprehensive income, changes in equity and 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.

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 Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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, the Board of Directors 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.

Those 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 ability of the Company 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.

Other Matters

The comparative financial information of the Company for the year ended 31st March, 2018 and the transition date opening balance sheet as at 1st April, 2017 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with Companies (Accounting Standards) Rules, 2016 audited by us for the year ended 31st March 2018, our report dated 30th April, 2018 and audited by the predecessor auditor for the year ended 31st March, 2017 whose report dated 2nd May, 2017 expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in accounting principles adopted by the company on transition to the Ind AS, which have been audited by us.

Our opinion on the financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters.

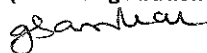


Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit 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 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its managing director during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note No 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.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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



G Sankar
Partner
(Membership No. 46050)

Place: Mumbai

Date: May 13, 2019

Annexure A to the Independent Auditor's Report

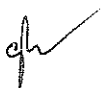
Annexure referred to in our report of even date to the members of IIFL Insurance Brokers Limited (formerly known as India infoline Insurance Brokers Limited) on the accounts for the year ended 31st March 2019

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As explained to us, the assets have been physically verified by the management in accordance with a phased programme of verification which in our opinion is reasonable considering the size of the Company and nature of its fixed assets. According to the information and explanations given to us, no material discrepancies have been noticed on such physical verification.

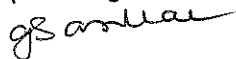
(c) The Company does not have any immovable property. Therefore, paragraph 3(i)(c) of the Order is not applicable to the Company.
- (ii) The company is not carrying on any manufacturing or trading activity. Therefore, paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) The Company has granted loan to 1 company covered in the register maintained under Section 189 of the Companies Act, 2013 ("the Act"), in respect of which:
 - a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the Company were not, prima facie, prejudicial to the interests of the company;
 - b) The borrowers have been regular in the payment of the principal and interest as stipulated;
 - c) There are no overdue amounts as at the balance sheet date, in respect of these loans.
- (iv) According to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act with respect to the loans, investments, guarantees and securities made as applicable.
- (v) The Company has not accepted any deposits from the public, within the meaning of Section 73 to 76 or any other relevant provisions of the Act and Rules framed thereunder. We are informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or other tribunal.
- (vi) According to the information and explanations given to us, in respect of the class of industry the company falls under, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act. Therefore, paragraph 3(vi) of the Order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us the Company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, service tax, sales tax, value added tax, goods and services tax, cess and other statutory dues as applicable to the Company with the appropriate authorities. Further as explained, there are no undisputed statutory dues outstanding for more than six months as at 31st March 2019 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, Service Tax, Goods and Services Tax, Excise Duty, Customs Duty and Cess which have not been deposited on account of any dispute.
- (viii) Based on our audit procedures and according to the information and explanations given to us, the Company has not borrowed from debenture holders or financial institutions or banks or government during the year. Therefore, paragraph 3(viii) of the Order is not applicable to the Company.
- (ix) According to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Therefore, paragraph 3(ix) of the Order is not applicable to the Company.



- (x) According to the information and explanations given to us, and based on the audit procedures performed and the representations obtained from the management, we report that no fraud by the company or on the Company by its officers or employees, having a material misstatement on the financial statements has been noticed or reported during the period under audit.
- (xi) According to the information and explanations given to us and based on verification of records, the Company has paid or provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Sec 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion and according to the explanations given to us, the Company is not a Nidhi Company and hence clause (xii) of the order is not applicable to the Company.
- (xiii) According to the information and explanation given to us and based on verification of the records, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) According to the information and explanations given to us, the company is not required to be registered under Sec 45-IA of the Reserve Bank of India Act, 1934.

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



(G Sankar)
Partner
(Membership No. 46050)

Place: Mumbai

Date: May 13, 2019

Annexure B to the Independent Auditor's Report

Annexure referred to in our report of even date to the members of IIFL Insurance Brokers Limited (formerly known as India Infoline Insurance Brokers Limited) on the standalone accounts for the year ended 31st March 2019

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

We have audited the internal financial controls over financial reporting of IIFL Insurance Brokers Limited (formerly known as India Infoline Insurance Brokers Limited) ("the Company") as of March 31st, 2019 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.



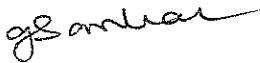
Inherent Limitations of Internal Financial Controls over Financial Reporting

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, 2019 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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



G Sankar
Partner
(Membership No. 46050)

Place: Mumbai

Date: May 13, 2019

IIFL Insurance Brokers Limited
(Formerly Known India Infoline Insurance Brokers Limited)
Standalone Balance Sheet as at March 31, 2019

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
(₹ in million)				
I ASSETS				
(1) Non-Current Assets				
(a) Property, Plant and Equipment	3	23.12	4.02	7.34
(b) Other intangible assets	3	6.52	9.94	0.13
(c) Financial Assets				
(i) Loans	4	12.62	3.21	15.95
(ii) Others	5	2.46	2.36	2.13
(d) Deferred tax assets (Net)	6	5.49	11.72	38.96
(e) Other Non-Current Assets	7	70.96	10.71	59.90
Sub total		121.17	41.96	124.41
(2) Current Assets				
(a) Financial Assets				
(i) Investments	8	-	79.83	-
(ii) Trade receivables	9	27.69	21.37	20.76
(iii) Cash and cash equivalents	10	4.02	27.56	7.34
(iv) Bank balances other than (iii) above	11	10.00	10.00	10.00
(v) Loans	12	130.00	-	-
(v) Others	13	53.25	51.19	0.22
(b) Current tax assets (Net)	14	-	55.22	9.23
(c) Other Current Assets	15	1.77	1.53	5.02
Sub total		226.73	246.70	52.57
TOTAL		347.90	288.66	176.98
II EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	16	5.00	5.00	5.00
(b) Other Equity	17	322.79	263.63	126.14
Sub total		327.79	268.63	131.14
Liabilities				
(1) Non-Current Liabilities				
(a) Provisions	18	0.92	0.30	0.28
Sub total		0.92	0.30	0.28
(2) Current Liabilities				
(a) Financial Liabilities				
(i) Trade & other payables	19	-	-	-
- Outstanding dues of micro & small enterprises		8.45	6.26	36.98
- Outstanding dues of creditors other than micro & small enterprises		2.28	2.34	1.52
(ii) Other Financial Liabilities	20	7.88	4.16	3.32
(b) Other current liabilities	21	0.58	0.15	0.08
(c) Provisions	22	-	6.82	3.66
(d) Current tax liabilities (Net)	23	19.19	19.73	45.56
Sub total		19.19	19.73	45.56
TOTAL		347.90	288.66	176.98
See accompanying notes forming part of Standalone Financial statements				
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 : May 13, 2019



For and on behalf of Board of Directors

Anurag Naik

Anurag Naik
Director
(DIN: 07910593)

Bhawani Jhanwar

Bhawani Jhanwar
Director
(DIN: 08250590)



IIFL Insurance Brokers Limited
(Formerly Known India Infoline Insurance Brokers Limited)
Standalone Statement of Profit and Loss for the year ended March 31, 2019

		(₹ in million)	
Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenues			
a. Revenue from Operations	24		
b. Other Income	25	352.30	262.85
Total Income		15.01	38.86
		367.31	301.71
Expenses			
a. Employee Benefits Expense	26	114.35	41.74
b. Finance Costs	27	0.01	0.01
c. Depreciation and Amortization Expense	3	12.73	3.21
d. Other Expenses	28	69.34	46.52
Total Expenses		196.43	91.47
Profit Before Tax			
Tax Expenses:		170.88	210.24
Current Tax			
Deferred Tax		49.75	74.64
Short/(Excess) Provision for Tax		0.81	(1.35)
Total Tax Expenses		(0.32)	(0.63)
Profit/(Loss) for the period	29	50.24	72.66
Other Comprehensive Income	30	120.64	137.58
A (i) Items that will not be reclassified to profit or loss			
(ii) Income tax relating to items that will not be reclassified to profit or loss		(1.70)	(0.13)
		0.49	0.04
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
Other Comprehensive Income		(1.21)	(0.09)
Total Comprehensive Income for the Period		119.43	137.49
Earnings per equity share of face value of ₹ 10 each	31		
Basic in (₹)		241.28	275.17
Diluted in (₹)		241.28	275.17
See accompanying notes forming part of Standalone Financial statements			
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 : May 13, 2019



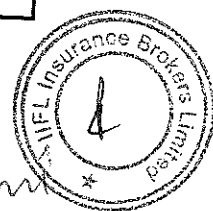
For and on behalf of Board of Directors

Anurag Naik

Anurag Naik
Director
(DIN: 07910593)

Bhawani Jhanwar

Bhawani Jhanwar
Director
(DIN: 08250590)



IIFL Insurance Brokers Limited
(Formerly Known India Infoline Insurance Brokers Limited)

Statement of Changes in Equity for the year ended March 31, 2019

A] Equity Share Capital

Particulars	Nos.	(₹ in million)
As at April 1, 2017	5,00,000	5.00
issued during the year	-	-
As at March 31, 2018	-	-
issued during the year	5,00,000	5.00
As at March 31, 2019	-	-
	5,00,000	5.00

B] Other Equity

Particulars	Reserves and Surplus			Equity Instruments through Other Comprehensive Income	Exchange differences on translating the financial statements of a foreign operation	Other Comprehensive Income - Remeasurment on Defined Benefit Plan	Total
	Securities Premium	General Reserve	Retained Earnings				
Balance as at April 1, 2017	-	-	126.92	-	-	-	126.92
Restated balance at the beginning of the reporting period	-	-	(0.78)	-	-	-	(0.78)
Opening Restated Balance as on April 1, 2017	-	-	126.14	-	-	-	126.14
Total Comprehensive Income for the year	-	-	137.58	-	-	(0.09)	137.49
Dividend Paid (including Tax)	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-
Balance as at March 31, 2018	-	-	263.72	-	-	(0.09)	263.63
Total Comprehensive Income for the year	-	-	120.64	-	-	(1.21)	119.42
Appropriation towards Dividend	-	-	(50.00)	-	-	-	(50.00)
Appropriation towards Corporate Dividend tax	-	-	(10.27)	-	-	-	(10.27)
Transfer to retained earnings	-	-	-	-	-	-	-
Balance as at March 31, 2019	-	-	324.09	-	-	(1.30)	322.79

Footnotes : Nature and purpose of reserves

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

G. Sankar

G.Sankar
Partner
Membership No.: 046050

Place : Mumbai
Dated : May 13, 2019



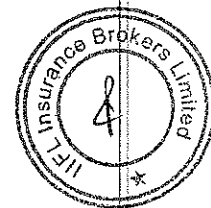
For and on behalf of Board of Directors

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(DIN: 08250590)



IIFL Insurance Brokers Limited
(Formerly Known India Infoline Insurance Brokers Limited)
Standalone Cash Flow Statement for the year ended March 31, 2019

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(₹ in million)		
Cash Flows From Operating Activities		
Net Profit/(Loss) before taxation, and extraordinary item	170.88	210.24
Adjustments for:		
Depreciation & Amortisation	12.73	3.21
Provisions for Gratuity	(1.37)	0.15
Provisions for Leave Encashment	1.14	0.19
Interest Expenses	0.01	0.01
Interest Income on Bank Fixed Deposits	(0.88)	(0.88)
Interest Income ICD	(4.03)	-
Capital Gain on Investments	(9.25)	(1.19)
Net Loss/(Gain) on Fair Value of Investments	2.64	(2.64)
Net Loss/(Gain) on sale of Fixed Assets	(0.06)	3.89
Operating Profit/(Loss) Before Working Capital Changes	171.81	212.98
(Increase)/Decrease in Long Term Loans & Advances	(9.41)	12.74
(Increase)/Decrease in Trade Receivables	(6.31)	(0.61)
(Increase)/Decrease in Short Term Loans & Advances	(130.00)	-
(Increase)/Decrease in Other Current Assets	(2.04)	(47.34)
Increase/(Decrease) in Current Liabilities	3.62	1.66
(Increase)/Decrease in Other Non-Current Assets	(60.34)	48.95
Increase/(Decrease) in Provisions	(0.42)	(0.38)
Increase/(Decrease) in Trade Payable	2.21	(30.73)
Cash Generated From Operations	(30.88)	197.27
Taxes	4.90	(88.22)
Net cash flow from/(used in) operating activities (A)	(25.98)	109.05
Cash Flows From Investing Activities		
Interest Income on Bank Fixed Deposits	0.69	0.74
(Purchase)/Sale of Fixed Assets (net)	(28.36)	(13.58)
Purchase of Investments	(7,872.90)	(3,921.40)
Sale of Investments	7,959.34	3,845.40
Net cash flow from/(used in) investing activities (B)	58.77	(88.84)
Cash Flows From Financing Activities		
Dividend paid (including dividend distribution tax)	(60.28)	-
Interest Income ICD	3.97	-
Interest Expenses	(0.01)	(0.01)
Net cash flow from/(used in) financing activities (C)	(56.32)	(0.01)
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)	(23.54)	20.22
Cash and Cash Equivalents at Beginning of Year (Refer Note No. 10)	27.56	7.34
Cash and Cash Equivalents at End of Year (Refer Note No. 10)	4.02	27.56
Net Increase/(Decrease) in Cash and Cash Equivalents	(23.54)	20.22

See accompanying notes forming part of the standalone financial statements
As per our attached report of even date

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

G. Sankar

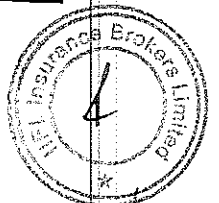
G. Sankar
Partner
Membership No.: 046050

Place : Mumbai
Dated : May 13, 2019

For and on behalf of Board of Directors

Anurag Naik
Anurag Naik
Director
(DIN: 07910593)

Bhawani Jhanwar
Bhawani Jhanwar
Director
(DIN: 08250590)



IIFL Insurance Brokers Limited
(Formerly Known India Infoline Insurance Brokers Limited)

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

Note 1. Corporate Information

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.

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:

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

- a) Merger of IIFL M&R with IIFL Holdings with effect from the Appointed Date i.e. April 01, 2017;
- b) 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
- c) 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.
- d) 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 42 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 standalone financial statements are presented in Indian Rupee (INR) which is company's presentation and functional currency and all values are rounded to the nearest Millions (up to two decimals) except otherwise indicated.

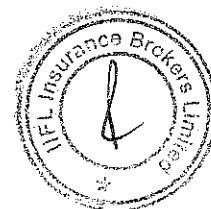
The Financial statements are approved for issue by the company's Board of Directors at its meeting held on May 13, 2019.

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.

2.04 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

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.

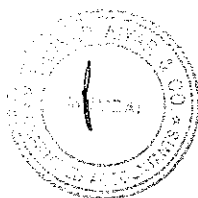
Based on the above criteria, the Company classifies its financial assets into the following categories:

- 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. Investments in equity instruments at FVTOCI:

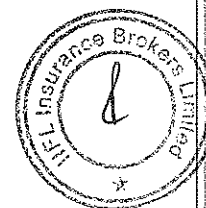
On initial recognition, the company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for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

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

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

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

Impairment of financial assets:

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

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

In case of trade receivables and lease receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance.

In case of other assets (listed 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:

The Company has adopted Ind AS 115, Revenue from Contracts with Customers, with effect from 1 April 2018.

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.

2.10 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:

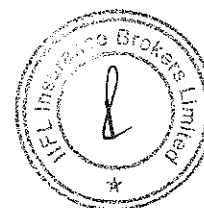
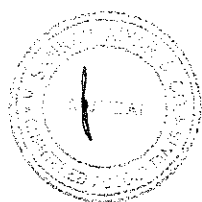
i. Defined contribution plans:

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 (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.

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.



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. 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.



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

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.

2.13 Provisions, Contingent Liabilities and Contingent Assets:

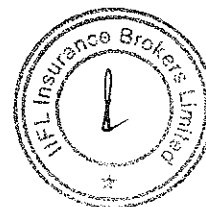
The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated. The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



2.14 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.

2.15 Lease accounting :

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

Finance lease as lessee:

In respect of assets obtained on finance leases, assets are recognised at lower of the fair value at the date of acquisition and present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. The excess of lease payments over the recorded lease obligations are treated as 'finance charges' which are allocated to each lease term so as to produce a constant rate of charge on the remaining balance of the obligations.

Finance lease as lessor:

In respect of assets provided on finance leases, amounts due from lessees are recorded as receivables at the amount of the Company net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company net investment outstanding in respect of the leases.

Operating lease as lessor:

In respect of assets given on operating lease, lease rentals are recognised on a straight line basis over the term of lease unless;

- i) Another systematic basis is more representative of the time pattern in which the benefit is derived from leased asset; or
- ii) The payments to the lessor are structured to increase in line with the expected general inflation to compensate the lessor's expected inflationary cost increases, in which case the rental are recognised based on contractual term.

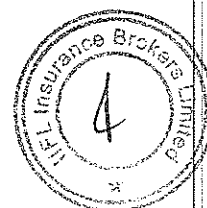
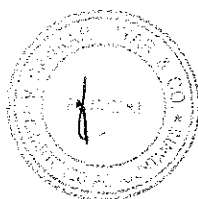
Operating lease as lessee:

In respect of assets taken on operating lease, lease rentals are recognised on a straight line basis over the term of lease unless;

- i) Another systematic basis is more representative of the time pattern in which the benefit is derived from leased asset; or
- ii) The payments by lessee are structured to increase in line with the expected general inflation to compensate the lessor's expected inflationary cost increases, in which case the rental are recognised based on contractual term.

2.16 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 Standalone Financial Statements for the year ended March 31, 2019

Note 3 : Property, Plant and Equipment

Tangible Assets:

Particulars	Computer	Electrical Equipment	Furniture & Fixture	Office Equipment	Total
(₹ in million)					
Cost:					
As at April 1, 2017	0.94	0.83	3.85	1.72	7.34
Addition	1.86	0.88	1.23	0.81	4.78
Disposals/Transfers	0.30	0.63	3.63	1.17	5.73
As at March 31, 2018	2.50	1.08	1.45	1.36	6.39
Addition	15.56	2.65	8.88	1.30	28.39
Disposals/Transfers	0.02	-	0.01	-	0.03
As at March 31, 2019	18.04	3.73	10.32	2.66	34.75
Accumulated Depreciation:					
As at April 1, 2017	-	-	-	-	-
Depreciation charge for the year	0.79	0.15	1.30	0.63	2.87
Disposals/Transfers	0.05	0.05	0.33	0.07	0.50
As at March 31, 2018	0.74	0.10	0.97	0.56	2.37
Depreciation charge for the year	4.43	0.80	3.58	0.47	9.28
Disposals/Transfers*	0.02	-	0.00	-	0.02
As at March 31, 2019	5.15	0.90	4.55	1.03	11.63

* Amount is less than ₹ 0.01, hence shown ₹ 0.00 million

Net Book Value:

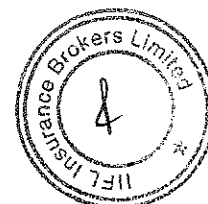
Particulars	Computer	Electrical Equipment	Furniture & Fixture	Office Equipment	Total
(₹ in million)					
As at April 1, 2017	0.94	0.83	3.85	1.72	7.34
As at March 31, 2018	1.75	0.98	0.48	0.80	4.02
As at March 31, 2019	12.89	2.83	5.77	1.63	23.12

Intangible Assets:

Particulars	Software	Total
(₹ in million)		
Cost:		
As at April 1, 2017	0.13	0.13
Addition	10.15	10.15
Disposals/Transfers	-	-
As at March 31, 2018	10.28	10.28
Addition	0.03	0.03
Disposals/Transfers	-	-
As at March 31, 2019	10.31	10.31
Accumulated Depreciation:		
As at April 1, 2017	-	-
Depreciation charge for the year	0.34	0.34
Disposals/Transfers	-	-
As at March 31, 2018	0.34	0.34
Depreciation charge for the year	3.45	3.45
Disposals/Transfers	-	-
As at March 31, 2019	3.79	3.79

Net Book Value:

Particulars	Software	Total
(₹ in million)		
As at April 1, 2017	0.13	0.13
As at March 31, 2018	9.94	9.94
As at March 31, 2019	6.52	6.52



IIFL Insurance Brokers Limited

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

Note 4 : Non-current Financial Assets - Loans

Particulars	As at March 31, 2019	As at March 31, 2018	(₹ in million) As at April 01, 2017
Unsecured, Considered Good			
Security deposit with landlords (net of provisions)	12.62	3.21	15.95
Total	12.62	3.21	15.95

Note 5 : Non-current Financial Assets - Others

Particulars	As at March 31, 2019	As at March 31, 2018	(₹ in million) As at April 01, 2017
Balances with bank:			
In Deposit Account (Maturity more than 12 months)*	2.46	2.36	2.13
Total	2.46	2.36	2.13

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

Note 6 : Deferred Tax Assets

Particulars	As at March 31, 2019	As at March 31, 2018	(₹ in million) As at April 01, 2017
Deferred Tax Asset arising due to temporary difference pertaining to:			
(a) Depreciation on property, plant and equipment	4.14	5.14	3.88
(b) Compensated absences and retirement benefits	0.52	0.75	0.53
(c) Minimum alternate tax carry-forward	-	5.91	34.54
(d) Provisions for doubtful receivables (Including expected credit loss)	0.83	0.84	0.01
	5.49	12.64	38.96
Deferred Tax Liabilities arising due to temporary difference pertaining to:			
(a) Fair Value Investments	-	0.92	-
	-	0.92	-
Net Deferred Tax Assets	5.49	11.72	38.96

Note 7 : Other Non-Current Assets

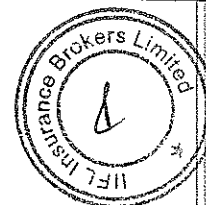
Particulars	As at March 31, 2019	As at March 31, 2018	(₹ in million) As at April 01, 2017
Advance Income Tax & Tax Deducted at source (Net of Provision)	69.91	8.98	59.67
Capital Advances	1.05	1.73	0.23
Total	70.96	10.71	59.90

Note 8 : Current Financial Asset - Investments

Particulars	As at March 31, 2019	As at March 31, 2018	(₹ in million) As at April 01, 2017
At Fair Value through profit and loss			
Investment in L & T Mutual Fund (March 31, 2019 - Nil, March 31, 2018 - 46,01,986 units, April 1, 2017 - Nil)	-	79.83	-
Total	-	79.83	-

Note 9 : Current Financial Assets - Trade Receivables

Particulars	As at March 31, 2019	As at March 31, 2018	(₹ in million) As at April 01, 2017
- Receivables considered good - unsecured	27.69	21.37	20.76
- Receivables which are credit impaired	2.85	2.87	0.02
Less: Allowance for expected credit loss	(2.85)	(2.87)	(0.02)
Total	27.69	21.37	20.76



IIFL Insurance Brokers Limited

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

Note 10 : Current Financial Assets - Cash and Cash Equivalents

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Cash & Cash Equivalents			
Cash in hand	-	-	-
Balances with Bank:			
In Current Accounts	4.02	27.56	7.34
Total	4.02	27.56	7.34

Note 11 : Current Financial Assets - Bank balances other than above

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Balances with bank:			
In Deposit account (Maturity more than 3 months less than 12 months)	10.00	10.00	10.00
Total	10.00	10.00	10.00

Note 12 : Current Financial Asset - Loans

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Loans Receivables Unsecured considered good			
- Loan to related parties			
Inter Corporate Deposit Given (Refer Note 36)	130.00	-	-
Total	130.00	-	-

Note 13 : Other Financial Assets - Other Current

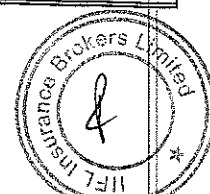
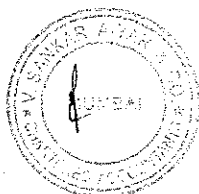
Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Accrued Interest on Fixed Deposit	0.19	0.14	0.22
Receivable from related parties (Refer Note 36)	0.06		
Unbilled Receivable	53.00	51.05	
Total	53.25	51.19	0.22

Note 14 : Current Tax Assets (Net)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Advance Income Tax & Tax Deducted at source (Net of Provision)	-	55.22	9.23
Total	-	55.22	9.23

Note 15 : Other Current Assets

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Prepaid Expenses	1.69	0.31	2.22
Service Tax/GST Credit Receivable	-	-	-
Other Advances	0.08	1.22	2.80
Total	1.77	1.53	5.02



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

Note 16 : 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:

Particulars	(₹ in million)		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Authorized Shares:			
5,00,000 (Previous Year 5,00,000) Equity Shares of ₹ 10/- each			
Issued, Subscribed and paid up:	5.00	5.00	5.00
5,00,000 (Previous Year 5,00,000) Equity Shares of ₹ 10/- each fully paid-up			
	5.00	5.00	5.00

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

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Issued, subscribed and paid up at the beginning of the year [No. of Shares]	5,00,000	5,00,000	5,00,000
Add : Issued during the Year [No. of Shares]	-	-	-
Issued, Subscribed and paid up at the end of the year [No. of Shares]	5,00,000	5,00,000	5,00,000

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

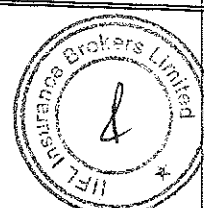
Name of Shareholders	As at March 31, 2019	
	No. of Shares	% to total shares
IIFL Securities Limited (Formerly India Infoline Limited) (Refer Note 1.1)	5,00,000	100%

Name of Shareholders	As at March 31, 2018	
	No. of Shares	% to total shares
IIFL Holdings Ltd (Refer Note 1.1)	5,00,000	100%

Name of Shareholders	As at April 1, 2017	
	No. of Shares	% to total shares
IIFL Holdings Ltd (Refer Note 1.1)	5,00,000	100%

Note 17 : Other Equity

Particulars	(₹ in million)		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Retained Earnings	324.09	263.72	126.14
Other Comprehensive Income:			
Remeasurment on Defined Benefit Plan (net of tax)	(1.83)	(0.13)	-
Income Tax on Defined Benefit Plan	0.53	0.04	-
Total	322.79	263.63	126.14



IIFL Insurance Brokers Limited

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

Note 18 : Provisions - Non-current

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Provision for Leave Encashment	0.92	0.30	0.28
Total	0.92	0.30	0.28

Note 19 : Current Financial Liabilities - Trade & other Payables

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
(1) Trade Payable			
- Outstanding dues of micro & small enterprises	-	-	-
- Outstanding dues of creditors other than micro & small enterprises	-	0.20	3.30
(2) Other Payable			
- Outstanding dues of micro & small enterprises	-	-	-
- Outstanding dues of creditors other than micro & small enterprises	-	-	-
(a) Accrued Salaries & Benefits	0.67	0.09	1.09
(b) Provision for Expenses	7.49	5.59	31.85
(c) Other Trade Payables	0.29	0.38	0.74
Total	8.45	6.26	36.98

Note 20 : Current Financial Liabilities - Other

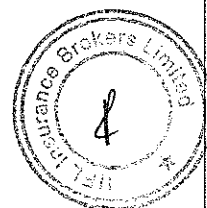
Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Provision for Gratuity	0.30	0.97	0.75
Payable to related parties (Refer Note 36)	0.10	1.31	0.77
Other payables	1.88	0.06	-
Total	2.28	2.34	1.52

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 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	-	-	-

Note 21 : Other Current Liabilities

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Statutory Liabilities Payable	7.88	4.16	3.32
Total	7.88	4.16	3.32



IIFL Insurance Brokers Limited

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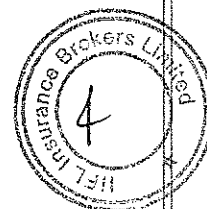
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2019

Note 22 : Provisions

Particulars	₹ in million		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Provision for Leave Encashment			
Total	0.58	0.15	0.08
	0.58	0.15	0.08

Note 23 : Current Tax Liabilities (Net)

Particulars	₹ in million		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Provision for tax (Net of Advance Income Tax & TDS)			
Total	-	6.82	3.66
	-	6.82	3.66



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

Note 24 : Revenue From Operations

Particulars	(₹ in million)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Commission Income		
Total	352.30	262.85
	352.30	262.85

Note 25 : Other Income

Particulars	(₹ in million)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest Income on Bank Fixed Deposits	0.88	0.88
Interest Income ICD	4.03	-
Interest Income on Income Tax Refund	-	5.65
(Profit)/Loss on sale of assets	0.06	-
Capital Gains on Investments	9.25	1.19
Gain/(Loss) on Fair Value of Investments	-	2.64
Expected credit loss (including Provision for doubtful debts and bad debts) written back	0.04	-
Other Miscellaneous Income	0.75	28.50
Total	15.01	38.86

Note 26 : Employee Benefit Expense

Particulars	(₹ in million)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries and bonus	105.33	38.52
Contribution to provident and other funds	3.71	1.18
Share based payments #	0.36	0.54
Gratuity*	0.32	0.28
Staff Welfare Expenses	3.49	1.03
Leave Encashment	1.14	0.19
Total	114.35	41.74

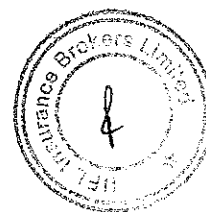
Cash-settled share-based payments

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. (Refer note 1.1)

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

Employee Benefit Plan**a) Gratuity benefit (As per Actuarial Valuation as on March 31, 2019)**

Particulars	(₹ in million)	
	2018-19	2017-18
Defined benefit obligation as at beginning of year		
Service Cost	2.64	2.38
Interest on Defined Benefit Obligation	0.25	0.23
Benefits Paid	0.20	0.16
Actuarial changes arising from changes in demographic assumptions	(0.28)	(1.21)
Actuarial changes arising from changes in financial assumptions	0.02	(0.36)
Actuarial Loss/(Gain) arising on account of experience changes	0.88	(0.18)
Liabilities assumed / (settled)	0.85	0.79
Defined benefit obligation at the end of the year	0.01	0.81
	4.57	2.64



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

a) Gratuity benefit (As per Actuarial Valuation as on March 31, 2019) (Cont.)

Particulars	(₹ in million)	
	2018-19	2017-18
Fair value of plan assets at the beginning of the year	1.66	1.63
Interest on Plan Asset	0.13	0.11
Benefits paid	(0.28)	(1.21)
Actual return on Plan Assets less Interest on Plan Assets	0.05	0.13
Assets acquired /(settled)	-	-
Contributions by employer	2.70	1.00
Fair value of plan assets at the end of the year	4.26	1.66

Particulars	(₹ in million)	
	2018-19	2017-18
Net Assets and Liabilities recognised in Balance Sheet		
Present value of Funded Defined Benefit Obligation	(4.57)	(2.64)
Fair value of Plan assets	4.26	1.66
Amount not recognised due to asset limit	-	-
Net Assets and (Liabilities) recognised in Balance Sheet	(0.29)	(0.98)

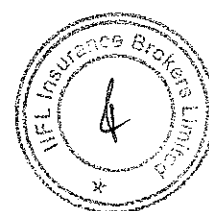
Particulars	(₹ in million)	
	2018-19	2017-18
Expenses recognised in Statement of Profit and Loss		
Service cost	0.25	0.23
Interest on Net Defined Benefit Liability / (Asset)	0.07	0.05
Expenses recognised in Statement of Profit and Loss	0.32	0.28

Particulars	(₹ in million)	
	2018-19	2017-18
Expenses recognised in Other Comprehensive Income		
Actuarial (Gains)/Losses on Obligation for the Period	1.75	0.26
Actual return on Plan Assets less Interest on Plan Assets	(0.05)	(0.13)
Expenses recognised in Other Comprehensive Income	1.70	0.13

Actuarial Assumptions		
	2018-19	2017-18
Discount Rate	6.96%	7.50%
Expected rate of return on plan assets	6.96%	7.50%
Future salary Increase	7.00%	5.00%
Mortality Table	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

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.

Towards Gratuity, during the year the discount rate has been changed from 7.50% to 7.23% and expected rate of return on plan asset has changed from 7.50% to 7.23%.



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

a) Gratuity benefit (As per Actuarial Valuation as on March 31, 2019) (Cont.)**Sensitivity 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.

Particulars	For the period ended on march 31, 2019	For the period ended on march 31, 2018
Change in Discounting Rate:		
Delta Effect of increase by 100 basis point	(0.44)	(0.22)
Delta Effect of decrease by 100 basis point	0.52	0.26
Change in Salary Escalation Rate:		
Delta Effect of increase by 100 basis point	0.41	0.23
Delta Effect of decrease by 100 basis point	(0.36)	(0.21)
Change in Employee Turnover Rate:		
Delta Effect of increase by 100 basis point	0.05	0.08
Delta Effect of decrease by 100 basis point	(0.06)	(0.09)

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.

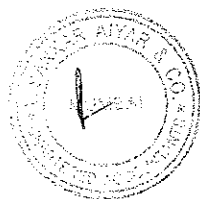
b) Defined Contributions Plans

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

Particulars	(₹ in million)	
	2018-19	2017-18
Contribution to provident & other funds	3.71	1.18
Total	3.71	1.18

Note 27 : Finance Cost

Particulars	(₹ in million)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest Expenses on:		
Borrowings	0.01	0.01
Total	0.01	0.01



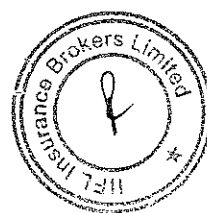
IIFL Insurance Brokers Limited

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

Note 28 : Other Expenses

Particulars	(₹ in million)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Advertisement	0.40	0.17
Books & Periodicals	0.01	-
Exchange and Statutory Charges	0.03	0.02
Marketing Expense	2.61	5.48
Direct Operating Expenses	0.40	0.00
Bank Charges	0.03	0.02
Communication	3.08	1.69
Electricity	3.82	0.99
Legal and Professional charges	1.67	2.68
Office Expenses	7.53	3.12
Subscription	0.02	0.02
Postage and Courier	0.04	0.01
Printing and Stationery	0.38	0.20
Expected credit loss (including Provision for doubtful debts and bad debts)	-	6.55
Rent	40.96	16.35
Loss on Fair Value of Investments (Net)	2.64	-
Rates & Taxes	0.03	0.56
Repairs & Maintenance	-	-
- Computer	0.17	0.01
- Others	1.35	0.92
Remuneration to Auditors :	-	-
As auditors - Statutory Audit	0.15	0.15
Out of pocket expenses	0.02	0.01
Software Charges	0.42	0.13
Loss on sale of assets (Net)	-	3.89
Travelling and Conveyance	1.05	0.40
Corporate Social Responsibility Expense	2.34	1.77
Miscellaneous Expenses	0.19	1.38
Total	69.34	46.52



IIFL Insurance Brokers Limited

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

Note 29 : Income Taxes

The major components of income tax expense for the years ended March 31, 2019 are :

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

Particulars	(₹ in million)	
	March 31, 2019	March 31, 2018
Current Income Tax:		
Current Income Tax Charge (Net of short / excess provision for tax)		
Deferred Tax:	49.43	74.01
Relating to origination and reversal of temporary differences		
Income tax expense reported in the statement of Profit or Loss	0.81	(1.35)
	50.24	72.66

Income tax relating to Other Comprehensive Income

Particulars	(₹ in million)	
	March 31, 2019	March 31, 2018
Net Loss/(gain) on remeasurments of defined benefit plans		
Income tax expense charged to OCI	0.49	0.04
	0.49	0.04

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2019 :

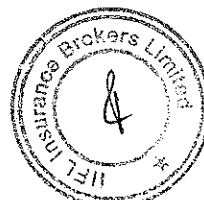
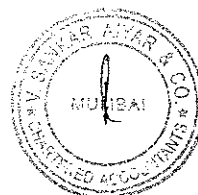
Particulars	(₹ in million)	
	March 31, 2019	March 31, 2018
Profit before Tax		
Tax Rate	170.88	210.24
Tax	29.12%	34.61%
Disallowance Expenses	49.76	72.76
Exempt / Deductible Income	0.34	0.76
Differential Tax Rate on Income	-	(0.07)
DTA not recognised earlier	(0.59)	-
Rate Difference in DTA creation	0.21	(0.26)
Adjustments for current tax for prior periods	0.83	0.11
Income tax expense reported in the statement of Profit and Loss	(0.32)	(0.63)
Effective Income Tax Rate	50.24	72.66
	29.58%	34.86%

Deferred tax :

Deferred tax relates to the following:

Particulars	(Amount in ₹)			
	Opening balance As at April 1, 2018	Recognised in profit or loss	Recognised in/reclassified from OCI	Closing balance
Deferred tax assets:				
Unabsorbed depreciation	5.14	(1.00)	-	4.14
Provisions for doubtful receivables/other financial asset (Including expected credit loss)	0.84	(0.01)	-	0.83
Compensated absences and retirement benefits	0.75	(0.72)	0.49	0.52
Total deferred tax assets (a)	6.73	(1.73)	0.49	5.49
Deferred tax liabilities:				
Unrealised profit on investments	(0.92)	0.92	-	-
Total deferred tax liabilities (b)	(0.92)	0.92	-	-
Net Credit entitlement (c)	5.91	(5.91)	-	-
Deferred tax assets (a) + (b) + (c)	11.72	(6.72)	0.49	5.49

Particulars	(Amount in ₹)			
	Opening balance As at April 1, 2017	Recognised in profit or loss	Recognised in/reclassified from OCI	Closing balance
Deferred tax assets:				
Unabsorbed depreciation	3.88	1.25	-	5.14
Provisions for doubtful receivables/other financial asset (Including expected credit loss)	0.01	0.83	-	0.84
Compensated absences and retirement benefits	0.53	0.18	0.04	0.75
Total deferred tax assets (a)	4.42	2.26	0.04	6.73
Deferred tax liabilities:				
Unrealised profit on investments	-	(0.92)	-	(0.92)
Total deferred tax liabilities (b)	-	(0.92)	-	(0.92)
Net Credit entitlement (c)	34.54	(28.63)	-	5.91
Deferred tax assets (a) + (b) + (c)	38.96	(27.29)	0.04	11.72



IIFL Insurance Brokers Limited

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

Note 30 : Other Comprehensive Income

Particulars	(₹ in million)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Items that will not be reclassified to profit or loss:		
i) Remeasurement of Defined Benefit Plan		
ii) Income Tax on above	(1.70)	(0.13)
Total	0.49	0.04
	(1.21)	(0.09)

Note 31 : Earning Per Share (EPS)

Particulars	2018-19	2017-18
Net profit after Tax as per Statement of Profit & Loss attributable to Equity Shareholders	120.64	137.58
Weighted Number of Equity Shares used as denominator for calculating Basic & Diluted EPS	5,00,000	5,00,000
Basic Earning per Share (₹)	241.28	275.17
Diluted Earning per Share (₹)	241.28	275.17
Face Value per Equity Share (₹)	10	10

Note 32 : Corporate Social Responsibility (CSR) :

(a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is ₹ 2.34 million (Previous year ₹ 1.77 million)

(b) Expenditure related to Corporate Social Responsibility is ₹ 2.34 million (Previous year ₹ 1.77 million)

(c) CSR Expenditure of ₹ 2.34 million (Previous year ₹ 1.77 million) is spent through India Infoline Foundation, which is related party.

Note 33 : Contingent Liabilities and Commitments

Particulars	(₹ in million)	
	2018-19	2017-18
(I) Contingent Liabilities		
Claims against the company/disputed liabilities not acknowledge as debts*		
In respect of Legal cases	0.10	0.10
(II) Commitments		
Outstanding Commitment of Capital Expenditure as on balance sheet date	0.24	1.37

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

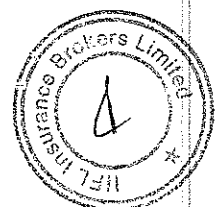
(b) The Company is subject to legal proceedings and claims which have arisen in the ordinary course of the business. The Company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have material and adverse effect on the Company's financial position.

Note 34 : There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at 31st March, 2019.

Note 35 : Lease

The Company has taken office premises on operating lease at various locations. Lease rent in respect of the same has been charged to Statement of Profit and Loss. The agreements are executed for a period ranging 1 to 5 years with a renewable clause. Some agreements have a clause for a minimum lock-in period. The agreements also have a clause for termination by either party giving a prior notice period between 30 to 90 days. The Company has also taken some other assets under operating lease. The minimum Lease rentals outstanding as at March 31, 2019 are as under:

Minimum Lease Rentals	(₹ in million)		
	March 31, 2019	March 31, 2018	April 1, 2017
Within one year	7.26	-	-
After one year but not more than five years	15.64	-	-
More than five years	-	-	-



IIFL Insurance Brokers Limited

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

Note 36 : The Company Operates from and uses the premises, Infrastructure and other facilities and services as provided to it by its holding company / subsidiaries / group companies which are termed as 'Shared Services'. Hitherto, such shared services consisting of administrative and other revenue expenses paid for by the company were identified and recovered from them based on reasonable management estimates, which are constantly refined in the light of additional knowledge gained relevant to such estimation. These expenses are recovered on an actual basis and the estimates are used only where actual were difficult to determine.

Note 37 : Segment Reporting:

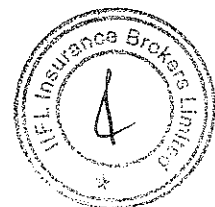
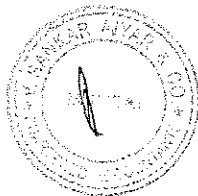
In the opinion of the management, there is only one reportable business segment as envisaged by Ind AS 108 on 'Operating Segment' issued by Institute of Chartered accountant of India. Accordingly, no separate disclosure for segment reporting is required to be made in the financial statements of the Company. 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 38 : 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 (Formerly India Infoline Limited) (from April 01, 2018)
Director or their relatives	Mr. Anurag Umakant Naik
	Mr. Bhawani Shankar Jhanwar
	Mr. Mohammed Shahid
Fellow Subsidiaries (Refer note 1.1)	IIFL Commodities Limited (Formerly India Infoline Commodities Limited)
	IIFL Management Services Limited (Formerly India Infoline Insurance Services Limited)
	IIFL Facilities Services Limited (Formerly IIFL Real Estate Limited)
	IIFL Wealth UK Limited
	IIFL Capital Inc
	IIFL Securities Services IFSC Limited
	IIFL Asset Reconstruction Limited (From May 9, 2017)
Other Related parties (Fellow subsidiaries upto April 1, 2018) #	India Infoline Foundation
	India Infoline Finance Limited
	IIFL Home Finance Limited
	Samasta Microfinance Limited w.e.f 1st March 2017
	Ayusha Dairy Private Limited w.e.f 1st March 2017
	IIFL Wealth Management Limited
	IIFL Capital Pte. Limited
	IIFL Securities Pte. Limited
	IIFL Asset Management Limited
	IIFL Alternate Asset Advisors Limited
	IIFL Wealth Finance Limited
	IIFL Trustee Limited (Formerly India Infoline Trustee Company Limited)
	IIFL Distribution Services Limited
	IIFL Investment Advisers & Trustee Services Limited
	IIFL (Asia) Pte Limited
	IIFL Private Wealth (Suisse) SA. *
	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.
	Clara Developers Private Limited
	IIFL Capital (Canada) Limited
	IIFL Wealth Securities IFSC Limited
	IIFL Altior Advisors Private Limited (Formerly Altior Advisors Private Limited)
	IIFL Wealth Advisors (India) Limited (Formerly Wealth Advisors (India) Private Limited)
	IIFL Holdings Limited
Other Related parties (Holding Company upto April 1, 2018)	

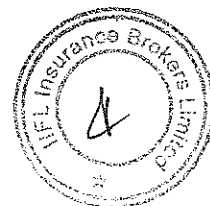


Other related parties	Mr. Nirmal Jain - Promoter
	Mr. Venkataraman Rajamani - Promoter
	FIH Mauritius Investments Limited
	Giskard Datatech Private Limited
	Spaia Capital Limited
	Spaia P2P Limited
	Spaia Insurance Brokers Limited
	Orpheus Trading Pvt. Limited
	Ardent Impex Pvt. Limited
	Sunder Bhanwar Holiday Home Private Limited (up to March 04, 2018)
	Kalki Family Private Trust
	Nirmal Madhu Family Private Trust
	MNJ Consultants Private Limited
	Sunder Bhawar Ventures Private Limited
	India Infoline Employee Trust

* IIFL Wealth Management Limited has dis-invested with effect from IIFL Private Wealth (Suisse) SA and accordingly does not hold any stake in IIFL Private Wealth (Suisse) SA. (Effective date of disinvestment: February 27, 2019)

* *IIFL Private Wealth (Hongkong) Limited' has ceased to carry its business operations and is in process of winding up.

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 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.



IIFL Insurance Brokers Limited

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

(b) Significant Transactions with Related Parties :

Nature of transaction	(₹ in million)	
	2018-19	2017-18
Donation Paid		
a) Fellow Subsidiaries		
India Infoline Foundation	2.34	1.77
Dividend Paid		
a) Other Related parties		
IIFL Holdings Limited	50.00	-
Interest Expense		
a) Fellow Subsidiaries		
IIFL Securities Limited (Formerly India Infoline Limited)	-	0.00
Interest Income		
a) Fellow Subsidiaries		
IIFL Management Services Limited (Formerly India Infoline Insurance Services Limited)	4.03	-
Rent Expense		
a) Fellow Subsidiaries		
IIFL Facilities Services Limited (Formerly IIFL Real Estate Limited)	16.90	13.02
Remuneration to Directors/Key Managerial Person*		
Anurag Naik	6.49	1.94
Infrastructure/Customer Support Services		
a) Other related parties		
Spaisa Capital Limited	1.05	4.86
Allocation / Reimbursement of expenses Paid		
a) Holding Company		
IIFL Securities Limited (Formerly India Infoline Limited)	7.63	-
b) Fellow Subsidiaries		
IIFL Facilities Services Limited (Formerly IIFL Real Estate Limited)	1.66	-
c) Other related parties		
India Infoline Finance Limited	0.64	0.31



IIFL Insurance Brokers Limited

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

(b) Significant Transactions with Related Parties (Cont.) :

Nature of transaction	2018-19	(₹ in million) 2017-18
Inter Corporate Deposit Given		
a) Fellow Subsidiaries		
IIFL Management Services Limited (Formerly India Infoline Insurance Services Limited)	130.00	-
Advance Taken		
a) Fellow Subsidiaries		
IIFL Securities Limited (Formerly India Infoline Limited)	-	0.20
Advance Return		
a) Fellow Subsidiaries		
IIFL Securities Limited (Formerly India Infoline Limited)	-	0.20
Others Paid		
a) Holding Company		
IIFL Securities Limited (Formerly India Infoline Limited)	2.75	-
b) Fellow Subsidiaries		
IIFL Securities Limited (Formerly India Infoline Limited)	-	0.04
c) Other related parties		
Spaisa Capital Limited	-	0.10
IIFL Wealth Management Limited	-	0.00
India Infoline Finance Limited	-	0.11
Others Received		
a) Holding Company		
IIFL Securities Limited (Formerly India Infoline Limited)	0.02	-
a) Fellow Subsidiaries		
IIFL Facilities Services Limited (Formerly IIFL Real Estate Limited)	0.00	0.34
IIFL Securities Limited (Formerly India Infoline Limited)	-	0.14
c) Other related parties		
IIFL Wealth Management Limited	-	0.92
IIFL Home Finance Limited	-	1.50
India Infoline Finance Limited	0.07	0.99
Spaisa Capital Limited (Formerly IIFL Capital Limited)	-	0.04

*Note: As the future liability for retirement and other employee benefits is provided on an actuarial basis for the Group as a whole, the amount pertaining to key managerial persons is not included above.



IIFL Insurance Brokers Limited

(Formerly Known India Infoline Insurance Brokers Limited)

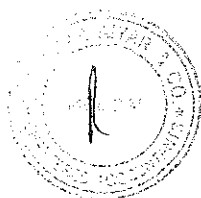
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2019

c) Outstanding as on March 31, 2019

(₹ in million)		
Nature of transaction	2018-19	2017-18
Others Payable		
a) Holding Company		
IIFL Securities Limited (Formerly India Infoline Limited)	0.08	-
Allocation / Reimbursement of expenses Payable		
a) Other related parties		
India Infoline Finance Limited	0.02	-
Interest Receivable		
a) Fellow Subsidiaries		
IIFL Management Services Limited (Formerly India Infoline Insurance Services Limited)	0.06	-
Inter Corporate Deposit		
a) Fellow Subsidiaries		
IIFL Management Services Limited (Formerly India Infoline Insurance Services Limited)	130.00	-

Note:

Related parties are identified and certified by the management.



IIFL Insurance Brokers Limited

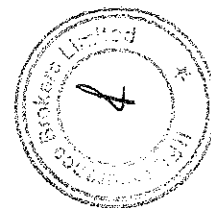
(Formerly Known India Infoline Insurance Brokers Limited)

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

Note 39 : Fair Value hierarchy

Disclosures for carrying value/fair value measurement hierarchy for assets and liabilities :

Particulars	As at March 31, 2019				As at March 31, 2018				As at April 1, 2017			
	Date of Valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Date of Valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Date of Valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)
A] Financial Assets												
(i) Financial Assets measured at fair value through Profit and Loss:												
Current												
Investment in Mutual Fund	31.03.2019	-	-	-	31.03.2018	79.83	79.83	-	01.04.2017	-	-	-
Non Current												
Security deposit	31.03.2019	12.62			31.03.2018	3.21			01.04.2017	15.95		
Capital Advances	31.03.2019	1.05			31.03.2018	1.73			01.04.2017	0.23		
Others Non Current Financial Assets	31.03.2019	2.46			31.03.2018	2.36			01.04.2017	2.13		
Current												
Trade receivables	31.03.2019	27.69			31.03.2018	21.37			01.04.2017	20.76		
Cash and Cash Equivalent	31.03.2019	4.02			31.03.2018	27.56			01.04.2017	7.34		
Bank balances other than above	31.03.2019	10.00			31.03.2018	10.00			01.04.2017	10.00		
Loans	31.03.2019	130.00			31.03.2018	-			01.04.2017	-		
Others Current Financial Assets	31.03.2019	53.25			31.03.2018	51.19			01.04.2017	0.22		
B] Financial Liabilities												
(i) Financial Liabilities at Amortised Cost:												
Current												
Trade & other Payables	31.03.2019	8.45			31.03.2018	6.26			01.04.2017	36.98		
Other Current Financial Liabilities	31.03.2019	2.28			31.03.2018	2.34			01.04.2017	1.52		



IIFL Insurance Brokers Limited**(Formerly Known India Infoline Insurance Brokers Limited)****Notes forming part of the Standalone Financial Statements for the year ended March 31, 2019****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 futures 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 affects significantly short term borrowing and current investment therefore the Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt and Non current investment. The Company does not have any borrowings.

Foreign currency risk: The Company's 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.

As at March 31, 2019	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Total
Trade Receivables	27.69	-	2.85	30.54
Less : Impairment loss allowance	-	-	(2.85)	(2.85)
Carrying amount	27.69	-	-	27.69

As at March 31, 2018	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Total
Trade Receivables	21.37	-	2.87	24.24
Less : Impairment loss allowance	-	-	(2.87)	(2.87)
Carrying amount	21.37	-	-	21.37



IIFL Insurance Brokers Limited
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Notes forming part of the Standalone Financial Statements for the year ended March 31, 2019

As at April 1, 2017	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	(₹ in million) Total
Trade Receivables	20.76	-	0.02	20.78
Less : Impairment loss allowance	-	-	(0.02)	(0.02)
Carrying amount	20.76	-	-	20.76

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
April 01, 2017	-	0.02	0.02
Increase/(Decrease) net	-	2.85	2.85
March 31, 2018	-	2.87	2.87
Increase/(Decrease) net	-	(0.02)	(0.02)
March 31, 2019	-	2.85	2.85

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.

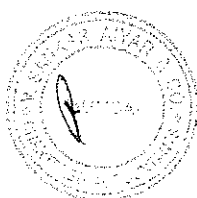
As at March 31, 2019	< 1 Year	1 to 5 Years	> 5 Years	(₹ in million) Total
Trade and Other Payables	8.45	-	-	8.45
Other Financial Liabilities	2.28	-	-	2.28
Total	10.73	-	-	10.73

As at March 31, 2018	< 1 Year	1 to 5 Years	> 5 Years	(₹ in million) Total
Trade and Other Payables	6.26	-	-	6.26
Other Financial Liabilities	2.34	-	-	2.34
Total	8.60	-	-	8.60

As at April 1, 2017	< 1 Year	1 to 5 Years	> 5 Years	(₹ in million) Total
Trade and Other Payables	36.98	-	-	36.98
Other Financial Liabilities	1.52	-	-	1.52
Total	38.50	-	-	38.50

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.



IIFL Insurance Brokers Limited
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Notes forming part of the Standalone Financial Statements for the year ended March 31, 2019

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

Particulars	(₹ in million)		
	31-Mar-19	31-Mar-18	01-Apr-17
Borrowings	-	-	-
Total Capital	327.81	268.63	131.14
Debt Equity Ratio	NIL	NIL	NIL

Note 41 : Fee and Commission Income

Disaggregation of fee and commission income

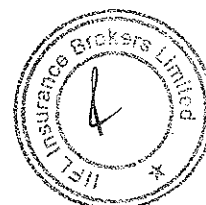
In the following table, fee and commission income from contracts with customers in the scope of Ind AS 115 is disaggregated by major type of services. The table also includes a reconciliation of the disaggregated fee and commission income.

	(₹ in million)	
	Financial Product distribution	
	2018-19	2017-18
Base Commission	187.66	82.18
Renewal Commission	155.93	170.61
Total fee and commission income from contracts with customers	343.59	252.79

Contract balances

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

	(₹ in million)		
	31-Mar-19	31-Mar-18	01-Apr-17
Unbilled Receivables, which are included in 'other financial assets'	53.00	51.05	-



IIFL Insurance Brokers Limited

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

Note 42 : 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.

Exemptions applied

1. Mandatory Exemptions

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) Impairment of Financial Assets :

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

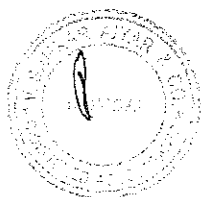
e) Fair Value of Financials Assets and Liabilities :

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

2. Optional exemptions

a) Deemed cost-Previous GAAP carrying amount :

Since there is no change in the functional currency, the Company has elected to continue with the carrying value for all of Property, Plant and Equipment and Intangible Assets, as recognised in its Indian GAAP financial as deemed cost at the transition date.



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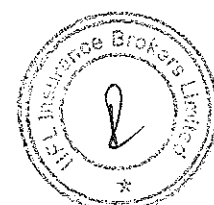
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2019

Note 42 : First time adoption of Indian Accounting Standards (Cont.)

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

(₹ in million)

	Note No.	As at March 31, 2018			As at April 01, 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		4.01		4.01	7.35		7.35
(b) Other Intangible Assets		9.94		9.94	0.13		0.13
(c) Financial Assets							
Loans		3.21		3.21	15.95		15.95
Others		2.36		2.36	2.13		2.13
(d) Deferred Tax Assets (net)	(iii)	11.81	0.09	11.73	38.95	(0.01)	38.96
(e) Other Non-Current Assets		10.71		10.71	59.90		59.90
Sub total		42.04	0.09	41.96	124.41	(0.01)	124.42
(2) Current Assets							
(a) Financial Assets							
Investments	(ii)	77.19	(2.64)	79.83	-		-
Trade receivables	(i)	24.24	2.87	21.37	20.78	0.02	20.76
Cash and Cash Equivalents		27.56		27.56	7.34		7.34
Bank balances other than above		10.00		10.00	10.00		10.00
Loans		-		-	-		-
Others Financial Assets		51.19		51.19	0.22		0.22
(b) Current Tax Assets (Net)		55.22		55.22	9.23		9.23
(c) Other Current Assets		1.53		1.53	5.02		5.02
Sub total		246.93	0.23	246.70	52.59	0.02	52.57
TOTAL		288.97	0.32	288.66	177.00	0.01	176.99
II EQUITY AND LIABILITIES							
Equity							
(a) Equity Share capital		5.00		5.00	5.00		5.00
(b) Other Equity	(i to v)	265.26	1.63	263.63	126.92	0.78	126.14
Sub total		270.26	1.63	268.63	131.92	0.78	131.14
Liabilities							
(1) Non-Current Liabilities							
(a) Financial Liabilities							
Borrowings		-		-	-		-
Trade Payables		-		-	-		-
(b) Provisions		0.30		0.30	0.28		0.28
(c) Other Non-Current Liabilities		-		-	-		-
Sub total		0.30	-	0.30	0.28	-	0.28
(2) Current Liabilities							
(a) Financial Liabilities							
Borrowings		-		-	-		-
Trade Payables		6.26		6.26	36.98		36.98
Other Financial Liabilities	(iv)	1.03	(1.31)	2.34	0.75	(0.77)	1.52
(b) Other Current Liabilities		4.16		4.16	3.32		3.32
(c) Provisions		0.15		0.15	0.08		0.08
Sub total		6.82	-	6.82	3.67	-	3.67
TOTAL		288.98	0.32	288.66	177.00	0.01	176.99



IIFL Insurance Brokers Limited

(Formerly Known India Infoline Insurance Brokers Limited)

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

Note 42 : First time adoption of Indian Accounting Standards (Cont.)

Reconciliation of Total Comprehensive Income for the year ended March 31, 2019

	Note No.	Indian GAAP	Adjustments	(₹ in million) As per Ind AS for the year ended March 31, 2018
Revenues				
a. Revenue from Operations		262.85	-	262.85
b. Other Income	(ii & iv)	36.22	2.64	38.86
Total Income		299.07	2.64	301.71
Expenses				
a. Employee Benefits Expense	(ii)	41.32	0.42	41.74
b. Finance Costs		0.01	-	0.01
c. Depreciation and Amortization Expense		3.21	-	3.21
d. Other Expenses	(i)	43.65	2.85	46.51
Total Expenses		88.19	3.27	91.47
Profit Before Tax		210.88	(0.63)	210.24
Tax Expenses:				
Current Tax		74.64	-	74.64
Deferred Tax	(iii)	(1.48)	0.14	(1.35)
Short/(Excess) Provision for Tax		(0.63)	-	(0.63)
Total Tax Expenses		72.53	0.14	72.66
Profit/(Loss) for the period		138.35	(0.77)	137.58
Other Comprehensive Income				
A (i) Items that will not be reclassified to profit or loss	(v)	-	(0.13)	(0.13)
(ii) Income tax relating to items that will not be reclassified to profit or loss	(iii)	-	0.04	0.04
B (i) Items that will be reclassified to profit or loss		-	-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-	-
Other Comprehensive Income		-	(0.09)	(0.09)
Total Comprehensive Income for the Period		138.35	(0.86)	137.49

Explanatory Notes to Reconciliation of Total Equity and Total Comprehensive Income

(i) Expected Credit Loss

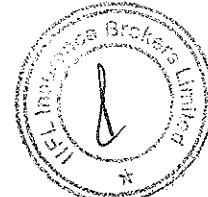
As per the previous GAAP, the Company was providing for financial assets based on incurred loss model. As per Ind AS 109, provision for impairment of financial assets is required to be made based on forward looking expected credit loss model. This has resulted in recognition of additional provision for expected credit loss as on transition date of 1st April, 2017 and during the year ended 31st March, 2018.

(ii) Fair Valuation of Investments

Under previous GAAP, current investments were measured at lower of cost or fair value. Under Ind AS, these financial assets have been classified as FVTPL on the date of transition. The fair value changes are recognised in the Statement of Profit and Loss. On transitioning to Ind AS, these financial assets have been measured at their fair values which is higher than cost as per previous GAAP.

(iii) Deferred Tax:

Ind AS requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. Deferred tax adjustments are recognised in relation to the underlying transaction either in retained earnings or a separate component of equity (OCI).



IIFL Insurance Brokers Limited

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

(iv) Share Based Payments

Under Previous GAAP, the cost of cash-settled employee share-based payments was recognised using the intrinsic value method. Under Ind AS, the cost of equity-settled employee share-based payments is recognised in the statement of profit and loss for the year ended 31st March 2018 based on the fair value of the options as on the grant date with consequent increase in the amount payable to the holding company. This has resulted in reduction of retained earnings as on the transition date and increase in employee benefit expenses during the year ended 31st March, 2018.

(v) 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 43 : Standards issued but not yet effective :

a. **Ind AS 116 Leases** : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods.

The Company is currently evaluating the effect of this amendment on the standalone financial statements.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income

Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is

uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax

treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected

value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.



IIFL Insurance Brokers Limited

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

Amendment to Ind AS 12 – Income taxes : On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

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.

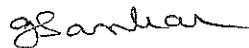
The amendments require an entity:

- 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.

As per our attached report of even date

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

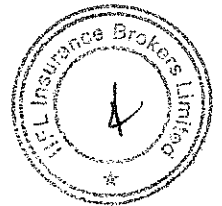


G.Sankar
Partner
Membership No.: 046050

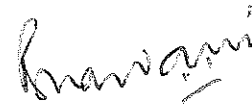


Place : Mumbai
Dated : May 13, 2019

For and on behalf of Board of Directors



Anurag Naik
Director
(DIN: 07910593)



Bhawani Jhanwar
Director
(DIN: 08250590)