



REIMAGINING  
FINANCE

IIFL WEALTH PRIME LIMITED  
ANNUAL REPORT 2021-22



## DIRECTORS' REPORT

To,  
The Members  
**IIFL Wealth Prime Limited** (erstwhile known as IIFL Wealth Finance Limited)

Your Directors have pleasure in presenting the **Twenty-Eighth Annual Report** on the business, operation and state of affairs of IIFL Wealth Prime Limited ("**the Company**") together with the Audited Financial Statements for the year ended March 31, 2022.

### 1. Background:

IIFL Wealth Prime Limited is a wholly owned subsidiary of IIFL Wealth Management Limited and is registered with the Reserve Bank of India as a systematically important non-banking financial company not accepting public deposits (NBFC-ND-SI).

### 2. Financial Results

The highlights of the standalone financial results for the year under review are as under:

Particulars	2021-22 (Rs. in million)	2020-2021 (Rs. in million)
Gross Total Income	11,586.87	9,708.08
Less: Expenditure	8,624.36	7,784.44
Profit/(Loss) Before Taxation	2,962.51	1,923.64
Less: Taxation – Current	352.60	509.09
- Deferred	278.52	(147.33)
<b>Net Profit / (Loss) After Tax</b>	<b>2,331.39</b>	<b>1,561.88</b>
Other Comprehensive Income	6.79	4.95
<b>Total Comprehensive Income</b>	<b>2,338.18</b>	<b>1,566.83</b>

### 3. Review of Business and Operations:

During the year under review, the total income of the Company stood at Rs. 11,586.87 million as compared to Rs. 9,708.08 million in the previous year and the profit after tax stood at Rs. 2,331.39 million as compared to Rs. 1,561.88 million in the previous year. Major highlights of the business and operations are as under:

- Loan book of the Company stood to Rs. 38,621 million as of March 31, 2022 as against Rs. 36,203 million in the previous year;
- There were no NPAs (Non-performing assets) during the period under review;
- Provision coverage on loans (including for standard assets) was Rs. 193.86 million as at end of FY22.
- Capital Markets contributed to around 81% of loan book.

### 4. Macroeconomic and Industry Overview:

#### **Macroeconomic Overview**

FY22 opened with the terrible onset of a formidable second wave of COVID-19 cases sweeping the country. This disaster completely side-tracked all re-opening efforts, and the focus of the nation shifted firmly back to health and safety. Asset markets saw a sharp spike in volatility, and investors moved into a risk-off stance, cautious against a deeper fall in values, linked to market sentiment amidst a pandemic.

As vaccination rates improved though, the economy and capital markets took a favourable view and gradually confidence returned to various industries. Home buying trends resumed, commodity prices resumed the uptrend visible throughout FY21, and the volume of primary issuances in the equity market reached fever pitch. FY22 also witnessed the coming of age of several digital economy businesses – companies which adopted successful models from developed markets and deployed them at scale in India. Market reaction, while initially positive, turned sour after the wider realization that these

companies do not strictly follow a “profit-first” model which is with well understood norm for listed equities globally.

Strong economic fundamentals resulted in further commodity price increases and wage growth, particularly in certain industries like IT/ITES. Steady increase in producer pricing power also contributed to the start of cost pressures in mid-FY22. While this situation gradually picked up across the world, central bankers throughout the developed markets – particularly the US Fed – signalled a change in monetary policy stance back towards an inflation-targeting trajectory to cool down superheated growth. Q4FY22 saw the spectre of war loom again in Europe, when Russia invaded Ukraine in late February. Another steep fall in asset values resulted across the world, and notably crude oil prices reached 2014 levels briefly, before concerted actions by several nations served to cool down this essential commodity price.

#### ***Industry Overview***

While the start of the fiscal was morbid due to the COVID backdrop, the NBFC industry ended up with a moderately positive financial performance. H1FY22 was deeply impacted on account of factors such as vehicle supply issues and prepayments in housing loans. Although factors such as improved availability of capital at steadily low rates (when compared to pre COVID levels), helped industry-level book growth Q3 onwards. Deployment of credit continues to be biased towards retail credit, with housing loans remaining the strongest segment. Wholesale credit continues to marginally decline each year and is estimated at approx INR 1.6 lakh crores as at 31-Mar-2022. Industry loan assets, estimated at ~INR 24.5 lakh crore represent a 6.5% YoY growth. Liquidity in the NBFC sector remains adequate, with entities typically maintaining coverage for three months’ repayment. Incremental growth would require ~INR 2 lakh crores of fresh funding to meet business requirements. There appears to be a cautious consensus on moderating credit costs, which will help NBFCs get back to ~2.5% ROA levels typically observable in times of strong macroeconomic fundamentals.

#### ***Outlook***

India has moved back to the 1.5-2% CAD level again mainly on account of the crude price spike and increased imports spurred by re-opening of the economy. Fiscal deficit is expected to print at ~6.9% levels. While this headline number may look high, given the backdrop of a recovering economy coming out of a pandemic, ever-strengthening collections on both direct and indirect tax fronts, and upcoming large-scale divestments planned have all contributed towards rating agencies adopting a relatively benign stance on India sovereign risk. IMF estimates India GDP growth at 9% for FY22 and 7.1% for FY23 in its World Economic Outlook published in late-January 2022. This is largely in line with industry consensus estimates – FICCI Economic Outlook Survey saw participants expect 7.4% growth in FY23 after the rebound numbers of FY22.

The RBI might turn a bit more hawkish from currency and inflation headwinds, especially following the US Fed’s stance, which other central banks are likely to copy. RBI’s FX reserves of US\$620bn should allow prevention of any violent INR fall despite a sharp widening of CAD in FY23. Inflation may not entirely use up RBI’s room to favour growth with a rates status quo, due to the possibilities such as winding down of Russia-Ukraine hostilities, increasing EU gas supplies from other nations, potentially higher crude supply and finally China joining the rest of the world in full reopening.

#### ***Research and Development (R & D)***

The Company is engaged in distribution of various financing activities such as capital market financing, loan against securities, IPO, etc., which entails internal research of debt financing, investment products, sectors and markets.

#### **5. Dividend**

The Directors of your Company are pleased to recommend a final dividend of Rs. 3.60 per equity share of Rs. 10 each, for the financial year ended March 31, 2022. The final dividend if approved by the shareholders of the Company, would involve a cash outflow of Rs. 109.98 crore.

The Company has not paid any Interim Dividend during the financial year under review.

**6. Transfer to Reserves:**

The Company proposes to transfer an amount of Rs. 467.64 million to Special Reserve in accordance with Section 45IC of the Reserve Bank of India Act, 1934. Further, the Board of your Company has decided not to transfer any amount to the General Reserve for the year under review.

**7. Capital Adequacy:**

As on March 31, 2022, the capital adequacy ratio stood at 23.61 % comprising of Tier-I capital ratio of 23.18 % and Tier-II capital ratio of 0.43 %, well above the regulatory requirement of 15%.

**8. Subsidiary/ Joint Ventures/ Associates:**

IIFL Wealth Capital Markets Limited (Formerly known as L&T Capital Markets Limited) is an wholly owned subsidiary of the Company, engaged in the business of distribution of financial products

**9. Share Capital:**

During the year under review, the Company has not made any issue of equity shares and hence there is no change in equity share capital from previous financial year.

As on March 31, 2022, the total authorised share capital of the Company stood at Rs. 350,00,00,000 and the total issued, subscribed and paid up capital of the Company stood at Rs. 305,49,38,030 consisting 30,54,93,803 shares of Rs. 10 each.

**10. Resources:**

During the year under review, the Company met its funding requirements through issuance of Non-Convertible Debentures through private placement, CPs, Inter Corporate Deposits, and borrowings from banks.

The Company issued and allotted Secured Market Linked Redeemable Non-Convertible Debentures (“Debentures”) aggregating to INR 1,138.32 crores in different series on private placement basis. The outstanding Debentures and Commercial Paper as on March 31, 2022 were amounting Rs. 3,419.61 Crores and Rs. 1,238.90 Crores, respectively. The Debentures and Commercial papers of the company are listed on BSE Ltd.

**11. Deposits:**

During the year under review, your Company has not accepted/ renewed any deposit within the meaning of Section 73 of the Companies Act, 2013 read with applicable rules thereto.

**12. Merger & Acquisition:**

With a view to consolidate the distribution businesses of the IIFL Wealth Management Group, it was proposed to merge IIFL Wealth Capital Markets Limited (“**IWCML**” formerly known as ‘L&T Capital Markets Limited’) with the Company, and then demerge the distribution business from the Company to IIFL Wealth Distribution Services Limited (“**IWDSL**”), through a composite scheme of arrangement under Sections 230 to 232 of the Companies Act, 2013 (“**Composite Scheme**”). The Board of Directors of our Company have approved the said composite scheme and filed the same with NCLT, Mumbai bench. The appointed date for the Composite Scheme is April 1, 2021 and the Composite Scheme is subject to necessary statutory and regulatory approvals.

**13. Directors:**

As on March 31, 2022, the Board consists of following Directors:

- 1) Dr. S. Narayan – Independent Director & Chairperson of the Board
- 2) Mrs. Rekha Warriar - Independent Director
- 3) Mr. Shantanu Rastogi – Non-Executive Director
- 4) Mr. Karan Bhagat – Non-Executive Director
- 5) Mr. Yatin Shah – Whole time Director
- 6) Mr. Himanshu Jain – Whole time Director & CEO

With the approval of shareholders at the extra ordinary general meeting held on March 15, 2022, Dr. S.

Narayan, was re-appointed as Independent Director of the Company with effect from March 31, 2022 for second constitutive term of five years.

In terms of provisions of the Companies Act, 2013 and applicable provisions of the Articles of Association of the Company, Mr. Karan Bhagat and Mr. Shantanu Rastogi, Director of your Company, retire by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for re-appointment.

All the Directors meet the fit and proper criteria stipulated by the Reserve Bank of India (“RBI”). All the Directors of the Company have affirmed compliance with the Code of Conduct of the Company.

i. **Meetings of the Board of Directors**

The Board met 9 times during the financial year 2022-22 to discuss various agendas and also approved various matters including financials, appointment of auditor, and other board businesses.

ii. **Committees of the Board**

In accordance with the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and the Reserve Bank of India guidelines, the Board has constituted the following Board level Committees:

- (i) Audit Committee.
- (ii) Nomination and Remuneration Committee.
- (iii) Corporate Social Responsibility Committee.
- (iv) Risk Management Committee.
- (v) Stakeholders Relationships Committee
- (vi) IT Strategy Committee

SEBI vide their circular dated September 7, 2021, have introduced the concept of “High Value Debt Listed (“HVDL”) entity. HVDL entity means an entity which has listed its non-convertible debt securities and has an outstanding value of listed non-convertible debt securities of Rs. 500 Crore and above as on March 31, 2021.

In accordance with the above circular, the Company being, HVDL is additionally required to comply with the Regulation 15 to 27 of the Listing Regulations on a ‘comply or explain’ basis until March 31, 2023 and on a mandatory basis thereafter.

In view of the above, the Company has constituted Stakeholder Relationship Committee, re-constituted Risk Management Committee, Audit Committee and Nomination and Remuneration Committee and revised the terms of reference of these Committees at its Board meeting held on October 26, 2021.

The details of composition, terms of reference and meetings held during the year under review of the aforesaid Committees are provided in the Corporate Governance Report, which forms part of this Annual Report.

**14. Corporate Governance Report**

As per the requirement of SEBI Listing Regulation, corporate Governance Report forms part of this Annual Report. The Corporate Governance Report also contains certain disclosures required under the Companies Act, 2013 and same is attached as **Annexure I**

**15. Corporate Social Responsibility**

The Annual report for the financial year 2021-22 on CSR Activity of the Company is annexed as **Annexure II**

**16. Key Managerial Personnel (“KMP”):**

During the year, Mr. Mihir Nanavati, Chief Financial officer of the company resigned w.e.f. end of business hour of September 3, 2021 and Mr. Sanjay Wadhwa was appointed as Chief financial officer of the Company w.e.f. September 4, 2021. As on March 31, 2022, the Company has following KMPs:

Mr. Himanshu Jain – Whole time Director & CEO  
Mr. Yatin Shah – Whole time Director  
Mr. Sanjay Wadhwa – Chief Financial officer  
Mr. Amit Bhandari – Company Secretary

**17. Particulars of employees:**

The information required pursuant to the provisions of Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, has been appended as **Annexure III** to this report.

Details of the employees in terms of the remuneration and employees in receipt of remuneration as prescribed under rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, containing details prescribed under rule 5(3) of the said rules, which form part of the Directors' Report, will be made available to any member on request, as per provisions of section 136(1) of the Act

The Board of Directors affirms that the remuneration paid to the employees of the Company is as per the Nomination and Remuneration Policy of the Company and none of the employees listed in the said Annexure are related to any Directors of the Company.

**18. Employee Stock Option/ Purchase Scheme:**

The Company does not have an employee stock option / stock purchase scheme.

**19. Risk Management Policy:**

Your Company has a Board approved Risk Management Policy, which has laid down a framework for identifying, assessing, measuring various elements of risk involved in the business and formulation of procedures and systems for mitigating such risks.

Risk Management Committee of the Board of Directors of your Company constituted in accordance with the Reserve Bank of India guidelines has overall responsibility for overseeing the Risk Management activities of the Company, approving measurement methodologies and appropriate risk management procedures across the organization. Risk Management Department periodically places its report on risk management to the Risk Management Committee and Audit Committee of the Board of Directors.

**20. Internal Financial Control:**

The Company has in place adequate internal controls with reference to financial statements and operations and the same are operating effectively. The Statutory Auditors verified the systems and processes and confirmed that the Internal Financial Controls system over financial reporting are adequate and such controls are operating effectively.

**21. Credit Rating:**

The non-convertible debentures of the Company enjoy the rating of [ICRA] AA (stable outlook) by ICRA Limited.

The principal protected market linked/ structured non-convertible debentures of the Company have the rating of "PP MLD (ICRA) AA (Stable Outlook)" By ICRA Limited and "AA" ratings from CARE Ratings Limited.

Further, the Commercial Paper of the Company has the highest rating of "A1+" from ICRA Limited and CRISIL.

There is no change in rating of CP and NCDs during the year under review.

Pursuant to SEBI Circular on Enhanced Governance Norms for Credit Rating Agencies, dated November 4, 2019, the Audit Committee interacted with credit rating agencies, inter alia, to discuss issues on related party transactions, internal financial controls and other material disclosures made by the management, which have a bearing on rating of its listed Non-Convertible Debentures.

**22. Extract of Annual Return:**

The details forming part of the extract of the Annual Return in form MGT-7 is uploaded on the Company's Website <https://iiflwealthprime.com>.

**23. Significant and Material Orders Passed by the Regulators or Courts or Tribunals Impacting the going concern status of the Company:**

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and the Company's future operations.

**24. Material changes and commitments:**

There were no material changes and commitments affecting the financial position of the Company which occurred between the end of the financial year to which these financial statements relate and the date of this Report.

**25. Auditors**

Pursuant to RBI guidelines dated April 27, 2021 on "Appointment of Statutory Central Auditors /Statutory Auditors for Banks & NBFCs" and subsequent clarifications (The Guidelines), the Company has appointed M/s. Singhi & Co., as statutory auditor of the Company, at the Annual General Meeting of the company held on September 14, 2021 for consecutive terms of three years. The statutory auditors are not disqualified from continuing as auditors of the Company.

**26. Comments on auditors' report**

There are no qualifications, reservations or observations by the Statutory Auditors in their report for the financial year ended March 31, 2022.

**27. Secretarial Audit**

Pursuant to the provisions of section 204 of the Act, the Board has appointed M/s. J.U. Poojari & Associates, practising company secretary to undertake secretarial audit of the Company.

The report of the Secretarial Auditor in the prescribed Form MR-3 is annexed herewith as **Annexure -IV**. There are no qualifications, reservation or observations in the Secretarial Audit report. Your directors state that the Company has been compliant of all applicable provisions of the Act in the financial year 2021-22.

As per Regulation 24A of the SEBI Listing Regulations, 2015, a listed company is required to annex a secretarial audit report of its unlisted subsidiary(ies) to its directors report. The secretarial audit reports of material subsidiaries of the Company i.e. IIFL Wealth Capital Markets Limited for the financial year ended March 31, 2022, are also annexed herewith as **Annexure - IVA** and they do not contain any qualifications.

The auditors, i.e., statutory auditors and secretarial auditors have not reported any matter under section 143(12) of the Act, and therefore, no detail is required to be disclosed under section 134(3) (ca) of the Act.

**28. Particulars of loans, guarantees or investments under section 186:**

The details of loans, guarantees or investments made are provided in the Notes to the accounts in Financial Statement.

**29. Particulars of contracts or arrangements with related parties:**

All related party transactions that were entered during the financial year 2021-22 were in ordinary course of the business of the Company and were at arm's length. No contract/ arrangement have been entered by the Company with its promoters, directors, key managerial personnel or other persons which may have a potential conflict with the interest of the Company.

Since all related party transactions entered into by the Company were in the ordinary course of business and were on an arm's length basis, Form AOC-2 is not applicable to the Company.

The Company has a Board approved 'Related Party Transition ("RPT") Policy, pursuant to recommendation of the Audit Committee. The RPT Policy is also available on the website of the Company.

Key features of the RPT Policy are as follows:

All Related Party Transactions of the Entity or any subsequent Modifications shall require prior approval of the Audit Committee of the entity.

The Audit Committee grant omnibus approval for Related Party Transactions. The proposal seeking omnibus approval of the Audit Committee, with details and disclosures about the proposed Related Party Transactions specified under the RPT Provisions, are placed before the Audit Committee and the Audit Committee grant its approval as per the RPT Provisions with such other conditions as it may consider necessary. Such omnibus approval, unless specified otherwise, is be valid for the maximum period permissible under the RPT Provisions.

The process of approval of RPTs by the Board and Shareholders is as under:

Approval by the Board of Directors: All RPTs are in the ordinary course of business and at arm's length price. RPTs which are not at arm's length and /or which are not in the ordinary course of business are approved by the Board and shareholders.

Approval by the Shareholders: All material RPTs require prior approval of the shareholders, based on recommendation of the Board, through an ordinary resolution passed at the general meeting. Where any contract or arrangement is entered into by a Director or any other employee without obtaining the consent of the Board or approval by an ordinary resolution in the general meeting, it is to be ratified by the Board or by the shareholders at a meeting, as the case may be, within three months from the date on which such contract or arrangement was entered into.

The transactions with related party are disclosed by way of notes to accounts, in the financial statements of the Company for the financial year ended March 31, 2022.

**30. Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo:**

The information on energy conservation, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is given hereunder:

**Conservation of energy:**

The Company is engaged in providing financial services and as such its operations do not account for substantial energy consumption. However, the Company is taking all possible measures to conserve energy. Several environment friendly measures were adopted by the Company such as:

- Installation of capacitors to save power,
- Installed Thin Film Transistor (TFT) monitors that saves power,
- Light Emitting Diode (LED) lights,
- Automatic power shutdown of idle monitors,
- Creating environmental awareness by way of distributing the information in electronic form,
- Minimising air-conditioning usage,
- Shutting off all the lights when not in use, and
- Education and awareness programs for employees.

The management frequently puts circulars on corporate intranet for the employees educating them on ways and means to conserve the electricity and other natural resources and ensures strict compliance of the same.

**Technology absorption and innovation:**

The management understands the importance of technology in the business segments it operates and lays utmost emphasis on system development and use of best technology available in the industry. The management keeps itself abreast of technological advancements in the industry and ensures continued



and sustained efforts towards absorption of technology, adaptation as well as development of the same to meet the business needs and objectives.

The management invested considerable resources in deploying the latest technologies in the areas of wide area networking using MPLS, video communications, VoIP, automated dialers and other customer relationship management (CRM) tools and software. The Company also made significant strides in using cloud technology for customer-facing servers providing rapid and inexpensive ramp-up or down of capacity in line with business requirements.

The management is aware of increasing threats in the Information Security domain and has taken several steps to ensure that the Company is safe guarded against hacking attacks, data leakage and security breaches. IT and certain business processes have been recertified for ISO 27001 systems for practicing industry standard security implementations and processes. The management has invested resources in implementing controls and continuously monitoring violations, if any.

**Foreign exchange earnings/outgo:**

- a) The Foreign exchange earnings: NIL
- b) The Foreign exchange expenditure: Rs. 63.26 Million

**Research and Development (R & D)**

The Company is engaged in the lending & distribution of financial product business which entails capital market financing, loan against securities, IPO, loan against property, etc., which entails internal research of debt financing, investment products, sectors and markets.

**31. Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013:**

The Company is committed to provide a work environment that ensures every woman employee is treated with dignity and respect and afforded equitable treatment. The Company is also committed to promote a work environment that is conducive to the professional growth of its women employees and encourages equality of opportunity. The Company will not tolerate any form of sexual harassment and is committed to take all necessary steps to ensure that its women employees are not subjected to any form of harassment.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**32. Disclosures on Establishment of Vigil Mechanism:**

The Company has established a vigil mechanism for Directors and employees to report their genuine concerns which are reported to Chairman of the Audit Committee and the Vigil Mechanism policy is available on website of the company <https://iiflwealthprime.com>.

Further, during the year under review no case of frauds were reported by any of the person of the Company.

**33. Reporting of Fraud by Auditors:**

The Auditors of the Company have not reported any frauds under Section 143(12) of the Companies Act, 2013.

**34. Directors Responsibility Statement:**

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, it is hereby confirmed that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis; and
- e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

The Directors further confirm that, they have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

**35. Corporate Governance:**

The Company has fully complied with the Corporate Governance Guidelines for NBFCs issued by Reserve Bank of India vide Master Direction - Non-Banking Financial Company – Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 and as amended from time to time, in accordance with the said Corporate Governance Guidelines, the Company has constituted various committees and ensures best corporate practices to increase the investors and other stakeholders' confidence. The Company has complied with all the norms prescribed by the Reserve Bank of India (RBI) including the Fair Practices Code, Anti Money Laundering and Know Your Customer (KYC) guidelines besides other guidelines, as applicable.

A summary of the Corporate Governance measures adopted by the Company are given below:

- a) The Company recognizes its role as a corporate citizen and endeavours to adopt the best practices and the highest standards of corporate governance through transparency in business ethics, accountability to its customers, Government and others. The Company's activities are carried out in accordance with good corporate practices and the Company is constantly striving to better them by adopting the best practices.
- b) The Company believes that good Corporate Governance practices enable the Management to direct and control the affairs of the Company in an efficient manner and to Company's goal of maximizing value for all its stakeholders.

The Board of Directors along with its Committees provides leadership and guidance to the Company's Management and directs, supervises and controls the activities of the Company. The size of the Board is commensurate with the size and business of the Company.

**Responsibilities of the Board:**

- i. The Board's key purpose is to ensure the Company's prosperity by collectively directing the company's affairs, whilst meeting the appropriate interests of its shareholders and stakeholders.
- ii. The Board is primarily responsible for:
  - a. Establishing vision, mission & values and determining, reviewing the goals, policy of the Company from time to time;
  - b. Setting strategy and structure and deciding the means to implement and support them;
  - c. Delegating to management, determining monitoring criteria to be used and ensuring effectiveness of internal controls;
  - d. Exercising accountability to shareholders and be responsible to relevant stakeholders; and
  - e. Management and control.

**36. Regulatory Compliance:**

The Company has complied with all the applicable guidelines prescribed by RBI for non-deposit taking systemically important NBFCs regarding accounting standards, prudential norms including income recognition, capital adequacy, guidelines of corporate governance, etc.

**37. Downstream Investment:**

With reference to Master Direction on Foreign Investment in India and circulars issued thereunder, relating to Foreign Direct Investment Policy, the Company has complied with the provisions of the FDI Policy issued

by Reserve Bank of India from time to time.

**38. Green Initiative:**

Section 136 of the Companies Act 2013 and the Rules framed there under allows the Company to send its Financial Statements by electronic mode to such Members whose shareholding is in dematerialized format and whose email addresses are registered with the Depositories for communication purposes. As a responsible corporate citizen, the Company proposes to effect electronic delivery of the Annual Report of the Company in lieu of the paper form to the Members who have registered their email IDs with the Depositories. A physical copy of the Annual Report will be sent to those Members who have not registered their email addresses with the Depositories for receiving electronic communication. A physical copy of this Annual Report can also be obtained free of cost by any member from the registered office of the Company on any working day during the business hours.

Further, MCA vide its circular dated May 5, 2022, has extended the relaxations from dispatching of physical copies of financial statements for the year 2022 i.e. till December 31, 2022.

A copy of this Annual Report for FY 2021-22 is available on website of the Company, <https://iiflwealthprime.com>

**39. Acknowledgements:**

Your Directors take this opportunity to thank the Reserve Bank of India, financial institutions, banks, and all other stakeholders for their continued support and assistance during the period under review. Your Directors would also like to thank the employees for their dedication towards the growth of the Company.

**40. Annexure(s) forming part of this Report of Directors:**

The Annexure(s) referred to in this Report and other information which are required to be disclosed are annexed herewith and form a part of this Report of the Directors:

- Corporate Governance Report as Annexure I
- Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2021-22 as Annexure – II
- Particulars of employees as Annexure – III
- Secretarial Audit Report for financial year ended March 31, 2022 as Annexure – IV.

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

Sd/-  
**Himanshu Jain**  
**Whole-time Director & CEO**  
**DIN: 02052409**

sd/-  
**Yatin Shah**  
**Whole -time Director**  
**DIN: 03231090**

Date: May 03, 2022  
Place: Mumbai

**CORPORATE GOVERNANCE REPORT**

This Corporate Governance Report relating to the year ended on March 31, 2022 has been issued in compliance with the SEBI Listing Regulations.

**1. COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE**

IIFL Wealth Prime Limited (“the Company”) (erstwhile known as IIFL Wealth Finance Limited) follows the highest standards of governance and disclosure. The Company firmly believes that adherence to business ethics and sincere commitment to corporate governance will help the Company achieve its vision of being the most respected Non-Banking Financial Company in the financial services space in India. Since inception, the promoters have demonstrated exemplary track record of governance and utmost integrity. The Company is in compliance with the requirements of the SEBI Listing Regulations, , as applicable.

SEBI Listing Regulation were amended vide notification dated September 7, 2021, providing for the applicability of Regulations 15 to 27, relating to corporate governance on high value debt listed entities on comply or explain basis until March 31, 2023. The Company has taken all the required steps to comply with the aforesaid regulations including appointment of Chairperson of the Board, constitution of Stakeholders Relationship Committee and reconstitution of committees.

Our Board has Independent Directors, highly respected for their professional integrity as well as rich financial experience and expertise.

**2. BOARD OF DIRECTORS**

**(a) Composition of the Board of Directors**

The Board of Directors (“Board”) of the Company has an optimum combination of executive and non-executive directors, including one-woman director. The Board provides leadership, strategic guidance and discharges its fiduciary duties of safeguarding the interest of the Company and its stakeholders.

None of the Directors of the Company are related to each other. The composition of the Board is as follows:

<b>Category</b>	<b>Name of the Directors</b>
Independent Directors	Dr. Subbaraman Narayan – Chairperson
	Ms. Rekha Warriar
Whole-Time Director	Mr. Yatin Shah
	Mr. Himanshu Jain
Non-Executive Director	Mr. Karan Bhagat
	Mr. Shantanu Rastogi

**(b) BRIEF PROFILES OF THE DIRECTORS ARE AS FOLLOWS:**

- **DR. SUBBARAMAN NARAYAN** - Independent Director

Dr. Subbaraman Narayan is an Independent Director on the Board. He holds a PhD from IIT Delhi. He has 40 years of experience in the fields of economics, economic policy and administration. He has been a senior research fellow at the Institute of South Asian Studies, National University of Singapore since 2005. He has previously held the positions of finance and economic affairs secretary; economic advisor to the Prime Minister of India; secretary in the Department of Revenue, Ministry of Finance, Government of India; secretary, Ministry of Petroleum and Natural Gas, Government of India; and secretary, Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India.

- **MS. REKHA WARRIAR** – Independent Director

Ms. Rekha Warriar is an Independent Director on the Board of the Company. She holds a Master's degree in Applied Mathematics from the University of Bombay and a Master's in Public Policy from Princeton University, USA. She has an experience of over 30 years with the Reserve Bank of India in various departments. She has headed the departments of financial stability and internal debt management. She has also worked as a member of faculty in RBI's training colleges and at the National Institute of Banking Management, Pune.

- **MR. SHANTANU RASTOGI** – Non-Executive Director

Mr. Shantanu Rastogi is a Non-Executive Director on the Board of the Company. He is currently Managing Director at General Atlantic, where he is responsible for investments in the financial services, healthcare, and retail and consumer sectors in India and Asia-Pacific. He holds a master's degree in engineering from Indian Institute of Technology, Mumbai and a master's degree in business administration from the Wharton School, the University of Pennsylvania. He has approximately 17 years of experience in the fields of private equity and finance. He has previously worked as a business consultant with McKinsey & Company India LLP and was a Principal with Apax Partners India Advisers Private Limited.

- **MR. KARAN BHAGAT** – Non-Executive Director

Mr. Karan Bhagat, Non-Executive Director of our Company. holds an MBA in Finance from the Indian Institute of Management, Bangalore and acquired his bachelor's degree in Commerce from St. Xavier's College, Kolkata. He has more than 20 years of experience in the financial services sector. He is responsible for providing direction and leadership towards the achievement of the organization's strategic goals and objectives. He previously worked with Kotak Mahindra Wealth Management Ltd. where he went on to head the Mumbai office. He was recognized as 'Asia's Promising Business Leaders' by The Economic Times in 2022. He featured in Fortune India's '40 under 40' list in 2016 and 2017 and The Economic Times '40 under 40' list in 2017. He also received the URS Asia One Global Indian of the Year award in 2018.

- **MR. YATIN SHAH** – Whole time Director

Mr. Yatin Shah is the Joint CEO of IIFL Wealth Management Business and Promoter and Non-Executive Director on the Board of IIFL Wealth Management Limited and he is the Whole-time Director on the Board of our Company. He acquired his M.Sc. degree in Finance from Cass Business School, London and holds a bachelor's degree in commerce from University of Mumbai. He has more than 20 years of experience in the financial services sector, across equity research and private wealth management. He has previously worked with Khandwala Securities Limited and Kotak Mahindra Bank Limited. He focuses on the wealth practice besides client services, marketing and client experiences. He is responsible for introducing the IIFL Wealth & Asset Management proposition to new clients, as well as expanding the relationship with existing clients. Among other awards, he is a recipient of the Best Financial Manager award for the best registered deal by Asian Institute of Management, Manila.

- **MR. HIMANSHU JAIN** – Whole-time Director and CEO

Mr. Himanshu Jain is the Chief Executive Officer and Whole time Director of our Company. He comes with over 20 years of rich experience across capital markets, wealth management and lending business. Over the course of his career, he has focused on consistent delivery of new business launch and growth for several MNC banks – particularly in the NBFC space. While Himanshu was most recently with BNP Paribas, he has spent time with Morgan Stanley, Merrill Lynch and Citigroup. Largely, he has been responsible for the setup, launch and scaling of NBFC business.

c) **Board Meetings and Directorship/ Committee membership(s) of Directors**

During the year 2021-22 Nine (9) Board Meetings were held on the following dates; April 16, 2021, May 17, 2021, July 02, 2021, August 02, 2021, September 03, 2021, September 13, 2021, October 26, 2021, February 01, 2022 and

March 31, 2022.

As mandated by SEBI Listing Regulations, none of the Directors on the Board of the Company is Member of more than ten (10) specified Committees and none is the Chairperson of more than five (5) specified Committees across all public limited companies in which they are Directors. The Company has received necessary disclosures from all the Directors regarding Committee positions held by them in other Companies.

The table below gives the details of the names of the members of the Board, their status, attendance at the Board Meetings and at last AGM, Directorships, Committee Memberships and Chairmanships in Indian Companies as on March 31, 2022. It excludes Directorships of Private Limited Companies, Unlisted Public Companies, Foreign Companies and Section 8 Companies:

Name of the Director (DIN)	Position / Category of Directorship	No of shares held by NEDs	Number of board meeting attended during the year	Attendance at last AGM	Directorships in Indian Public Listed Companies (including IIFL Wealth Prime Limited)	Membership of Committees ^	
						Member	Chair-person @
Dr. Subbaraman Narayan (DIN: 00094081 )	Independent Director	NIL	7		4	6	2
Ms. Rekha Warriar (DIN: 08152356)	Independent Director	NIL	9		2	3	2
Mr. Himanshu Jain (DIN: 02052409)	Whole time director and CEO	NIL	9	Yes	-	-	-
Mr. Karan Bhagat (DIN: 03247753)	Non executive Director	1	9	Yes	1	1	Nil
Mr. Yatin Shah (DIN: 03231090)	Whole time Director	1	8	Yes	1	1	Nil
Mr. Shantanu Rastogi (DIN: 06732021)	Non Executive Director	NIL	9		1	2	Nil

**Notes:**

1. ^ Includes only Audit Committee and Stakeholders' Relationship Committee in all public limited companies (whether listed or not) and excludes private limited companies, foreign companies and Section 8 companies.
2. @ Chairmanship includes committee membership of Audit Committee and Stakeholders' Relationship Committee
3. Video facility is offered to facilitate Directors to participate in the meetings

As mandated by SEBI (Listing Regulations, as amended from time to time, a person shall not be a director in more than seven listed entities with effect from April 1, 2020.

The table below gives the details of the names of the Directors, their status including the names of the listed entities where the person is a director and the Category of Directorship as on March 31, 2022.

Name of the Director and DIN	Directorship in Listed entities	Category of Directorship
Dr. Subbaraman Narayan (DIN : 00094081)	Dabur India Limited	Independent Director
	Seshasayee Paper and Boards Limited	Independent Director
	Artem is Medicare Services Limited	Independent Director
	IIFL Wealth Management Limited	Independent Director
Mr. Karan Bhagat (DIN: 03247753)	IIFL Wealth Management Limited	Managing Director
Mr. Yatin Shah (DIN: 03231090)	IIFL Wealth Management Limited	Non-Executive Director
Mr. Himanshu Jain (DIN: 02052409)	-	-
Ms. Rekha Warriar (DIN: 08152356)	IIFL Securities Limited	Independent Director
Mr. Shantanu Rastogi (DIN: 06732021)	IIFL Wealth Management Limited	Non-Executive Director

The Board has identified the following skills/ expertise/ competence for the effective functioning of the Company which is currently available with the Board:		Names of directors who have such skills / expertise / competence
<b>Skills and Attribute:</b>	Strategic Advisor, Monetary Policy, Leadership, Corporate Governance, Risk and Compliance, Financial Expertise, Stakeholder Relationship	Please review the below table

In the table below, the key skills, expertise and competence of the Board of Directors in context of the Company's business for effective functioning and as available with the Board have been highlighted.

Name of Director	Dr. Subbaraman Narayan	Mr. Himanshu Jain	Mrs. Rekha Warriar	Mr. Yatin Shah	Mr. Karan Bhagat	Mr. Shantanu Rustogi
Strategic Advisor	√	√	√	√	√	√
Monetary Policy	√	√	√	√	√	√
Leadership	√	√	√	√	√	√
Corporate Governance	√	√	√	√	√	√

Risk and Compliance	√	√	√	√	√	√
Financial Expertise	√	√	√	√	√	√
Stakeholder Relationship	√	√	√	√	√	√

**d) Board Level Performance Evaluation:**

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Executive Directors, Non-Executive Directors including Independent Directors and Board as a Whole.

The criteria for performance evaluation are as under:

**For Chairperson:**

The criteria for evaluation of Chairperson, inter alia, include his ability to conduct meetings, ability to elicit inputs from all members, ability to table and openly discuss challenging matters, attendance at meetings, assistance to Board in formulating policies and setting standards, accessibility, ability to analyse strategic situations, ability to project positive image of the Company, compliance with regulatory requirements.

**For Whole Time Director:**

The criteria for evaluation of Whole-Time Director, inter alia, included his ability to lead the organisation, ability to understand the financial planning, budgeting and management of the organization's investments, ability to develop short, medium and long term strategic plans with the Board, active initiatives in creating new products and services and ability to maintain high standards of ethics and integrity.

**For Non-Executive Directors (including Independent Directors):**

The criteria for evaluation of Non-Executive Directors, inter alia, include attendance at the meetings, study of agenda and active participation, contribution to discussions on strategy, participate constructively and actively in committees of the Board, exercise of skills and diligence with due and reasonable care and to bring independent judgment to the Board, ability to bring in best practices from his / her experience, adherence to the code of conduct.

**For Committees of the Board:**

The criteria for evaluation of the Committees of the Board, inter alia, included structure and effectiveness of the Committees, frequency and regularity of the Meetings of the Committees, duration of the Meetings

**For Board as a whole:**

The criteria for evaluation of the Board, inter alia, include composition and diversity, induction programme, team work, performance, culture, risk management and financial controls, integrity, credibility, trustworthiness, active and effective participation by Members.

**e) Separate meetings of the Independent Directors:**

In compliance with the provisions of the Companies Act, 2013 and Regulation 25 of SEBI Listing Regulations a separate meeting of Independent Directors of the Company was held on March 28, 2022, *inter alia*, to discuss the following:

- To review the performance of non-independent directors and the Board of Directors as a whole;
- To review the performance of the Chairperson of the Company;



- To assess the quality, quantity and timeliness of flow of information between the Company management and the Board, which is necessary for the Board to effectively and reasonably perform their duties.

Upon the conclusion of the meeting, the Independent Directors expressed their satisfaction over the performance of the other directors and the Board as a whole. They also expressed their satisfaction over the quality, quantity and flow of information between the management and the Board / Committees of the Board from time to time. They suggested certain good practices and the same were placed before the Board of Directors with management comments thereon.

**f) Familiarization programme for Independent Directors:**

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made at the Board and Committee Meetings, on business and operations of the Company as well as the Group. Quarterly updates on relevant statutory changes are discussed at the Board meetings.

The details of such familiarization programme of the Company may be accessed on the Company's website at [www.iiflwealthprime.com](http://www.iiflwealthprime.com)

**g) Meetings of the Board of Directors:**

Frequency: The Board meets at least once a quarter to review the quarterly results and other items of the Agenda. Whenever necessary, additional Board meetings are held. In case of business exigencies or matter of urgency, resolutions are passed by circulations, as permitted by law, which are confirmed in the next Board Meeting.

Board Meeting Location: The meetings are generally held at the Company's Registered & Corporate Office. However, due to the lock-down because of COVID-19 pandemic and in accordance with the statutory provisions, exemptions and relaxations as provided by Ministry of Corporate Affairs, all the meetings in the financial year 2021-22 were held through video-conference facility.

Notice and Agenda circulated in advance: The Company's Board / Committees are presented with detailed notes, along with the agenda papers which are circulated well in advance of the Meeting. The Company has implemented web application based e-meeting system accessible through secured iPads provided to the Directors. The agenda, presentation, notes and minutes are made available to the Board and Committee members. The Company Secretary in consultation with the Chairperson of the Board / Committees sets the agenda for the Board / Committee meetings. All material information are incorporated in the agenda for facilitating meaningful and focused discussions at the Meeting. The Board periodically reviews compliance reports of laws applicable to the Company, prepared and placed before the Board by the Management.

Apart from Board members and the Company Secretary, the Board and Committee Meetings are also attended by the Chief Financial Officer, Chief Risk Officer and wherever required by the Heads of various Functions.

Other Matters: The senior management team of the Company is advised to schedule its work plans in advance, particularly with regard to matters requiring discussions/ decision with the Board/ Committee Members.

Presentations by Management: The Board / Committee is given presentations, wherever practicable covering finance, sales, marketing, major business segments and operations of the Company, global business environment including business opportunities, business strategy, risk management practices and operating performance of the Company before taking on record the financial results of the Company.

Access to employees: The Directors are provided free access to officers and employees of the Company. Whenever any need arises, the Board / Committee Members are at liberty to summon the personnel whose presence and expertise would help the Board to have a full understanding of the matters being considered.

**h) Information Placed before Board / Committees:**

Among others, information supplied to the Board / Committees includes:

- Report on Internal Financial Controls
- Quarterly Financials on standalone and consolidated basis
- Review of Policies and periodic updation
- Annual Budgets and plans
- Performance of the Company and its subsidiaries
- Risk Mitigation Measures
- Remuneration of Executive Directors & Senior Management
- Minutes of the Meetings of the Board and all other Committees of the Board
- Important updates in subsidiaries
- Update on litigations, if any
- Compliance status of any regulatory, statutory nature or listing requirements and shareholders' service.

**i) Minutes of the Meetings:**

The draft minutes of the proceedings of the meetings are circulated amongst the members of the Board / Committees. Comments and suggestions, if any, received from the Directors are incorporated in the Minutes, in consultation with the Chairperson of the Board. The minutes are confirmed by the members and signed by the chairperson at the next Board / Committee meetings. All minute of the committee meetings are placed before the Board meeting for perusal and noting of the Board members.

**j) Post meeting follow-up mechanism:**

The Company has an effective post meeting follow-up review and reporting process for the decisions taken by the Board and Committees thereof. The important decisions taken at the Board/Committee(s) Meeting(s) which calls for actions to be taken are promptly initiated and wherever required, communicated to the concerned departments/ divisions. The action taken report is placed at the immediately succeeding Meeting of the Board / Committee(s) for information and review by the Board/ Committee(s).

**k) Confirmation of Independence:**

The Board is of the opinion that all the Independent Directors fulfill the conditions specified in SEBI Listing Regulations, 2015 and are independent of the management.

**AUDIT COMMITTEE**

The present Audit Committee of your Company comprises of two Independent Directors Ms. Rekha Warriar and Dr. Subbaraman Narayan and one Non-Executive Director is Mr. Shantanu Rastogi. Ms. Rekha Warriar, an Independent Director, was appointed as Chairperson of the Committee with effect from October 26, 2021. All the members of the Audit Committee are financially literate and possess thorough knowledge of the financial services industry.

The scope of the Audit Committee includes the references made under Regulation 18 read with part C of schedule II of SEBI Listing Regulations, 2015 as well as Section 177 and other applicable provisions of the Companies Act, 2013, besides the other terms that may be referred by the Board of Directors.

The broad terms of reference of the Audit Committee are:

- (i) oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- (ii) recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- (iii) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

- (iv) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (b) changes, if any, in accounting policies and practices and reasons for the same;
  - (c) major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) significant adjustments made in the financial statements arising out of audit findings;
  - (e) compliance with listing and other legal requirements relating to financial statements;
  - (f) disclosure of any related party transactions; and
  - (g) modified opinion(s) in the draft audit report.
- (v) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (vi) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (vii) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (viii) approval or any subsequent modification of transactions of the listed entity with related parties;
- (ix) scrutiny of inter-corporate loans and investments;
- (x) valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (xi) evaluation of internal financial controls and risk management systems;
- (xii) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (xiii) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (xiv) discussion with internal auditors of any significant findings and follow up there on;
- (xv) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- (xvi) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (xvii) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (xviii) to review the functioning of the whistle blower mechanism;
- (xix) approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- (xx) to carry out any other function as is mandated by the board from time to time and / or enforced by any statutory notification, amendment or modifications as may be applicable;
- (xxi) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision; and
- (xxii) mandatorily review the following:
  - (a) management's discussion and analysis of financial condition and results of operations;
  - (b) statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - (c) management letters / letters of internal control weaknesses issued by the statutory auditors;
  - (d) internal audit reports relating to internal control weaknesses;
  - (e) the appointment, removal and terms of remuneration of the chief internal auditor; and
  - (f) statement of deviations:
    - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchanges(s) in terms of Regulation 32(1) of the SEBI Listing Regulations, 2015; and

- annual statement of funds utilised for purpose other than those stated in the offer document / prospectus in terms of Regulation 32(7) of the SEBI Listing Regulations, 2015.

During the period under review, the Audit Committee of the Company met Six (6) times on April 16, 2021, May 17, 2021, July 02, 2021, August 02, 2021, October 26, 2021 and February 01, 2022. The necessary quorum was present at the meetings. The gap between two Audit Committee Meetings was not more than 120 days.

The attendance of each member of the committee at the Meetings of Committee held during the period under review is given below:

Name of the members	Designation	Non-Executive/ Executive /Independent	No. of committee meetings held	Committee meeting attended
Ms. Rekha Warriar	Chairperson	Independent	6	6
Dr. Subbaraman Narayan	Member	Independent	6	5
Mr. Shantanu Rastogi	Member	Non-Executive	6	6

Audit Committee meetings are attended by the Chief Financial Officer of the Company and representatives of Statutory Auditors and Internal Auditors, if required. The Company Secretary of the Company acts as the Secretary of the Audit Committee.

#### **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee presently comprises of Ms. Rekha warriar, Independent Director as the Chairperson of the Committee, Dr. Subbaraman Narayan, Independent Director and Mr. Karan Bhagat, Non- executive Director(s).

The scope of activities of the Nomination and Remuneration Committee is as set out in Regulation 19 of SEBI Regulations, 2015 read with Section 178 of the Companies Act, 2013. The terms of reference of the Nomination and Remuneration Committee are broadly as follows:

- (1) formulation of the criteria for determining qualifications, positive attributes and independence of a director, and recommend to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- (2) formulation of the criteria for evaluation of performance of Independent Directors and the Board;
- (3) devising a policy on Board diversity;
- (4) identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and / or removal;
- (5) consider extension or continuation of the term of appointment of the Independent Directors on the basis of the report of performance evaluation of Independent Directors;
- (6) recommendation to the Board, all remuneration, in whatever form, payable to senior management
- (7) specifying the manner for effective evaluation of performance of Board, its committees and individual Directors and review its implementation and compliance;
- (8) recommend / review remuneration of the managing director(s) and whole-time director(s) based on their performance and defined assessment criteria;
- (9) administer, monitor and formulate detailed terms and conditions of the employees' stock option scheme;
- (10) annual performance evaluation of the committee;
- (11) review the information on recruitment and remuneration of senior officers just below the level of board of directors, including appointment or removal of Chief Financial Officer and the Company Secretary; and

(12) to carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable.

During the year under review, the Nomination and Remuneration Committee of the Company met Two (2) times on May 17, 2021 and February 01, 2022. The necessary quorum was present at the meetings.

The attendance of each member of the committee at the Meetings of Committee held during the period under review is given below:

Name of the members	Non-Executive/ Executive/ Independent	No. of committee meetings held	Committee meeting attended
Dr. Subbaraman Narayan	Independent	2	2
Ms. Rekha Warriar	Independent	2	2
Mr. Karan Bhagat	Non-Executive	2	2

The Company Secretary of the Company acts as Secretary of the Committee.

The Board of Directors of the Company has approved Nomination and Remuneration Policy of the Company, which sets out the guiding principles for appointment and remuneration of Directors, Key Managerial Personnel and Senior Management of the Company.

The Nomination and Remuneration Policy forms part of the Directors Report, annexed as **Annexure B**.

The details of the remuneration paid to the Directors is as follows:

**(a) Details of Remuneration paid to Directors during FY 2021-22 and details of number of shares and convertible instruments held by Directors as on March 31, 2022 is as under:**

Name of the Director	Designation	Salary and perquisite (In Rs.)	Commission (In Rs.)*	Sitting Fees (In Rs.)	Contribution to PF and other funds	Stock options (In Quantity)	No. of equity shares held
Dr. Subbaraman Narayan	Independent Director	-	5,50,000	12,30,000	-	-	-
Ms. Rekha Warriar	Independent Director	-	8,25,000	15,55,000	-	-	-
Mr. Himanshu Jain	Whole time Director & CEO	2,89,90,648	-	-	8,06,237	-	-
Mr. Karan Bhagat	Non- executive Director	-	-	-	-	-	-
Mr. Yatin Shah	Whole time Director	6,29,77,802	-	-	18,40,125	-	-
Mr. Shantanu Rastogi	Non- executive Director	-	-	-	-	-	-

\*Commission pertains to FY 2021-22 paid in May 2022

**(b) Remuneration to Non-Executive/ Independent Directors:**

Independent Directors are paid Rs. 75,000/ (Rupees Seventy-Five Thousand) sitting fees for attending each of the Board Meeting, Rs. 50,000/- (Rupees Fifty Thousand) towards sitting fees for attending each of the Audit Committee Meeting, Rs. 25,000/- (Rupees Twenty-Five Thousand) towards sitting fees for attending each of the other Committee meetings and independent Directors Meeting and Rs. 15,000/- (Rupees Fifteen Thousand) towards sitting fees for attending each of the Group Credit Committee Meeting, plus the reimbursement directly related to the actual travel and out-of-pocket expenses, if any, incurred by them.

The Company has not granted any Employee Stock Options to the Independent Directors. There are no pecuniary relationships or transaction of the Non-executive directors with the Company.

The Company has obtained a Directors and Officers Liabilities Insurance policy covering all Directors and Officers of the Company in respect of any legal action that might be initiated against any Director or Officer of the Company.

#### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

During the year under review the Company has constituted a Stakeholders Relationship Committee comprises of Dr. Subbaraman Narayan, Independent Director and Chairperson of the Committee, Mr. Himanshu Jain, Whole time Director and CEO and Mr. Yatin Shah, Whole time Director.

The Committee met once during the FY 2021-22, on March 15, 2022. The necessary quorum was present at the meetings. No complaints from stakeholders were received by the Company during the year.

The attendance of each member of the committee at the Meeting of Committee held during the period under review is given below:

<b>Name of the members</b>	<b>Designation</b>	<b>Non-Executive/ Executive/ Independent</b>	<b>No. of committee meetings held</b>	<b>Committee meeting attended</b>
Dr. Subbaraman Narayan	Chairperson	Independent Director	1	1
Mr. Himanshu Jain	Member	Whole Time Director and CEO	1	1
Mr. Yatin Shah	Member	Whole Time Director	1	1

The name, designation and address of Compliance Officer of the Company is as under:

Name and designation	Mr. Amit Bhandari, Company Secretary & Compliance Officer
Corporate Office Address	IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai – 400013
Contacts	Tel: +91 22 48765712 E-mail: nbfc-compliance@iiflw.com

The Company Secretary of the Company acts as Secretary of the Committee.

#### **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Corporate Social Responsibility Committee (“CSR Committee”) comprises of Ms. Rekha Warriar, Independent Director & Chairperson of the Committee, Dr. Subbaraman Narayan, Independent Director and Mr. Shantanu Rastogi, Non-Executive Director.

During the year under review, the Corporate Social Responsibility Committee of the Company met Two (2) times on August 2, 2021 and March 15, 2022. The necessary quorum was present at the meetings.

The attendance of each member of the committee at the Meetings of Committee

held during the period under review is given below:

Name of the members	Designation	Non-Executive/ Executive/ Independent	No. of committee meetings held	Committee meeting attended
Ms. Rekha Warriar	Chairperson	Independent Director	2	2
Dr. Subbaraman Narayan	Member	Independent Director	2	2
Mr. Shantanu Rastogi	Member	Non-Executive Director	2	1

#### **RISK MANAGEMENT COMMITTEE:**

Risk Management Committee comprises of Ms. Rekha Warriar, Independent Director and Chairperson of the committee, Mr. Himanshu Jain, Whole time director and CEO, Mr. Shantanu Rastogi, Non-executive Director, Mr. Niraj Murarka, Chief Investment Officer and Mr. Raghuvir Mukherji, Chief Risk Officer- IIFL Wealth Management Limited.

The objective of the Risk Management Committee is to oversee the risk management governance structure, define and review the framework for identification, assessment, monitoring, mitigation and reporting of risk.

During the year under review, the Risk Management Committee of the Company met Four (4) times on May 17, 2021, August 02, 2021, October 26, 2021 and February 01, 2022. The necessary quorum was present at the meetings.

The attendance of each member of the committee at the Meeting of Committee is given below:

Name of the members	Designation	Non-Executive/ Executive/ Independent	No. of committee meetings held	Committee meeting attended
Mr. Rekha Warriar	Chairperson	Independent Director	4	4
Mr. Himanshu Jain	Member	Whole time director and CEO	4	4
Mr. Shantanu Rastogi	Member	Non- Executive Director	4	4
Mr. Niraj Murarka	Member	Chief Investment Officer	4	4
Mr. Raghuvir Mukherji	Member	Chief Risk Officer – IIFL Wealth Management Limited	4	4

The Company Secretary of the Company acts as Secretary of the Committee.

#### **IT STRATEGY COMMITTEE**

The IT Strategy Committee of the company comprises of Dr. Subbaraman Narayan, Independent Director and Chairman of the committee, Mr. Abhishek Chandra, Chief Technology / Information Officer (till April 12, 2022), Mr. Raghuvir Mukherjee, Group Chief Risk Officer, Mr. Prateek Mishra and Mr. Anshuman Maheshwary, Chief Operating Officer of IIFL Wealth Management Limited.

The objective of the committee is to ensure that, IT framework, IT Policy, Information & Cyber Security, IT Operations, IS Audit, Business Continuity Planning and IT Services Outsourcing. The basic principles of value delivery, IT Risk Management, IT resource management and performance management must form the basis of governance framework. IT Governance has a continuous life-cycle. It's a process in which IT strategy drives the processes, using resources necessary to execute responsibilities.

During the year under review, the IT Strategy Committee of the Company met Two (2) times on September 09, 2021 and March 29, 2022. The necessary quorum was present at the meetings.

The attendance of each member of the committee at the Meetings of Committee held during the period under review is given below:

Name of the members	Designation	No. of committee meetings held	Committee meeting attended
Dr. S. Narayan	Chairman	2	2
Mr. Abhishek Chandra	Member	2	2
Mr. Anshuman Maheshwary	Member	2	2
Mr. Raghuvir Mukherjee	Member	2	2
Mr. Prateek Mishra	Member	2	2

#### **PERIODIC REVIEW OF COMPLIANCES OF ALL APPLICABLE LAWS**

Your Company follows a system whereby all the acts, rules and regulations applicable to your Company are identified and compliance with such acts, rules and regulations is monitored by dedicated team on a regular basis. Verification of the compliances with the major acts/regulations is carried out by internal/ secretarial auditors their reports and implementation of their observations are reported to the Board/Audit Committee. In addition, the audit and verification plan and actual status thereof are reviewed by the Board/Audit Committee periodically. A consolidated compliance certificate based on the compliance status received in respect of various laws, rules and regulations applicable to your Company is placed before the Board on regular basis and reviewed by the Board. Necessary reports are also submitted to the various regulatory authorities as per the requirements from time to time.

#### **GENERAL BODY MEETINGS**

The following table gives the details of the last three Annual / Extra Ordinary General Meetings ("AGM/EGM") of the Company:

Date of AGM / EGM	Location	Time	Whether any special resolutions passed
September 14, 2021 (AGM)	IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai- 400013.	11.00 a.m.	No
September 10, 2020 (AGM)	IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai- 400013.	10.00 a.m.	No
September 30, 2019 (AGM)	IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai- 400013.	10.00 a.m.	No



Date of AGM / EGM	Location	Time	Whether any special resolutions passed
January 22, 2020 (EGM)	IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai-400013.	5.30 p.m.	Yes. 1. approved the offer or invitation to subscribe to Non-Convertible Debenture on private placement for the financial ear 2020-21. 2. Appointed Mr. Yatin Shah as a Whole-time Director of the company for a period of three years.
February 28, 2020 (EGM)	IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai-400013.	1.00 p.m.	Yes. 1. Approved increase in borrowing limits from 13,000 Crore to 16,000 Crore. 2. approve the increase in the existing limit for the offer or invitation to subscribe to Non-Convertible Debentures on private placement from INR 3,000 Crore to INR 4,000 Crore for F.Y. 2019-20.
November 3, 2020 (EGM)	IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai-400013.	11.00 a.m.	Yes. 1. Approved the change in Memorandum of Association due to consequent to change in Name of the Company. 2. Approved the change in Article of Association consequent to change in Name of the Company.
February 02, 2021 (EGM)	IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai-400013.	1.00 p.m.	Yes. 1. Approved the offer or invitation to subscribe to Non-Convertible Debenture on private placement for the financial ear 2021-22.
March 15, 2022 (EGM)	IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai-400013.		Yes. 1. To approve the offer or invitation to subscribe to Non-Convertible Debentures on private placement for the financial year 2022-23  2. To approve the re-appointment of Dr. S. Narayan, (DIN: 00094081) as an Independent Director of the Company for a second term of five consecutive years

During the year under review, no resolution was passed through Postal Ballot. None of the business proposed to be transacted at the ensuing AGM requires passing a resolution through Postal Ballot.

#### **DISCLOSURES**

- (i) **Disclosure on materially significant related party transactions that may have potential conflict with the interest of company at large:**

The Company has put in place a policy for Related Party Transactions (RPT Policy) which has been approved by the Board of Directors, which is displayed on your Company's website, i.e. [www.iiflwealthprime.com](http://www.iiflwealthprime.com). The Policy provides for identification of RPTs, necessary approvals by the Audit Committee/Board/Shareholders, reporting and disclosure requirements, as applicable, in compliance with the Companies Act, 2013 and SEBI Listing Regulations.

All related party transactions that were entered during the financial year were in ordinary course of the business of the Company and all the related party transactions were on arms' length basis. All such Related Party Transactions were placed before the Audit Committee for approval, wherever applicable.

(ii) **Details of non-compliance**

No strictures/ penalties were imposed on your Company by Stock Exchanges or by the Securities and Exchange Board of India or by any statutory authority on any matter related to the securities markets during the financial year 2021-22.

(i) **Details of establishment of Whistle Blower Policy and Vigil Mechanism:**

The Company has adopted a Vigil Mechanism / Whistle Blower Policy and has established the necessary vigil mechanism for employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct policy. The Policy also provides for adequate safeguard against victimization of the whistle blower who avails of such mechanism and provides for the access to the Chairman of the Audit Committee.

None of the whistle blowers has been denied access to the Audit Committee.

(ii) **Prevention of Insider Trading**

In January 2015, SEBI notified the SEBI (Prohibition of Insider Trading) Regulations, 2015 that came into effect from May 15, 2015. Pursuant thereof, the Company as a listed Company and market intermediary has formulated and adopted a new code for prevention of Insider Trading incorporating the requirements in accordance with the regulations, clarifications and circulars and the same are updated as and when required.

All the Board of Directors, designated employees and connected persons have affirmed compliance with the Code.

(iii) **Compliance with Mandatory and Non-Mandatory Provision**

Your Company has adhered to all the mandatory requirements of Corporate Governance norms as prescribed under SEBI Listing Regulations to the extent applicable to the Company.

(iv) **Details of utilization of funds raised through preferential allotment or qualified institutional placement as specified under Regulation 32(7A):**

During the financial year 2021-22, the Company has not raised any funds through preferential allotment or qualified institutional placement.

(v) **Disclosure of accounting treatment**

There was no deviation in following the treatments prescribed in any of Accounting Standards (AS) in the preparation of the financial statements of your Company.

(vi) **Policy on material subsidiary**

The Company is in process of formulating policy on 'material' subsidiaries and determination of materiality of events'.

(vii) **Relationship with other Directors**

None of the directors are related to any other director.

(viii) **Details of Unclaimed Dividend/Shares of the Company**

There are no Unclaimed shares of the Company as on March 31, 2022.

**(ix) Certificate from Company Secretary in practice**

The Company has obtained a certificate from M/s. Jayaram U. Poojari, Company Secretary in practice confirming that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority and is enclosed with this report as **Annexure B**.

**(x) Disclosure under Sexual Harassment**

The relevant disclosures in relation to the number of complaints under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 have been mentioned in the Directors' Report of the Company.

Particulars	No. of Complaints
Number of complaints received during the financial year	Nil
Number of complaints disposed of during the financial year	Nil
Number of complaints pending as on end of the financial year	Nil

**Statutory Auditor and Audit Fees**

Total fees for all services paid by the Company to the statutory auditor is given in the notes to accounts as is forming part of financial of the Company.

During the year the Board has accepted all the recommendations made by the Audit committee(s) and there were no such instances where the Board has not accepted recommendations made by any of the committee of the Board.

**MEANS OF COMMUNICATION TO THE STAKEHOLDERS**

The primary source of information to shareholders, customers, and other stakeholders of your Company and to public at large is through the website of your Company [www.iiflwealthprime.com](http://www.iiflwealthprime.com). The Annual Report, quarterly results, material events, corporate actions, are regularly sent to Stock Exchanges and uploaded on the Company's website. Quarterly/annual financial results are regularly submitted to the Stock Exchanges in accordance with the SEBI Listing Regulations.

All the disclosures made to the stock exchanges are also available on the Company's website at [www.iiflwealthprime.com](http://www.iiflwealthprime.com)

The quarterly and annual results of your Company are published in the Free Press Journal, Financial Express and Navshakti which are widely circulated.

**GENERAL SHAREHOLDERS' INFORMATION**

1.	<b>Annual General Meeting</b>	August 01, 2022
2.	<b>Financial calendar (2020-21)</b>	April 1, 2021 to March 31, 2022
		Results for the quarter ended June 30, 2021 - were approved on August 2, 2021
		Results for the quarter ended September 30, 2021 – were approved on October 26, 2021
		Results for the quarter ended December 31, 2021 – were approved on February 1, 2022
		Results for the quarter and year ended March 31, 2022 – were approved on May 3, 2022
3.	<b>Book closure date</b>	N.A.

4.	<b>Dividend</b>	During the period under review, your Company has recommended the final dividend of Rs. 3.60 /- per share having face value Rs. 10/- per share.
5.	<b>Listing of Non-Convertible Debenture</b>	NCDs are listed on Debt Segment of BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001  The listing fees for the FY 2022-23 NCDs is paid to the Stock Exchange.
6.	<b>Stock code</b>	BSE Limited – 955473, the Company has issued Principal Protected Market Linked Debenture(s) in multiple tranches under single ISIN.
8.	<b>Registrar &amp; Transfer Agent</b>	<b>Link Intime India Private Limited</b>  C-101, 247, Lal Bahadur Shastri Marg, Gandhi Nagar, Vikhroli West, Mumbai - 400083 Tel: 022-49186000  Email: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a>
9.	<b>Debenture Trustee</b>	<b>Beacon Trusteeship Limited</b>  4C, Siddhivinayak Chambers, Gandhi Nagar, Cricket Club, Opp MIG Bandra (E), Mumbai (MH)- 400 051 <b>Telephone:</b> +91 22 26558759 <b>E-mail:</b> <a href="mailto:info@beacontrustee.co.in">info@beacontrustee.co.in</a> <b>Website:</b> <a href="http://www.beacontrustee.co.in">www.beacontrustee.co.in</a>  <b>Milestone Trusteeship Services Private Limited</b>  Windsor, 6th Floor, Office No - 604, C.S.T. Road, Kalina, Santacruz (East), Mumbai – 400 098  <b>Telephone:</b> +91 22 4922 0555 <b>E-mail:</b> <a href="mailto:investorgrievances@milestonetrustee.in">investorgrievances@milestonetrustee.in</a> <b>Website:</b> <a href="http://www.milestonetrustee.in">www.milestonetrustee.in</a>
9.	<b>Share transfer system</b>	Your Company's Debentures are compulsorily traded in dematerialized form.
10.	<b>Dematerialization of shares</b>	As on March 31, 2022, 100 % of the paid-up share capital and Debentures of the Company was in dematerialized form. Trading in Debentures of the Company is permitted only in dematerialized form through CDSL and NSDL as per notifications issued by the Securities and Exchange Board of India.
11.	<b>Correspondence for dematerialization, transfer of shares, non-receipt of dividend on shares and any</b>	<b>Link Intime Private Limited</b>

	<b>other query relating to the shares of the Company</b>	C-101, 247, Lal Bahadur Shastri Marg, Gandhi Nagar, Vikhroli West, Mumbai, Maharashtra 400083.  Contact Person: Mr. Amit Dabhade, Tel: 022-49186000
12.	<b>Any query on Annual Report contact at Registered Office</b>	Mr. Amit Bhandari, Company Secretary and Compliance Officer IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai – 400013  Email: <a href="mailto:nbfc-compliance@iiflw.com">nbfc-compliance@iiflw.com</a>
13.	<b>List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad</b>	(a). Principal Protected Market Linked Debenture:  "PP-MLD[ICRA]AA" (Pronounced Principal Debenture Protected Market Linked Debenture ICRA double A) rating with stable outlook  (b). Non-Convertible Debenture:  "[ICRA]AA" (Pronounced as ICRA double A) rating with a stable outlook  (c). Commercial Paper: "[ICRA]A1+" (Pronounced as ICRA A one plus) and "CRISILA1+"
14.	<b>Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity</b>	The Company does not have any outstanding GDRs/ADRs/Warrants as on date.

#### SHAREHOLDING PATTERN

Shareholding Pattern as on March 31, 2022:

<u>Name of Shareholder</u>	<u>Number of Shares</u>	<u>% of Holding</u>
IIFL Wealth Management Limited	305,493,797	100.00 %
Karan Bhagat*	1	0.00%
Yatin Shah*	1	0.00%
R. Mohan*	1	0.00%
Umang Papneja*	1	0.00%
Anshuman Maheshwary*	1	0.00%
Niraj Murarka*	1	0.00%
<b>Total</b>	<b>305,493,803</b>	<b>100.00 %</b>

\* Holding share as nominee of IIFL Wealth Management Limited

#### DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2022

All the share of the Company is being held by its holding company. i.e. IIFL Wealth Management Limited.

#### MARKET PRICE DATA

Equity Shares of the Company is not listed on any stock exchange.

#### SUBSIDIARY COMPANIES

In view of proposed scheme of amalgamation which involve consolidation of distribution business under one entity viz. IIFL Wealth Capital Markets Limited (“IWCML”) and IIFL Wealth Prime Limited (“IWPL”) and IIFL Wealth Distribution Services Limited (“IWDSL”) have approve the demerger of Distribution business from IWPL and IWCML into IWDSL.

Your Company has a system of placing the minutes of the Board/Audit Committee and statements of all the significant transactions/developments of the unlisted subsidiary company at the Meeting of Board of Directors of Holding Company.

#### **CEO/CFO CERTIFICATE**

The Certificate required under SEBI Listing Regulations, duly signed by the CEO and CFO was submitted to the Board and the same is annexed to this Report as Annexure A.

#### **CODE OF CONDUCT**

The confirmation from the Whole-time Director regarding compliance with the code by all the Board Members and Senior Management forms part of the Report. The Code of Conduct is displayed on the website of the Company at [www.iiflwealthprime.com](http://www.iiflwealthprime.com).

#### **COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:**

Your Company actively monitors the foreign exchange movements and takes forward/options covers as appropriate to reduce the risks associated with transactions in foreign currencies.

The Company has not taken any exposure in commodity hedging activities.

#### **EQUITY SHARES IN THE SUSPENSE ACCOUNT**

The Company does not have any shares in the demat suspense account or unclaimed suspense account as on March 31, 2022.

#### **PLANT LOCATIONS**

The Company does not have any plant, as it belongs to the Non-Banking Financial Service Industry.

#### **COMPLIANCES UNDER SEBI REGULATIONS**

The Company is in compliance with the SEBI Listing Regulations, and SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021. Information, reports, certificates and returns as required under the provisions of aforesaid regulations have been filed with stock exchange within the prescribed timelines.

#### **DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 15 TO 27 OF SEBI ) REGULATIONS**

The Company is in process of implementing the requirement of the applicable provisions of SEBI Listing Regulations including Regulation 15 to 27. The Company submits a quarterly compliance report on Corporate Governance signed by Compliance Officer to the Stock Exchanges within 21 (Twenty-One) days from the close of every quarter. Such quarterly compliance reports on Corporate Governance are also posted on website of the Company.

**For and on behalf of the Board**

**IIFL Wealth Prime Limited**

(Formerly known as IIFL Wealth Finance Limited)

Sd/-

**Himanshu Jain**

**Whole-time Director & CEO**

**DIN: 02052409**

Date: May 03, 2022

Place: Mumbai

Sd/-

**Yatin Shah**

**Whole -time Director**

**DIN: 03231090**

**Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,  
The Board of Directors  
IIFL Wealth Prime Limited

We Certify that;

- (a) We have reviewed the financial statements and the cash flow statement of IIFL Wealth Prime Limited for the year ended March 31, 2022 and that to the best of our knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any deficiencies in the design or operation of such internal controls.
- (d) We have indicated to the Auditors and the Audit Committee:
  - (i) Significant changes in internal control during the year;
  - (ii) that there are no significant changes in accounting policies during the year;
  - (iii) that there are no instances of significant fraud of which we have become aware.

Sd/-  
**Himanshu Jain**  
**Whole time Director & CEO**

Sd/-  
**Sanjay Wadhwa**  
**Chief Financial Officer**

Place: Mumbai  
Date: May 03, 2022



**Declaration on Compliance with the Code of Conduct**

This is to confirm that the Company has adopted a Code of Conduct for its board members and the senior management and the same is available on the Company's website. I confirm that the Company has in respect of financial year ended March 31, 2022, received from the senior management personnel of the Company and the Members of the Board, a declaration of compliance with the Code of Conduct as applicable to them.

**For IIFL Wealth Prime Limited**

Sd/-

**Himanshu Jain**

**Whole time Director & CEO**

Place: Mumbai

Date: May 03, 2022



**NOMINATION AND REMUNERATION POLICY****I. OBJECTIVE:**

This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been approved by the Nomination and Remuneration Committee (the Committee) and Board of Directors.

**II. DEFINITIONS:**

1. "Act" means the Companies Act, 2013 and Rules framed there under, as amended from time to time.
2. "Board" means Board of Directors of the Company.
3. "Key Managerial Personnel" (KMP) means:
  - Managing Director, or Chief Executive Officer or Manager
  - Whole-time Director;
  - Chief Financial Officer;
  - Company Secretary; and such other officer as may be prescribed.
4. "Research Analysts" shall have the same meaning as defined under the SEBI (Research Analysts) Regulation, 2014 as amended from time to time.
5. "Senior Management" means the personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

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

**III. ROLE OF COMMITTEE:**

- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- To recommend to the Board on policy on Remuneration payable to the Directors, Key Managerial Personnel, Senior Management and other employees.
- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To devise a policy on Board diversity.

**IV. APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT:****1. Appointment Criteria and Qualifications:**

a) A person being appointed as director, KMP or in senior management should possess adequate qualification, expertise and experience for the position he / she is considered for appointment.

**b) Independent Director:****(i) Qualifications of Independent Director:**

An Independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the company's business.

**(ii) Positive attributes of Independent Directors:**

An independent director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the company in implementing the best corporate governance practices.

**2. Removal:**

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

**3. Retirement:**

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

**V. REMUNERATION:**

**A. Directors:**

**a. Executive Directors (Managing Director, Manager or Whole Time Director):**

(i) At the time of appointment or re-appointment, the Executive Directors shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) within the overall limits prescribed under the Companies Act, 2013.

(ii) The remuneration shall be subject to the approval of the Members of the Company in General Meeting as per the requirement of the Companies Act, 2013.

(iii) The remuneration of the Manager/ CEO/ Managing Director/ Whole Time Director is broadly divided into fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company. In determining the remuneration (including the fixed increment and performance bonus), the Committee shall consider the following:

- the relationship of remuneration and performance benchmark;
- balance between fixed and incentive pay reflecting short and long-term performance objectives, appropriate to the working of the Company and its goals;
- responsibility required to be shouldered, the industry benchmarks and the current trends;
- the Company's performance vis-à-vis the annual budget achievement and individual performance.

**b. Non-Executive Director:**

(i) The Non-Executive Independent Director may receive fees for attending meeting of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rupees One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

(ii) A Non-Executive Director may be paid commission on an annual basis, of such sum as may be approved by the Board on the recommendation of the Committee.

(iii) The Committee may recommend to the Board, the payment of commission, to reinforce the principles of collective responsibility of the Board.

(iv) In determining the quantum of commission payable to the Directors, the Committee shall make its recommendation after taking into consideration the overall performance of the Company and the onerous responsibilities required to be shouldered by the Director.

(v) The total commission payable to the Directors shall not exceed prescribed limits as specified under Companies Act, 2013.

(vi) The commission shall be payable on prorata basis to those Directors who occupy office for part of the year.

**B. KMP & Senior Managerial Personnel:**

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

- a. maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company;
- b. compensation should be reasonable and sufficient to attract retain and motivate KMP and senior management;
- c. Remuneration payable should comprise of a fixed component and a performance linked variable based on the extent of achievement of individual performance vis-avis overall performance of the company;
- d. Remuneration shall be also considered in form of long term incentive plans for key employees, based on their contribution, position and length of service, in the nature of ESOPS/ESPS.

**C. Research Analysts:**

(i) The compensation of all individuals employed as Research Analyst shall be reviewed, documented and approved at least annually by the Committee

(ii) While approving the compensation of the Research Analysts, the Committee shall not consider:

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

**VI. EVALUATION:**

The Committee shall carry out evaluation of performance of every Director at regular interval (yearly). The Committee shall also formulate and provide criteria for evaluation of Independent Directors and the Board as a whole, if applicable.

**VII. OTHER DETAILS:**

**Membership**

The Committee shall consist of minimum 3 non-executive directors, majority of them being independent. The Chairperson of the Committee shall be an Independent Director. The Chairperson of the Company shall not be a Chairman of the Committee. The term of the Committee shall be continued unless terminated by the Board of Directors.

**Frequency of Meetings**

The meeting of the Committee shall be held at such regular intervals as may be required. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

**Secretary**

The Company Secretary of the Company shall act as Secretary of the Committee. In absence of Company Secretary, the Committee may designate any other officials or any of the members of the Committee who shall act a Secretary of the Committee.

We have examined the compliance of provisions of the aforesaid clause 10 (i) of the Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and to the best of our information and according to the explanations/ confirmation given to us by IIFL Wealth Prime Limited (CIN: U65990MH1994PLC080646) having its registered office at IIFL Centre, Kamala City Senapati Bapat Marg, Lower Parel, Mumbai – 400013 (“Company”) and the declarations made by the Directors, we hereby certify that none of the directors of the company as stated below for the financial year ending 31<sup>st</sup> March, 2022 have been debarred or disqualified from being appointed or continuing as directors of the Company by SEBI/ Ministry of Corporate Affairs.

<b>Sr No.</b>	<b>Name of Director</b>	<b>DIN</b>	<b>Date of Appointment*</b>
1	Subbaraman Narayan	00094081	31/03/2017
2	Himanshu Jain	02052409	04/10/2016
3	Yatin Shah	03231090	04/10/2016
4	Karan Bhagat	03247753	11/06/2020
5	Shantanu Rastogi	06732021	26/07/2016
6	Rekha Gopal Warriar	08152356	01/08/2018

\*the date of appointment is as per the MCA Portal.

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For J U Poojari & Associates**  
Practicing Company Secretaries

**Sd/-**

**J. U. POOJARI**

FCS: 8102

CP: 8187

Mumbai, May 03, 2022

UDIN: F008102D000262070

**CERTIFICATE ON CORPORATE GOVERNANCE**

TO THE MEMBERS OF  
IIFL WEALTH PRIME LIMITED

We have examined the compliance of the conditions of Corporate Governance by IIFL Wealth Prime Limited ('the Company') for the year ended on March 31, 2022, as stipulated under Regulations 17 to 21, 23, 26(1) and 27(2) and Para D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

We state that compliance of conditions of Corporate Governance (to the extent applicable) is the responsibility of the management, and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2022.

This certificate is issued solely for the purposes of complying with Listing Regulations and may not be suitable for any other purpose.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For J U Poojari & Associates**  
Practising Company Secretaries

Sd/-

**J. U. POOJARI**

FCS: 8102 CP: 8187

Mumbai, May 03, 2022

UDIN: F008102D000262048

**Annual Report on Corporate Social Responsibility activities for the financial year 2021-22**

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

**1. Brief outline on CSR Policy of the Company.**

- a. Our vision is to bring about a positive change in the lives of underprivileged individuals and communities by enabling a strategic and collaborative partnership
- b. We strongly believe in enabling inclusion to bridge the gap of available opportunities and equality for both - communities that have not been given an opportunity and for those whom such opportunities are unattainable due to monetary or other reasons.
- c. Through our CSR efforts, we look at collaborative efforts with existing philanthropy to move the needle on impact

**2. Composition of CSR Committee:**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Dr. S. Narayan	Independent Director - Chairman	2	2
2	Ms. Rekha Warriar	Independent Director - Member	2	2
3	Mr. Shantanu Rastogi	Non-Executive Director - Member	2	1

3. Web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company : <https://iiflwealthprime.com>.
4. Details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014: **Not Applicable.**
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **Not Applicable**
6. Average net profit of the company as per section 135(5): Rs. 2,12,09,49,381

**7.**

(a)	Two percent of average net profit of the company as per section 135(5) :	Rs. 4,24,18,988
(b)	Surplus arising out of the CSR projects or programs or activities of the previous financial years	Not Applicable
(c)	Amount required to be set off for the financial year, if any	Not Applicable
(d)	Total CSR obligation for the financial year (7a+7b-7c)	Rs. 4,24,18,988

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount (in Rs.)	Date of transfer	Name of the Fund	Amount (in Rs.)	Date of transfer
3,17,31,988	1,06,87,000	21.04.2022	NA	NA	NA

(b) Details of CSR amount spent against **ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	State	Location of the project. District	Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Name	Mode of Implementation - Through Implementing Agency CSR Registration number
1.	STEM Education programme for underprivileged students (via Learning Links Foundation)	(ii)	Yes	Maharashtra	Mumbai, Pune,	Upto 3 year	53,43,500	0	53,43,500	No	IIFLW CSR Foundation	CSR00001897
2.	Learning Outcomes	(ii)	No	Haryana	Jind	upto 3 years	26,71,750	0	26,71,750	No	IIFLW CSR Foundation	CSR00001897

	Project for underprivileged students (via Language & Learning Foundation)											
3.	Learning Outcomes & STEM Project for underprivileged students (via SVYM )	(ii)	No	Karnataka	Bangalore Urban, Mysuru	Upto 3 years	26,71,750	0	26,71,750	No	IIFLW CSR Foundation	CSR00001897
	TOTAL						1,06,87,000		1,06,87,000			

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities inschedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project.		(6) Amount spent for the project (in Rs.).	(7) Mode of implementation - Direct (Yes/No).	(8) Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	Fostering innovation through training and catalytic support to financial inclusion startups catering to low and middle	(ix) a	No	Gujarat	Ahmedabad	16,322,028	No	IIFLW CSR Foundation	CSR00001897



	income segments (via CIE.CO)								
2.	COVID vaccination of at-risk communities (via United Way of Bengaluru)	(i), (xii)	Yes	Karnataka	Bangalore Urban, Bangalore Rural	10,798,361	No	IIFLW CSR Foundation	CSR00001897
3.	COVID relief infrastructure support (via iSPIRT Foundation)	(i), (xii)	No	Uttar Pradesh	Agra, Aligarh, Bareilly, Lucknow, Mathura and others	1,000,000	No	IIFLW CSR Foundation	CSR00001897
4	Supporting education of rural underprivileged children (via One Billion Literates Foundation)	(ii)	No	Karnataka	Bangalore urban	1,000,000	No	IIFLW CSR Foundation	CSR00001897
5	COVID infrastructure support (via Shrimad Rajchandra Sarvamangal Trust)	(i), (xii)	No	Gujarat	Valsad	750,000	No	IIFLW CSR Foundation	CSR00001897
6	Supporting education of underprivileged children (via Binaya Misra Foundation)	(ii)	No	Odisha	Nayagarh	275,000	No	IIFLW CSR Foundation	CSR00001897
	TOTAL					<b>30,145,389</b>			

(d) Amount spent in Administrative Overheads: **Rs. 15,86,599**

(e) Amount spent on Impact Assessment, if applicable: **Not applicable**

(f) Total amount spent for the Financial Year(8b+8c+8d+8e): **Rs. 3,17,31,988**

(g) Excess amount for set off, if any: **Not applicable**

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	4,24,18,988
(ii)	Total amount spent for the Financial Year	3,17,31,988
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programme or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
N.A.							

(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID	Name of the Project.	Financial Year in which the project was commenced.	Project duration	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (inRs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed / Ongoing.
1.	0001#	Environmental sustainability through Tree Plantation in tribal areas	FY 20-21	2 years	92,36,489	92,36,489	92,36,489	Completed
2.	0002#	Healthcare infrastructure support for underprivileged communities (via Dalal Family	FY 20-21	2 years	21,59,292	21,59,292	21,59,292	Completed

		Foundatio n, Vijay Foundatio n Trust)						
3.	FY31.03. 2021_1	STEM Education programm e for underprivil eged students (via Learning Links Foundatio n)	FY 20-21	1 year	1,00,00,00 0	1,00,00,000	1,00,00,000	Completed
4.	FY31.03. 2021_2	Learning Outcomes Project for underprivil eged students (via Language & Learning Foundatio n)	FY 20-21	1 year	52,51,680	52,51,680	52,51,680	Completed
5.	FY31.03. 2021_3	Learning Outcomes & STEM Project for underprivil eged students (via SVYM )	FY 20-21	1 year	50,58,720	50,58,720	50,58,720	Completed
6.	FY31.03. 2021_4	Skill Developm ent project for underprivil eged individuals - Training and placement for underprivil eged youth (via PARFI Foundatio n)	FY 20-21	1 year	22,21,102	22,21,102	22,21,102	Completed
7.	FY31.03. 2021_5	Healthcare infrastruct ure support for underprivil	FY 20-21	1 year	74,30,222	74,30,222	74,30,222	Completed

		eged communiti es (via Dalal Family Foundatio n, CRY Foundatio n)						
	TOTAL				<b>413,57,506</b>	<b>413,57,506</b>	<b>413,57,506</b>	

\*\*\* During financial year 2020-21, the Company had transferred Rs. 4,13,57,506/- as contribution towards these projects to be undertaken by IIFLW CSR Foundation, the Implementation agency. During the financial year 2021-22, IIFLW CSR Foundation has spent the aforesaid amounts on the concerned projects. Since the entire amount allocated for the respective project has been spent by IIFLW CSR Foundation during financial year 2021-22, the status of the project is considered as 'Completed' "

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (**asset-wise details**). – Not Applicable
- Date of creation or acquisition of the capital asset(s).
  - Amount of CSR spent for creation or acquisition of capital assets.
  - Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
  - Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):

Out of the total CSR obligation for FY 21-22 of Rs. 4,24,18,988, Rs. 1,06,87,000 is unspent. Further, said unspent amount is already allocated towards specific on-going projects as detailed in para 8(b) above. The said on-going projects by design are meant to be multi-year projects and the contribution by the Company are linked to achievement of certain milestones. Therefore, the company has not been able to spend entire two per cent of the average net profit as per section 135(5) and the accordingly, the said amount has been transferred to the Unspent CSR Account.

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

Sd/-  
**Himanshu Jain**  
**Whole time Director & CEO**  
**DIN: 08152356**

Sd/-  
**S. Narayan**  
**Chairman - CSR Committee and**  
**Independent Director**  
**DIN: 00094081**

Date: May 03, 2022  
Place: Mumbai

**1. Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:**

S/n.	Name of Director	Designation	Ratio	Period
1	Mr. Himanshu Jain	Whole-time Director & CEO	15	Apr 21 to Mar 22
2	Mr. Yatin Shah	Whole-time Director	32	Apr 21 to Mar 22

**2. Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:**

S/n.	Name of Director	Designation	% increase in Remuneration	Period
1	Mr. Himanshu Jain	Whole-time Director & CEO	39%	Apr'21 to Mar'22
2	Mr. Yatin Shah	Whole-time Director	125%	Apr'21 to Mar'22
3	Mr. Mihir Nanavati*	CFO	N.A.	Apr'21 to Sept'21
4	Mr. Sanjay Wadhwa	CFO	N.A.	Sept'21 to Mar'22
	Mr. Amit Bhandari*	CS	N.A.	Apr'21 to Mar'22

- CFO and CS do not get remuneration from the Company.

**3. Percentage increase in the median remuneration of employees in the financial year:**

For employees who were in employment for the whole of FY 2020-21 and FY 2021-22 increase in median remuneration is 26 %

- 4. Number of permanent employees on the rolls of company at the end of the year:** 440 (Including whole-time Director, Chief Financial Officer, Chief Executive Officer)
- 5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

For employees other than managerial personnel who were in employment for the whole of FY 2020-21 and 2021-22 the average percentile increase is 18.7% and managerial personnel 11% excluding bonus & ESOP's.

**6. Affirmation that the remuneration is as per remuneration policy of the Company:**

The Company is in compliance with its Nomination and Remuneration Policy.

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022**  
**(Pursuant to Section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)**

To,  
The Members,  
IIFL Wealth Prime Limited  
(Formerly: IIFL Wealth Finance Ltd.)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by IIFL Wealth Prime Limited, having CIN: U65990MH1994PLC080646 (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon. Name of the Company was changed from IIFL Wealth Finance Limited to IIFL Wealth Prime Limited effective from 7<sup>th</sup> December, 2020 vide fresh Certificate of Incorporation issued by the Registrar of Companies, Mumbai.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit and considering the relaxations granted by the Ministry of Corporate Affairs and the Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2022 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by IIFL Wealth Prime Limited for the financial year ended on 31<sup>st</sup> March, 2022 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder, as may be applicable;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008,
  - b) The Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993,
  - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client,
  - d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
  - e) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- vi. Other Laws specifically applicable to the Company
  - a) The Reserve Bank of India Act, 1934, as applicable to Non- Banking Financial Companies;
  - b) Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016,
  - c) Master Direction - Monitoring of Frauds in NBFCS (Reserve Bank) Directions, 2016,
  - d) Master Direction - Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016,
  - e) Master Direction- Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016; and

- f) Master Direction - Know Your Customer (KYC) Direction, 2016
- g) IRDA (Registration of Corporate Agents) Regulations, 2015.

We have also examined compliance with the applicable clauses of the following

- i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to meetings of the Board and its committees and General meetings.
- ii) The Listing Agreements entered into by the Company with BSE Limited.

During the year under review and as per the explanations given and the representations made by the Management, the Company has complied with the provisions of the Act and Rules, Regulations, Guidelines, etc.

We further report that:

- (a) The company is wholly-owned subsidiary of IIFL Wealth Management Ltd. by virtue of Section 2(87) of the Companies Act, 2013 effective from 13.02.1016. The Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.
- (b) Adequate notice was given to all Directors at least seven days in advance to schedule the Board Meetings and its Committees exception some cases at shorter notice with the consent of all the Directors; Agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (c) Decisions at the Board Meetings were taken with requisite majority.

We further report that as represented by the Company and relied upon by us there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit year the Company had following event which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

- (a) The Company made allotment of Redeemable Non-Convertible Debentures in different series on private placement/ right basis amounting to INR 1138.32 crores during FY 2021-22.
- (b) The Company issued Commercial Papers amounting to INR 24,562.75 crores and outstanding balance was INR. 1,238.90 crores as on 31<sup>st</sup> March, 2022.
- (c) Redeemable Non-Convertible Debentures amounting to INR 1,138.32 crores issued in different series were listed on BSE Limited during F.Y. 2021-22.
- (d) The Board of Directors approved the proposal of merger of IIFL Wealth Capital Markets Limited ("IWCML") with the Company, and then demerger of the distribution business from the Company to IIFL Wealth Distribution Services Limited ("IWDSL"), through a composite scheme of arrangement under Sections 230 to 232 of the Companies Act, 2013 ("Composite Scheme"). The Board of Directors of the Company have approved the said composite scheme and filed the same with NCLT, Mumbai bench. The appointed date for the Composite Scheme is April 1, 2021 and the Composite Scheme is subject to necessary statutory and regulatory approvals.

- (a) Resolutions of the Board of Directors was passed on 01.02.2022 & Special Resolution was passed at Extra Ordinary General Meeting on 15.03.2022 for issue of Non-Convertible Debentures (NCD) aggregating upto INR 5000 Crores on private placement basis u/s 42 of Act.

Place: Mumbai  
Date: May 03, 2022

**For J. U. Poojari & Associates**  
Company Secretaries  
Sd/-  
Jayaram U Poojari  
FCS No: 8102:  
CP No: 8187  
UDIN: F008102D000261951

*This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.*



To,  
The Members  
of IIFL Wealth Prime Limited  
(Formerly: IIFL Wealth Finance Ltd.)

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Mumbai  
Date: May 03, 2022

**For J. U. Poojari & Associates**  
Company Secretaries  
Sd/-  
Jayaram U Poojari  
FCS No: 8102:  
CP No: 8187  
UDIN: F008102D000261951

FORM NO. MR-3  
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31STMARCH, 2022 (Pursuant to Section 204 (1) of the CompaniesAct, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,  
The Members,  
IIFL Wealth Capital Markets Limited  
(Formerly: L&T Capital Markets Limited)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by IIFL Wealth Capital Markets Limited, having CIN: U67190MH2013PLC240261 (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon. Name of the Company was changed from L&T Capital Markets Limited to IIFL Wealth Capital Markets Limited effective from 11th June, 2020 vide fresh Certificate of Incorporation issued by the Registrar of Companies, Mumbai.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit and considering the relaxations granted by the Ministry of Corporate Affairs and the Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2022 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder, as may be applicable;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment;
- v. Other Laws specifically applicable to the Company:

Regulations and Guidelines prescribed under the Securities and Exchange Board of India (SEBI) Act, 1992, as applicable including the following:

- i. SEBI (Investment Advisors) Regulations, 1993
- ii. SEBI (Underwriters) Regulations, 1993
- iii. SEBI (Stock Brokers and Sub-Brokers) Regulations, 1992
- iv. SEBI (Mutual Fund) Regulations, 1996
- v. SEBI (Portfolio Managers) Regulations, 1993
- vi. SEBI (Alternative Investment Funds) Regulations, 2012.

We have also examined compliance with the applicable clauses of the following

- i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to meetings of the Board and its committees and General meetings.

During the year under review and as per the explanations given and the representations made by the Management, the Company has generally complied with the provisions of the Act and Rules, Regulations, Guidelines, etc.

We further report that:

- (a) the Company became subsidiary of IIFL Wealth Prime Limited (formerly: IIFL Wealth Finance Ltd.) w.e.f April 24, 2020 by virtue of Section 2(87) of the Companies Act, 2013.
- (b) the Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.
- (c) adequate notice was given to all Directors at least seven days in advance to schedule the Board Meetings and its Committees exception some cases at shorter notice with the consent of all the Directors; Agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (d) decisions at the Board Meetings were taken with requisite majority.

We further report that as represented by the Company and relied upon by us there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the following significant events/ actions have taken place in pursuance of the above referred laws, rules, regulations, guidelines etc.

(a) The Board of Directors approved the Composite Scheme of Arrangement amongst the Company (IIFL Wealth Capital Markets Limited) and IIFL Wealth Prime Limited (IWPL) and IIFL Wealth Distribution Services Limited and their respective shareholders and creditors (Scheme) and the said Scheme was approved by the unsecured creditors of the Company at NCLT convened meeting. Pursuant to the said Scheme, the Company will stand merged with IWPL and the appointed date for the Scheme is 1st April, 2021 and the Scheme is subject to necessary statutory and regulator approvals.

Place: Mumbai  
Date: April 29, 2022

**For J. U. Poojari & Associates**  
Company Secretaries  
Sd/-  
Jayaram U Poojari  
FCS No: 8102:  
CP No: 8187  
UDIN: F008102D000238640

This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.

To,  
The Members  
of IIFL Wealth Capital Markets Limited  
(Formerly: L&T Capital Markets Limited)

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Mumbai  
Date: April 29, 2022

**For J. U. Poojari & Associates**  
Company Secretaries  
Sd/-  
Jayaram U Poojari

FCS No: 8102:  
CP No: 8187  
UDIN: F008102D000238640

## **INDEPENDENT AUDITOR'S REPORT**

To  
The Members of IIFL Wealth Prime Limited

### **Report on the Audit of Standalone Financial Statements**

#### **Opinion**

We have audited the accompanying Standalone Financial Statements ('Financial Statements') of IIFL Wealth Prime Limited (hereinafter referred as "the Company"), which comprise the Balance Sheet as at March 31 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the accompanying Standalone Financial Statements gives a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit, including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Companies Act, 2013 ("the Act"). 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 together with the ethical requirements that are relevant to our audit of the Standalone 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 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 Standalone Financial Statements.

#### **Emphasis of Matter**

We draw attention to Note 42 of the Standalone Financial Statements, regarding the Composite Scheme of Arrangement to demerge the distribution business from the Company w.e.f. April 1, 2021, for which the Company is currently in the process of obtaining necessary statutory and regulatory approvals. Post receipt of regulatory approvals and on completion of the related procedural aspects towards the scheme, effect of such scheme will be given in the books of accounts

Our opinion is not modified in respect of this matter.

#### **Other Matter**

The comparative Standalone financial statements of the Company as stated in Standalone Financial Statements for the year ended March 31, 2021 were audited by the predecessor auditor who expressed an unmodified opinion on those Standalone financial statements on

June 18, 2021. Accordingly, we, do not express any opinion, as the case may be, on the figures reported in the Standalone Financial Statements for the year ended March 31, 2021.

Our opinion is not modified in respect of this matter.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current year. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No.	Key audit matters	How our audit addressed the key audit matter
1	<p><b>Information Technology (IT) Systems and Controls</b></p> <p>The Company's key financial accounting and reporting processes are highly dependent on the automated controls over the Company's information systems, such that there exists a risk that gaps in the IT general control environment could result in a misstatement of the financial accounting and reporting records. Accordingly, we have considered user access management, segregation of duties and controls over system change over key financial accounting and reporting systems, as a key audit matter.</p>	<p><b>Our Audit Approach:</b></p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following</p> <p><b>General IT controls design, observation and operation:</b></p> <ul style="list-style-type: none"> <li>➤ Tested key controls operating over the information technology in relation to financial accounting and reporting systems, including system access and system change management, program development and computer operations.</li> </ul> <p><b>User access controls operation:</b></p> <ul style="list-style-type: none"> <li>➤ Obtained management's evaluation of the access rights granted to applications relevant to financial accounting and reporting systems and tested resolution of a sample of expectations.</li> <li>➤ Further, we assessed the operating effectiveness of controls over granting, removal and appropriateness of access rights.</li> </ul> <p><b>Application controls:</b></p> <ul style="list-style-type: none"> <li>➤ We tested the design and operating effectiveness of automated controls critical to financial accounting and reporting.</li> <li>➤ For any identified deficiencies, tested the design and operating effectiveness of compensating controls and, where necessary, extended the scope of our substantive audit procedures</li> </ul>
2	<p><b>Expected Credit Loss (ECL) on Loans and Advances</b></p> <p>Ind AS 109: Financial Instruments ("Ind AS 109") requires the Company to provide for impairment of its Loan &amp;</p>	<p><b>Our Audit Approach:</b></p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p>

Sr. No.	Key audit matters	How our audit addressed the key audit matter
	<p>Advances and Investments (“Financial Instruments”) using the Expected Credit Losses (“ECL”) approach. ECL involves an estimation of probability-weighted loss on Financial Instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions which could impact the credit quality of the Company’s loans and advances and Investments.</p> <p>In the process, a significant degree of judgement has been applied by the management for:</p> <ul style="list-style-type: none"> <li>a) Defining qualitative/ quantitative thresholds for ‘significant increase in credit risk’ (“SICR”) and ‘default’</li> <li>b) Determining effect of less frequent past events on future probability of default</li> <li>c) Determining macro-economic factors impacting credit quality of receivables</li> <li>d) Data inputs - The application of ECL model requires inputs from several data sources.</li> </ul>	<ul style="list-style-type: none"> <li>a) Evaluating the Company’s accounting policies for impairment of Financial Instruments and assessing compliance with the policies in terms of Ind AS 109: Financial Instruments.</li> <li>b) Enquired with the management with respect to implementation of any resolution plan under Reserve Bank of India circular for Resolution framework for COVID-19 related Stress.</li> <li>c) Evaluated the reasonableness of the management estimates by analyzing the underlying assumptions and testing of controls around data extraction / validation.</li> <li>d) Assessed the criteria for staging of loans based on their past-due status to check compliance with requirement of Ind AS 109. Tested samples of performing (stage 1) loans to assess whether any SICR or loss indicators were present requiring them to be classified under stage 2 or 3.</li> <li>e) Assessed the additional considerations applied by the management to conclude that there is “Significant increase in credit risk” or that event of “Default” has occurred.</li> <li>f) Tested the ECL model, including assumptions and underlying computation.</li> <li>g) Tested the arithmetical accuracy of computation of ECL provision performed by the Company.</li> <li>h) Read and assessed the disclosures included in the Ind AS financial statements in respect of expected credit losses with the requirements of Ind AS 107 Financial Instruments: Disclosure (“Ind AS 107”) and Ind AS 109.</li> </ul>

**Information Other than the Standalone Financial Statements and Auditor’s Report thereon**

The Company’s Board of Directors is responsible for the other information. The other information comprises of the information included in the Annual report, but does not include the Standalone Financial Statements and our auditor’s report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, 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 the Management for the Standalone 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 Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND-AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to the going concern concept and using the going concern basis of accounting unless management either intends to liquidate the Company or cease its 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 Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Standalone 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 Standalone 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 an internal control.
- Obtain an understanding of the internal controls relevant to the audit in order to design audit procedures that are appropriate in those 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 the management and Board of Directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone 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 Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of the misstatement in the Standalone financial statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the statement may be influenced. We consider quantitative materiality and qualitative factors in; (i) planning the scope of our audit work and evaluating the results of our work; and (ii) to evaluate the effects of any identified misstatements in the statement.

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 identified during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account;
- (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2022 none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to the standalone financial statements of the Company with reference to these Standalone Financial Statements and the operating effectiveness of such controls, we request you to refer to our separate Report in “Annexure B” to this report.
- (g) In our opinion, and to the best of our information and according to the explanations given to us, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance of provisions of Section 197 read with Schedule V to 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, as amended 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 Standalone Financial Statements – Refer Note No. 35 to the Financial Statements;
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts. ; and
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company..
  - iv. a) The Management has represented that no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note – 50B to the Standalone Financial Statements);  
  
b) The Management has represented that no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note – 50B to the Standalone Financial Statements); and

- c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

For Singhi & Co.  
Chartered Accountants  
ICAI Firm Registration Number: 302049E

**Shweta Singhal**  
Partner  
Membership Number: 414420

Place: Mumbai  
Date: May 03, 2022  
UDIN No: 22414420ALYHMD9399

**Annexure A** referred to in paragraph 1 of the Independent Auditors Report of even date to the members of IIFL Wealth Prime Limited (the “Company”) in the Standalone Financial Statements as of and for the year ended March 31, 2022 under the heading “Report on other Legal and Regulatory requirements”.

- i. In respect of the Company’s Property, Plant & Equipment and Intangible Assets:
  - (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment and relevant details of Right-of-use Assets.  
  
(B) The Company has maintained proper records showing full particulars including quantitative details and situation of Intangible Assets.
  - (b) As per information and explanations given to us the Property, Plant and Equipment and Right-of-Use Assets have been physically verified by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable having regard to the size of the operations of the Company and on the basis of explanations received no material discrepancies were noticed during the verification.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties included in Property, Plant and Equipment are held in the name of the Company.
  - (d) The Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year.
  - (e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii.
  - (a) The Company is primarily engaged in lending business. Accordingly, it does not hold any inventories. Thus paragraph 3(ii)(a) of the Order is not applicable to the Company.
  - (b) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Basis the information and explanation provided to us and basis our audit procedures undertaken, we have not come across any difference between the information submitted in the quarterly returns / statements filed by the company with such banks or financial institutions when compared with the books of account and other relevant information provided by the Company.
- iii.
  - (a) The Company is primarily engaged in lending activities and hence reporting under paragraph 3(iii)(a) of the order is not applicable to the Company.
  - (b) Considering that the Company is a Non – Banking Finance Company, the investments made, security given and the terms and conditions of the grant of all loans and advances in the nature of loans are not prima facie prejudicial to the Company’s interest. According to information and explanations provided to us, the Company has not provided any guarantees during the year.
  - (c) In respect of the loans given and advances in the nature of loans, the Company has stipulated the schedule of repayment of principal and payment of interest. However, given the nature of business of the Company being a Non – Banking Finance

Company, there are some cases during the year and as at March 31, 2022 wherein the amounts were overdue vis-à-vis stipulated terms.

- (d) In respect of loans granted and advances in the nature of loans, provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
  - (e) The Company is engaged primarily in lending activities and hence reporting under paragraph 3(iii)(e) of the order is not applicable to the Company.
  - (f) Basis the information and explanations provided to us, we did not come across loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. Thus, reporting under paragraph 3(iii)(f) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in contravention of the provisions of sections 185. Further, the provisions of the Section 186 of the Act is not applicable to the Company and hence not required to be commented upon.
  - v. According to the information and explanations given to us, the Company has not accepted any deposit during the year and does not have any unclaimed deposits as at March 31, 2022 to which the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder apply. Accordingly, reporting under paragraph 3(v) of the order is not applicable to the Company.
  - vi. The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under paragraph 3(vi) of the Order is not applicable to the Company
  - vii. In respect of statutory dues:
    - (a) The Company has generally been regular in depositing undisputed statutory dues, including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities except in few months wherein delay was observed in payment of Professional Tax, Labour welfare fund, Provident Fund and Goods and Service Tax.

There were no undisputed amounts payable in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues in arrears as at March 31, 2022, for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records, there are no statutory dues referred to in sub clause (a) that have not been deposited on account of any dispute except for disputed income tax dues as tabulated below:

Name of the Statute	Nature of Dues	Amount (Rs. in mn)	Period to which the amount relates	Forum where the disputes are pending
Income	Income	126.45	Assessment Year	Commissioner

Name of the Statute	Nature of Dues	Amount (Rs. in mn)	Period to which the amount relates	Forum where the disputes are pending
Tax Act, 1961	Tax Demand		2017-18	of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax Demand	9.37	Assessment Year 2016-17	Commissioner of Income Tax (Appeals)

- viii. According to the information and explanations given to us, there are no transactions which have not been recorded in the books of account but have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix.
- (a) According to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings availed from Banks and Financial Institutions or in the payment of interest thereon to any lender.
  - (b) Basis the information and explanation provided to us, the Company has not been declared a willful defaulter by any bank or financial institution or other lender.
  - (c) According to the information and explanations given to us and to the best of our knowledge and belief, in our opinion, working capital demand loan availed by the Company were applied during the year for the purpose for which the loans were obtained, other than temporary deployment pending application of proceeds.
  - (d) On an overall examination of the Standalone Financial Statements of the Company, funds raised on short-term basis do not seem to have been utilized during the year for long-term purposes.
  - (e) On an overall examination of the Standalone Financial Statements of the Company and basis the explanations given by the management, the Company has not taken any funds from any entity or person on account of or meet the obligations of its subsidiaries.
  - (f) According to the information and explanations given to us, the Company has not raised any loans during the year for which securities of subsidiaries have been pledged. According reporting under paragraph 3(ix)(f) of the Order is not applicable to the Company.
- x.
- (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under paragraph 3 (x)(a) of the Order is not applicable to the Company.
  - (b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under paragraph 3 (x)(b) of the Order is not applicable to the Company.
- xi.
- (a) Based upon the audit procedures performed and according to the information and explanations given by the management, there were no instances of fraud on the Company by its customers.
  - (b) According to the information and explanations given to us and to the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act

has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

- (c) According to the information and explanations given to us, there are no whistle blower complaints received by the company during the year.
- xii. The Company is not a Nidhi Company and hence reporting under paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the Standalone financial statements, as required by the applicable accounting standards.
- xiv.
  - (a) In our opinion the company has an adequate internal audit system commensurate with the size and nature of its business.
  - (b) We have taken into consideration, the internal audit reports for the period under audit issued to the Company till date for determining the nature, timing and extent of audit procedures.
- xv. According to the information and explanations given by the management, the Company has not entered into non-cash transactions with directors or persons connected with them as referred to in Section 92 of the Act. Accordingly, reporting under paragraph 3(xv) of the Order is not applicable to the Company.
- xvi.
  - (a) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained the registration.
  - (b) According to the information and explanations given to us, the company holds a valid Certificate of Registration (CoR).
  - (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence reporting under paragraph 3 (xvi)(c) of the Order is not applicable to the Company.
  - (d) According to the information and explanations given to us, there is no CIC in the Group.
- xvii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been a resignation of the Statutory Auditors during the year in lieu of RBI Circular no. RBI/2021-22/25 Ref. No. DoS. CO. ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021 relating to Guidelines for appointment of Statutory Auditors and no issue, objection or concern was raised by the erstwhile auditor.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, undrawn bank facilities available, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not

capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xx.

- (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
  
- (b) According to the information and explanations given to us, the amount remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project, which is required to be transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act has been transferred within 30 days from the end of the financial year in compliance with the provisions of the Act.

For Singhi & Co.  
Chartered Accountants  
ICAI Firm Registration Number: 302049E

**Shweta Singhal**  
Partner  
Membership Number: 414420

Place: Mumbai  
Date: May 3, 2022  
UDIN No: 22414420ALYHMD9399



## **ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

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

### **Opinion**

We have audited the internal financial controls with reference to the Standalone Financial Statements of **IIFL WEALTH PRIME LIMITED** ("**the Company**") as of March 31, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022 based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India.

### **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 with reference to the financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India ('ICAI'). 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 Act.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, 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 ICAI. 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 with reference to the financial statements 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 with reference to the financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the financial statements included obtaining an understanding of internal financial controls with reference to the financial statements, 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 judgment, including the assessment of the risks of material misstatement of the Standalone 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 with reference to the Standalone Financial Statements.

### **Meaning of Internal Financial Controls with reference to the Standalone Financial Statements**

A Company's internal financial control with reference to the Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to the Standalone Financial Statements 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 Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

### **Inherent Limitations of Internal Financial Controls with Reference to the Standalone Financial Statements**

Because of the inherent limitations of internal financial controls with reference to the Standalone Financial Statements, 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 with reference to the Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to the Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For Singhi & Co.  
Chartered Accountants  
ICAI Firm Registration Number: 302049E

**Shweta Singhal**  
Partner  
Membership Number: 414420

Place: Mumbai  
Date: May 3, 2022  
UDIN No: 22414420ALYHMD9399

**IIFL WEALTH PRIME LIMITED**  
**(FORMERLY IIFL WEALTH FINANCE LIMITED)**  
**CIN: U65990MH1994PLC080646**  
**BALANCE SHEET AS AT MARCH 31, 2022**

(₹ in Mn)

Sr. No.	Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
	<b>ASSETS</b>			
<b>1</b>	<b>Financial Assets</b>			
(a)	Cash and cash equivalents	3	3,429.61	1,301.29
(b)	Bank balance other than cash & cash equivalents	4	-	450.26
(c)	Derivative financial Instruments	5	1.29	1,518.97
(d)	Receivables	6		
	(I) Trade receivables		892.51	610.51
	(II) Other receivables		130.53	370.26
(e)	Loans	7	39,164.83	36,694.31
(f)	Investments	8	27,823.89	24,984.33
(g)	Other financial assets	9	496.06	920.09
<b>2</b>	<b>Non-Financial Assets</b>			
(a)	Current tax assets (net)		763.88	323.34
(b)	Property, plant and equipment	10	89.55	116.50
(c)	Capital work-in-progress	11	-	10.16
(d)	Goodwill		1,846.40	1,846.40
(e)	Other intangible assets	12	642.37	705.37
(f)	Right to use asset	13	128.29	206.41
(g)	Other non-financial assets	14	71.55	510.30
	<b>Total Assets</b>		<b>75,480.76</b>	<b>70,568.50</b>
	<b>LIABILITIES AND EQUITY</b>			
	<b>LIABILITIES</b>			
<b>1</b>	<b>Financial Liabilities</b>			
(a)	Derivative financial instruments	5	1,405.70	2,207.00
(b)	Payables			
	Trade payables	15		
	(i) total outstanding dues of micro enterprises and small enterprises			
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,018.31	355.25
	(II) Other payables			
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(c)	Debt securities	16	48,008.08	44,916.89
(d)	Borrowings (other than debt securities)	17	1,000.54	1,043.90
(e)	Subordinated liabilities	18	3,956.54	3,971.87
(f)	Finance Lease Obligation	13	152.09	230.55
(g)	Other financial liabilities	19	224.59	357.88
<b>2</b>	<b>Non-Financial Liabilities</b>			
(a)	Current tax liabilities (net)	33	77.01	238.13
(b)	Provisions	20	31.70	32.11
(c)	Deferred tax liabilities (net)	21	441.39	160.57
(d)	Other non-financial liabilities	22	176.85	114.35
<b>3</b>	<b>EQUITY</b>			
(a)	Equity share capital	23	3,054.94	3,054.94
(b)	Other equity	23A	15,933.02	13,885.06
	<b>Total Liabilities and Equity</b>		<b>75,480.76</b>	<b>70,568.50</b>

The accompanying summary of significant accounting policies and notes forms an integral part of the Financial Statements.

As per our attached report of even date

**For Singhi & Co.**  
**Chartered Accountants**  
**Firm Registration Number: 302049E**

**For and on behalf of the Board of Directors**  
**of IIFL Wealth Prime Limited**

**Shweta Singhal**  
Partner  
Membership No: 414420

**Himanshu Jain**                      **Yatin Shah**  
Whole Time Director                  Whole Time Director  
and Chief Executive Officer  
(DIN: 02052409)                      (DIN: 03231090)

Place : Mumbai  
Date: May 3, 2022

**Sanjay Wadhwa**                      **Amit Bhandari**  
Chief Financial Officer                  Company Secretary  
Date: May 3, 2022                      Membership no. A25871

IIFL WEALTH PRIME LIMITED  
(FORMERLY IIFL WEALTH FINANCE LIMITED)  
CIN: U65990MH1994PLC080646  
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Mn)

Sr. No.	Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>1</b>	<b>Revenue from operations</b>			
(a)	Interest Income	24	5,094.41	6,420.59
(b)	Dividend & distribution income on investments	25	66.67	62.30
(c)	Fees and commission income	26	4,018.90	1,880.60
(d)	Net gain on fair value changes	27	2,404.62	1,343.01
	<b>Total revenue from operations</b>		<b>11,584.60</b>	<b>9,706.50</b>
<b>2</b>	<b>Other Income</b>	28	2.27	1.57
<b>3</b>	<b>Total income (1+2)</b>		<b>11,586.87</b>	<b>9,708.07</b>
	<b>Expenses</b>			
(a)	Finance costs	29	3,571.81	4,150.01
(b)	Fees and commission expenses		961.57	249.59
(c)	Net loss on derecognition of financial instruments under amortised cost category		36.22	-
(d)	Impairment on financial instruments	30	(144.09)	172.43
(e)	Employee benefits expenses	31	2,933.10	2,217.07
(f)	Depreciation, amortization and impairment	10, 12, 13	202.36	221.02
(g)	Other expenses	32	1,063.41	774.31
<b>4</b>	<b>Total expenses</b>		<b>8,624.38</b>	<b>7,784.43</b>
<b>5</b>	<b>Profit before tax (3-4)</b>		<b>2,962.49</b>	<b>1,923.64</b>
<b>6</b>	<b>Tax expense:</b>			
(a)	Current tax	33	352.60	509.09
(b)	Deferred tax	33	278.52	(147.33)
<b>7</b>	<b>Profit for the year (5-6)</b>		<b>2,331.37</b>	<b>1,561.88</b>
<b>8</b>	<b>Other comprehensive income</b>			
(a)	(i) Items that will not be reclassified to profit or loss			
	- Remeasurements of Employee Benefits		9.07	6.61
	(ii) Income tax relating to items that will not be reclassified to profit or loss	33	(2.28)	(1.66)
	Subtotal (a)		<b>6.79</b>	<b>4.95</b>
(b)	(i) Items that will be reclassified to profit or loss			
	- Foreign currency translation reserve			
	(ii) Income tax relating to items that will be reclassified to profit or loss			
	Subtotal (b)			
	Other comprehensive income/(loss) (a+b)		<b>6.79</b>	<b>4.95</b>
<b>9</b>	<b>Total comprehensive income for the year (7+8) (Comprising profit and other comprehensive income/(loss) for the year)</b>		<b>2,338.16</b>	<b>1,566.83</b>
<b>10</b>	<b>Earnings per equity share</b>			
	Basic (Rs.) (Face value of ₹ 10 each)	34	7.63	5.11
	Diluted (Rs.) (Face value of ₹ 10 each)	34	7.63	5.11

The accompanying summary of significant accounting policies and notes forms an integral part of the Financial Statements.

As per our attached report of even date

For Singhi & Co.  
Chartered Accountants  
Firm Registration Number: 302049E

For and on behalf of the Board of Directors  
of IIFL Wealth Prime Limited

Shweta Singhal  
Partner  
Membership No: 414420

Himanshu Jain  
Whole Time Director  
and Chief Executive Officer  
(DIN: 02052409)

Yatin Shah  
Whole Time Director  
(DIN: 03231090)

Place : Mumbai  
Date: May 3, 2022

Sanjay Wadhwa  
Chief Financial Officer  
Date: May 3, 2022

Amit Bhandari  
Company Secretary  
Membership no. A25871

**IIFL WEALTH PRIME LIMITED**  
**(FORMERLY IIFL WEALTH FINANCE LIMITED)**  
**CIN: U65990MH1994PLC080646**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022**

(₹ in Mn)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A. Cash flows from operating activities</b>		
<b>Net profit before taxation</b>	2,962.51	1,923.64
<b>Adjustments for:</b>		
Depreciation & amortisation	202.36	221.02
Provisions for employee benefits	18.30	19.34
Profit on Sale of Investments	(3,164.18)	(3,575.74)
Impairment on Financial Instrument	(144.09)	172.43
Mark to Market on Derivative Financial Instrument	500.41	(295.59)
Mark to Market on Borrowings	724.05	1,142.40
Interest income	(5,094.41)	(6,420.60)
Interest expenses	3,571.80	4,150.01
Loss on sale of fixed assets	-	1.38
Dividend/distribution Income from investments	(66.67)	(62.30)
Gain on Termination of Lease	(1.47)	-
Interest received	5,295.06	7,242.17
Interest paid	(3,279.80)	(3,436.85)
Dividend received	66.67	62.30
<b>Operating profit before working capital changes</b>	<b>1,590.54</b>	<b>1,143.61</b>
<b>Changes in working Capital :</b>		
(Increase)/ Decrease in Financial/Non-financial Assets (Refer foot note)	2,272.74	803.55
Increase/ (Decrease) in Financial/Non-financial Liabilities (Refer foot note)	(295.64)	(664.57)
<b>Cash generated from operations</b>	<b>3,567.64</b>	<b>1,282.59</b>
Decrease/(Increase) in Loans	(2,417.78)	998.35
<b>Cash generated from operating activities</b>	<b>1,149.86</b>	<b>2,280.94</b>
Net income tax (paid) / refunds	(954.26)	(357.83)
<b>Net cash generated from operating activities (A)</b>	<b>195.60</b>	<b>1,923.11</b>
<b>B. Cash flows from investing activities</b>		
Purchase of investments	(1,11,729.51)	(1,24,771.06)
Sale of investments/Income on Investments	1,11,945.03	1,65,457.19
(Purchase)/sale of Property, plant and equipment (includes intangible assets)-Net	(9.04)	(57.12)
<b>Net cash generated from investing activities (B)</b>	<b>206.48</b>	<b>40,629.01</b>
<b>C. Cash flows from financing activities</b>		
Dividend Paid	(290.22)	(3,207.68)
Debt Securities and Subordinated Liabilities- taken	21,015.52	15,063.34
Debt Securities and Subordinated Liabilities - repaid	(18,955.70)	(30,874.12)
Borrowings - taken	-	500.00
Borrowings - repaid	(43.36)	(27,958.24)
<b>Net cash (used in)/generated from financing activities (C)</b>	<b>1,726.24</b>	<b>(46,476.70)</b>
<b>Net (decrease)/increase in cash and cash equivalents (A+B+C)</b>	<b>2,128.32</b>	<b>(3,924.58)</b>
Opening Cash & cash equivalents	1,301.29	5,225.87
<b>Closing Cash &amp; cash equivalents</b>	<b>3,429.61</b>	<b>1,301.29</b>
<b>Reconciliation of Cash &amp; cash equivalents with the Balance Sheet:</b>		
Cash and Cash Equivalents as per Ind AS 7	3,429.61	1,301.29
Add: In Fixed deposits with maturity more than 3 months	-	-
Cash & cash equivalents (Refer Note 3)	3,429.61	1,301.29

The above cash flow statement has been prepared under Indirect method as set out in IndAS 7 prescribed under the Companies (Indian Accounting Standards) Rules 2015 under the Companies Act, 2015.

Note:

**Change in Working Capital**

(Increase)/ decrease in financial/non-financial assets

(₹ in Mn)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Financial assets</b>		
Bank Balance other than cash and cash equivalents	450.26	760.70
Derivative financial instruments	1,017.27	75.81
Receivables		
(I) Trade Receivables	(282.20)	53.90
(II) Other Receivables	239.73	128.03
Other Financial and non-financial assets	862.78	(191.14)
Right to use	(15.09)	(23.74)
<b>(Increase)/ Decrease in Financial/Non-financial Assets</b>	<b>2,272.74</b>	<b>803.55</b>

(Increase)/ Decrease in Financial/Non-financial liabilities

(₹ in Mn)

Particulars	for the year ended 31 March 2022	for the year ended 31 March 2021
<b>Financial liabilities</b>		
Derivative financial instruments	(801.30)	(264.69)
Trade Payables	663.05	199.98
Finance Lease Obligation	(76.99)	(100.20)
Other financial & non-financial liabilities	(70.77)	(479.43)
Provisions	(9.63)	(20.23)
<b>(Increase)/ Decrease in Financial/Non-financial liabilities</b>	<b>(295.64)</b>	<b>(664.57)</b>

Additional disclosures pursuant to Ind AS 7

(₹ in Mn)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening balance of Debt securities, borrowings (other than debt securities) and subordinated liabilities	49,932.66	91,369.98
Cash flows	2,016.46	(43,269.02)
Fair value adjustment	724.05	1,142.40
Interest accrued on borrowings	292.00	689.30
Acquisition	-	-
<b>Closing balance of Debt securities, borrowings (other than debt securities) and subordinated liabilities</b>	<b>52,965.17</b>	<b>49,932.66</b>

The accompanying summary of significant accounting policies and notes forms an integral part of the Financial Statements.

As per our attached report of even date

**For Singhi & Co.**  
Chartered Accountants  
Firm Registration Number: 302049E

**For and on behalf of the Board of Directors  
of IIFL Wealth Prime Limited**

**Shweta Singhal**  
Partner  
Membership No: 414420

**Himanshu Jain**  
Whole Time Director  
and Chief Executive Officer  
(DIN: 02052409)

**Yatin Shah**  
Whole Time Director  
(DIN: 03231090)

Place : Mumbai  
Date: May 3, 2022

**Sanjay Wadhwa**  
Chief Financial Officer  
Date: May 3, 2022

**Amit Bhandari**  
Company Secretary  
Membership no. A25871

**IIFL WEALTH PRIME LIMITED**  
**(FORMERLY IIFL WEALTH FINANCE LIMITED)**  
CIN: U65990MH1994PLC080646  
**STATEMENT OF CHANGES IN EQUITY**

**A. Equity share capital**

(₹ in Mn)

Particular	2021-22		2020-21	
	Number of Shares	Equity Share Capital	Number of Shares	Equity Share Capital
Issued, subscribed and fully paid up equity share outstanding at the beginning of the year	30,54,93,803	3,054.94	30,54,93,803	3,054.94
Change in equity share capital due to prior period error	-	-	-	-
Restated balance at the beginning of the year	-	-	-	-
<b>Changes in equity share capital during the year</b>				
Issue of equity shares	-	-	-	-
<b>Issued, subscribed and fully paid up equity shares outstanding at the end of the year</b>	<b>30,54,93,803</b>	<b>3,054.94</b>	<b>30,54,93,803</b>	<b>3,054.94</b>

(₹ in Mn)

Particulars	Equity Attributable to Owners of the Company							Total Other Equity
	Other Equity							
	Securities Premium	General Reserve	Special Reserve Pursuant to Section 45 IC of Reserve Bank of India Act, 1934	Capital Reserve	Capital Redemption Reserve	Retained Earnings		
Balance as at 1st April 2021	11,558.34	1.43	1,432.11	(4.98)	2.30	895.86	13,885.06	
Profits for the year	-	-	-	-	-	2,331.39	2,331.39	
Other comprehensive income - Actuarial gain (loss) on defined benefit plan (net of tax)	-	-	-	-	-	6.79	6.79	
Dividends	-	-	-	-	-	(290.22)	(290.22)	
Transfer (to)/from other reserves	-	-	467.64	-	-	(467.64)	0.00	
<b>Balance as at 31st March 2022</b>	<b>11,558.34</b>	<b>1.43</b>	<b>1,899.75</b>	<b>(4.98)</b>	<b>2.30</b>	<b>2,476.18</b>	<b>15,933.02</b>	

**STATEMENT OF CHANGES IN EQUITY**

(₹ in Mn)

Particulars	Equity Attributable to Owners of the Company							Total Other Equity
	Other Equity							
	Securities Premium	General Reserve	Special Reserve Pursuant to Section 45 IC of Reserve Bank of India Act, 1934	Capital Reserve	Capital Redemption Reserve	Retained Earnings		
Balance as at 1st April 2020	11,558.34	1.43	1,118.74	(4.98)	2.30	2,850.07	15,525.90	
Profits for the year	-	-	-	-	-	1,561.88	1,561.88	
Other comprehensive income - Actuarial gain (loss) on defined benefit plan (net of tax)	-	-	-	-	-	4.95	4.95	
Dividends	-	-	-	-	-	(3,207.67)	(3,207.67)	
Transfer (to)/from other reserves	-	-	313.37	-	-	(313.37)	-	
<b>Balance as at 31st March 2021</b>	<b>11,558.34</b>	<b>1.43</b>	<b>1,432.11</b>	<b>(4.98)</b>	<b>2.30</b>	<b>895.86</b>	<b>13,885.06</b>	

The accompanying summary of significant accounting policies and notes forms an integral part of the Financial Statements.

As per our attached report of even date

**For Singhi & Co.**  
Chartered Accountants  
Firm Registration Number: 302049E

**For and on behalf of the Board of Directors of IIFL Wealth  
Prime Limited**

**Shweta Singhal**  
Partner  
Membership No: 414420

**Himanshu Jain**  
Whole Time Director  
and Chief Executive Officer  
(DIN: 02052409)

**Yatin Shah**  
Whole Time Director  
(DIN: 03231090)

Place : Mumbai  
Date: May 3, 2022

**Sanjay Wadhwa**  
Chief Financial Officer  
Date: May 3, 2022

**Amit Bhandari**  
Company Secretary  
Membership no. A25871

**IIFL WEALTH PRIME LIMITED  
(FORMERLY IIFL WEALTH FINANCE LIMITED)**

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

**Note 1. Corporate Information:**

IIFL Wealth Prime Limited (the “Company”) is a public limited company incorporated under the Companies Act, 1956 and is a wholly owned subsidiary of IIFL Wealth Management Limited. The Company is a systemically important non-deposit taking Non-Banking Financial Company (“NBFC ND-SI”) registered with the Reserve Bank of India (RBI) under section 45-IA of the RBI Act, 1934 having a valid certificate of registration no. B-13.00361 dated March 18, 1998, and is primarily engaged in the financing and investing activities. The Company offers broad suite of financial products that includes loan against securities, capital market / IPO financing, loan against property, etc. catering to the financing needs of corporate and high net worth customers. The Company also acts as wealth manager and provides services relating to financial products distribution by mobilizing funds and assets of various classes of investors including High Net worth Individuals.

The Financial Statements for the year ended March 31, 2022 were authorized for issue by the Board of directors of the Company at its meeting held on May 3, 2022.

**Note 2 – Statement of Compliance, Basis of preparation and presentation of financial statements and Significant Accounting Policies**

**a. Statement of Compliance:**

The Company’s financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and amendments thereof issued by Ministry of Corporate Affairs in exercise of the powers conferred by section 133 of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment.

Any directions issued by the RBI or other regulators are implemented as and when they become applicable. Further, the Company has complied with all the directions related to Implementation of Indian Accounting Standards prescribed for Non-Banking Financial Companies (NBFCs) in accordance with the RBI notification no. RBI/2019-20/170 DOR NBFC).CC.PD. No.109/22.10.106/2019-20 dated 13 March 2020.

**b. Functional and presentation currency**

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates. Except as otherwise indicated, financial information presented in Indian rupees has been rounded to the nearest millions.

**c. Presentation of financial statements**

The Company presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note 43.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognized amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Group and/or its counterparties



**IIFL WEALTH PRIME LIMITED  
(FORMERLY IIFL WEALTH FINANCE LIMITED)**

**d. Use of Estimates and judgements**

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities) and disclosures as of the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from these estimates. Accounting estimates and underlying assumptions are reviewed on an ongoing basis and could change from period to period. Appropriate changes in estimates are recognized in the periods in which the Company becomes aware of the changes in circumstances surrounding the estimates. Any revisions to accounting estimates are recognized prospectively in the period in which the estimate is revised and future periods.

**e. Business Combinations**

Business combinations are accounted for using the acquisition method. At the acquisition date, identifiable assets acquired and liabilities assumed are measured at fair value. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. The consideration transferred is measured at fair value at acquisition date and includes the fair value of any contingent consideration. However, deferred tax asset or liability and any liability or asset relating to employee benefit arrangements arising from a business combination are measured and recognised in accordance with the requirements of Ind AS 12, Income Taxes and Ind AS 19, Employee Benefits, respectively. Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of a bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets acquired and liabilities assumed, the difference is recorded as a gain in other comprehensive income and accumulated in equity as capital reserve. The costs of acquisition excluding those relating to issue of equity or debt securities are charged to the Statement of Profit and Loss in the period in which they are incurred. Business combinations involving entities under common control are accounted for using the pooling of interests method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonise accounting policies. Any excess or shortfall of the consideration paid over the share capital of transferor entity or business is recognised as capital reserve under equity.

**f. Significant Accounting Policies**

**i. Revenue recognition**

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind AS.

The Company recognizes revenue from contracts with customers based on a five-step model as set out in Ind 115:

**Step 1:** Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

**Step 2:** Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

**Step 3:** Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

**Step 4:** Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance

**IIFL WEALTH PRIME LIMITED  
(FORMERLY IIFL WEALTH FINANCE LIMITED)**

obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

**Step 5:** Recognize revenue when (or as) the Company satisfies a performance obligation

- **Lending / Investments related Income**

- 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. For credit impaired financial assets, the interest income is calculated by applying the EIR to the amortised cost of the credit impaired financial assets (Gross carrying value less the allowance for expected credit loss). Interest receivable 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.
- Dividend income is accounted in the period in which the right to receive the same is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably.

- **Fees and commission relating to Distribution Services:** Fees on distribution services are recognized at a point in time when the service obligations are completed and when the terms of contracts are fulfilled.

- Other items of income including fees and commissions are accounted as and when the service obligations are completed and right to receive such income arises and it is probable that the economic benefits will flow and the amount of income can be measured reliably.

- **Net gain on Fair value changes**

Any differences between the fair values of financial assets classified as fair value through the profit or loss held by the Company on the balance sheet date is recognized as an unrealized gain / loss. In cases there is a net gain/loss in the aggregate, the same is recognized in “Net gains on fair value changes” under Revenue from operations in the statement of Profit and Loss. Similarly, any realized gain or loss on sale of financial instruments measured at FVTPL is recognized in net gain / loss on fair value changes. Similarly, any differences between the fair values of financial assets classified as fair value through other comprehensive income are disclosed in the OCI. However, net gain / loss on derecognition of financial instruments classified as amortized cost is presented separately under the respective head in the Statement of Profit and Loss.

**ii. Goodwill on acquisition**

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. Goodwill is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed, measured in accordance with Ind AS 103 – Business Combinations.

Goodwill is considered to have indefinite useful life and hence is not subject to amortization but tested for impairment at least annually. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination, is from the acquisition date, allocated to each of the company’s cash generating units (CGUs) that are expected to be benefited from the combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Each CGU or a combination of CGUs to

**IIFL WEALTH PRIME LIMITED  
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which goodwill is so allocated represents the lowest level at which goodwill is monitored for internal management purpose and it is not larger than an operating segment of the Company.

A CGU to which goodwill is allocated is tested for impairment annually, and whenever there is an indication that the CGU may be impaired, by comparing the carrying amount of the CGU, including the goodwill, with the recoverable amount of the CGU. If the recoverable amount of the CGU exceeds the carrying amount of the CGU, the CGU and the goodwill allocated to that CGU is regarded as not impaired. If the carrying amount of the CGU exceeds the recoverable amount of the CGU, the Company recognizes an impairment loss by first reducing the carrying amount of any goodwill allocated to the CGU and then to other assets of the CGU pro-rata based on the carrying amount of each asset in the CGU. Any impairment loss on goodwill is recognized in the Statement of Profit and Loss. An impairment loss recognized on goodwill is not reversed in subsequent periods. On disposal of a CGU to which goodwill is allocated, the goodwill associated with the disposed CGU is included in the carrying amount of the CGU when determining the gain or loss on disposal.

**iii. Property, Plant and Equipment (“PPE”)**

**Measurement at recognition:**

An item of PPE 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 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.

Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate only if it is probable that the future economic benefits associated with the item will flow to the Company and that the cost of the item can be reliably measured. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repair and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

**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-Financial Assets.

**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. 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.

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Freehold land is not depreciated. Leasehold improvements are amortized over the period of lease. Individual assets / group of similar assets costing up to Rs. 5,000 has been depreciated in full in the year of purchase.

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

<b>Class of assets</b>	<b>Estimated Useful Life (in years) as per Companies Act, 2013</b>	<b>Estimated Useful Life (in years) as per Management</b>
Computers	3	3
Electrical Equipment	5	5
Office equipment	5	5
Furniture and fixtures*	10	5 or less
Air conditioners	5	5
Leasehold Improvements		straight-line basis over the period of lease

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

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 derecognition 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.

**iv. Other Intangible assets and Amortization**

**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. 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.

**Amortization:**

Intangible Assets with finite lives are amortized on a Straight-Line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss. The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

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

<b>Class of assets</b>	<b>Useful life in years</b>
Software	3-5
Customer Relationships	20

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**Derecognition:**

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition 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.

**v. Impairment of Assets**

Assets that have an indefinite useful life, such as 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.

Impairment losses are reversed in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

**vi. 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 and financial liabilities are recognized when Company becomes party to the contractual provisions of the instruments.

• **Date of recognition and initial measurement**

Financial assets and liabilities are recognized in the Company's Balance Sheet when the Company becomes a party to the contractual provisions of the instrument. All financial instruments are recognized initially at fair value. However, in the case of financial instruments not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial instruments are added to the fair value. Purchases or sales of financial instruments that require delivery of assets / liabilities within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset / liabilities.

• **Initial recognition, classification and subsequent measurement of Financial Assets**

Financial assets are classified into one of the three categories for measurement and income recognition:

- Amortized Cost (AC)
- Fair value through other comprehensive income (FVOCI)

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-Fair value through profit and loss (FVTPL)

Classification of financial assets is based on the assessment of business model and contractual cash flow test.

**i. Financial assets measured at amortized cost:**

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

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

This category 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.

**ii. Financial assets measured at FVTOCI:**

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

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

For the above category, income by way of interest and dividend, provision for impairment are recognized in the statement of profit and loss and changes in fair value (other than on account of above income or expense) are recognized in other comprehensive income and accumulated in other equity. On disposal of such debt instruments at FVTOCI financial assets, the cumulative gain or loss previously accumulated in other equity is reclassified to Statement of Profit and Loss.

**iii. Financial assets measured at FVTPL:**

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as mentioned above. This is a residual category applied to all other investments of the Company excluding investments in associate. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

**Derecognition:**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's Balance Sheet) when any of the following occurs:

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

Where the company has transferred an asset, the company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where

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the company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the company has not retained control of the financial asset. Where the company retains the control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset

On Derecognition of a financial asset, (except as mentioned in ii above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

**Impairment of financial assets:**

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not measured at FVTPL. Expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

The expected credit loss is a product of Exposure at Default (EAD), Probability of Default (PD) and Loss given default (LGD). The Company has devised an internal model to evaluate the PD and LGD based on the parameters set out in Ind AS 109. Accordingly, the financial assets have been segmented into three stages based on their risk profiles. The three stages reflect the general pattern of credit deterioration of a financial asset.

The company categorizes financial assets at the reporting date into stages based on the days past due (DPD) status as under:

- Stage 1: 0 to 30 days past due
- Stage 2: 31 to 90 days past due
- Stage 3: more than 90 days past due

- **Probability of Default (PD):** It is an estimate of the likelihood of default over a given time horizon. In order to estimate the PDs, studies on defaults available in public domain and experience of the Company have been taken into account.
- Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss 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 Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.
- The Company measures the loss allowance on financial assets at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for that financial asset at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the lifetime expected credit losses and represent cash shortfalls that will result if default occurs within the 12 months weighted by the probability of default after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.
- When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the

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financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

- **Loss Given Default (LGD):** LGD is an estimate of the loss arising in case where a default occurs. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realization of any security.

Based on the above, the Company categorises its loans into Stage 1, Stage 2 and Stage 3 as under:

**Stage 1:** When loans are first recognised, the Company recognises an allowance based on 12 months' expected credit loss.

**Stage 2:** When a loan has shown significant increase in credit risk since origination, the Company records an allowance for the life time expected credit loss.

**Stage 3:** When a loan is credit impaired, the Company records an allowance for the life time expected credit loss.

- **Credit – impaired Financial Assets**

A financial asset is 'credit-impaired' when one or more events, that have a detrimental impact on the estimated future cash flows of the financial asset, have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or past due event;
- The lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- The disappearance of an active market for a security because of financial difficulties; or
- The purchase of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event, instead, the combined effect of several events may have caused financial assets to become credit-impaired. The Company assesses whether debt instruments which are financial assets measured at amortised cost or FVTOCI, are credit-impaired at each reporting date. To assess if corporate debt instruments are credit impaired, the Company considers factors, such as bond yields, credit ratings and the ability of the borrower to raise funding.

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower's financial condition, unless there is evidence that, as a result of granting the concession, the risk of not receiving the contractual cash flows has reduced significantly and there are no other indicators of impairment. For financial assets, where concessions are contemplated but not granted, the asset is deemed credit-impaired when there is observable evidence of credit-impairment, including meeting the definition of default. The definition of default (see below) includes unlikeliness to pay indicators and a back-stop, if amounts are overdue for 90 days or more

- **Significant Increase in Credit Risk**

The Company monitors all financial assets, issued irrevocable loan commitments and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant



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increase in credit risk, since initial recognition. If there has been a significant increase in credit risk the Company will measure the loss allowance based on lifetime rather than 12-month ECL. The Company's accounting policy is not to use the practical expedient that the financial assets with 'low' credit risk at the reporting date are deemed not to have had a significant increase in credit risk. As a result, the Company monitors all financial assets, issued irrevocable loan commitments and financial guarantee contracts that are subject to impairment for significant increase in credit risk. In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable, and supportable, including historical experience and forward-looking information, that is available without undue cost or effort, based on the Company's historical experience and expert credit assessment.

Given that a significant increase in credit risk since initial recognition is a relative measure, a given change, in absolute terms, in the probability of default (PD) will be more significant for a financial instrument with a lower initial PD than compared to a financial instrument with a higher PD.

- For trade receivables and financial assets arising from transactions with in the scope of Ind AS 115 the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

**Subsequent measurement:**

For subsequent measurement, the Company classifies a financial asset in accordance with the Company's business model for managing the financial asset and 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)

• **Initial measurement, classification and subsequent measurement of Financial Liabilities**

**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. Having regards to the terms and structure of issuance, Financial Liabilities are categorized as follows:

- (i) recognized at amortised costs
- (ii) recognized at fair value through profit and loss (FVTPL) including the embedded derivative component if any, which is not separated.
- (iii) where there is an embedded derivative as part of the financial liability, such embedded derivative is separated and recorded at fair value and the remaining component is categorized as on amortised costs.

**Subsequent measurement:**

- (i) All financial liabilities of the Company are categorized as subsequently measured at amortized cost are subsequently measured using the effective interest method.
- (ii) All financial liabilities of the Company are categorized at fair value are subsequently measured at fair value through profit and loss statement.
- (iii) For derivatives embedded in the liability, the embedded derivative is subsequently measured at fair value through profit and loss and the liability is subsequently measured at amortised cost using the effective interest method.

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**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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss

- **Reclassification of Financial Assets and Financial Liabilities**

Financial assets are not reclassified subsequent to their initial recognition, apart from the exceptional circumstances in which the Group acquires, disposes of, or terminates a business line or in the period the Group changes its business model for managing financial assets.

Reclassifications are expected to be very infrequent. Such changes must be determined by the company's senior management as a result of external or internal changes and must be significant to the company's operations and demonstrable to external parties.

Further re- classification is not allowed in following cases;

- Investments in equity instruments irrevocably designated as at FVOCI cannot be reclassified.
- Reclassification of financial liabilities

- **Offsetting of Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

- **Write Off**

Loans and Debt Securities are written off when the company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts, subject to the write-off. A write-off constitutes a derecognition event. The Company may apply enforcement activities to the financial assets written off. Recoveries resulting from the Company's enforcement activities will result in impairment gains

**vii. Derivative financial instruments**

The Company enters into derivative financial contracts, which are initially recognized at fair value at the date the contracts are entered into and subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in the statement of profit and loss unless the derivative is designated and effective as a hedging instrument

In a financial instrument involving embedded derivative, which is separated from the host contract, such embedded derivative component is accounted separately from the underlying host contract and is initially recognized at fair value and is subsequently remeasured at fair value at each reporting period and the resulting gain or loss is recognized in the statement of profit and loss unless the derivative is designated and effective as a hedging instrument.

**viii. Fair Value Measurement**

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:

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- 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.

**Fair value hierarchy**

Ind AS 107, 'Financial Instrument - Disclosure' requires classification of the valuation method of financial instruments measured at fair value in the Balance Sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). 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). The three levels of the fair-value-hierarchy under Ind AS 107 are described below:

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 — If one or more of the significant inputs is not based on observable market data, the instrument is included in level

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.

**ix. Measurement of foreign currency items at reporting date**

Transactions in foreign currencies are recorded at the rate of exchange prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency at the rates of exchange on the reporting date.

Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Nonmonetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss.

**x. Taxes**

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

**Current tax:**

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible in accordance with applicable tax laws. Current tax is measured using tax rates that have been enacted or substantively enacted by the end of reporting period.

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**Deferred tax:**

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. 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 that arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

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

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

**Presentation of current and deferred tax:**

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

**xi. Provisions and Contingencies**

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

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

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respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

**xii. Cash and Cash Equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand, short-term deposits with an original maturity of three months or less and highly liquid investments, which are subject to an insignificant risk of changes in value.

**xiii. Employee Benefits**

**Short Term Employee Benefits:**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. 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:

**Defined contribution plans:**

**(I) Provident Fund**

Retirement benefit in the form of provident fund is defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to provident fund scheme as expenditure, when an employee renders the related service.

**Defined benefit plans**

**(II) Gratuity**

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's contributions to defined contribution plans are recognised in the Statement of Profit and Loss in the financial year to which they relate. The Company operates defined contribution plans pertaining to Employee State Insurance Scheme and Government administered Pension Fund Scheme for all applicable employees and the Company also operates Defined Contribution Plans pertaining to Provident Fund Scheme.

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.

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Gratuity is post-employment benefit and is in the nature of defined benefit plan. The liability recognized in the Balance Sheet in respect of gratuity is the present value of defined benefit obligation at the Balance Sheet date together with the adjustments for unrecognized actuarial gain or losses and the past service costs. The defined benefit obligation is calculated at or near the Balance Sheet date by an independent actuary using the projected unit credit method.

The Company has provided for “Compensated Absences” on the basis of actuarial valuation.

**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. Remeasurements 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 remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

**(III) Share Based Payments**

The stock options granted to employees by the holding company’s (i.e. IIFL Wealth Management Limited) Stock Options Schemes, are measured at the fair value of the options at the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. The cost incurred by the holding company, in respect of options granted to employees of the Company, is being recovered by holding company and it is charged to the Statement of Profit and Loss of the Company over the period of vesting.

**xiv. Lease accounting**

The Company assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company considers whether (i) the contract involves the use of identified asset; (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Company has right to direct the use of the asset.

**As a lessee**

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received.

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Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. Where appropriate, the right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease liability and the right of use asset have been separately presented in the balance sheet and lease payments have been classified as financing activities.

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Company recognises the lease payments associated with these leases as an expense in statement of profit and loss over the lease term. The related cash flows are classified as operating activities.

**As a lessor**

Leases for which the Company is a lessor is classified as finance or operating leases. When the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. The Company recognizes income on operating leases based on the contractual arrangements.

**xv. Borrowing Cost**

Borrowing cost includes interest, amortization of transaction 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

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ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

**xvi. Other Income & Expenses**

All Other income and expense are recognized in the period they occur

**xvii. Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

**xviii. Earnings Per Share:**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

**xix. Statement of Cash Flows**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

**xx. Events after the reporting period**

Events after the reporting period are those events, both favorable and unfavorable that occur between end of the reporting period and the date on which the financial statements are approved for issue.

**Adjusting Events**

Events which provide further evidence of conditions that existed at the end of the reporting period are adjusting events. Financials have been adjusted for those events.

**Non-adjusting Events**

Events which are of indicative of conditions that arise after the end of the reporting period are non-adjusting events. Disclosure of the nature of event and estimate of its financial effect have been made in the financial statements

**xxi. 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.



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**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:

- **Property, Plant and Equipment and Intangible assets**

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The lives are based on historical experience with similar assets and are based on changes in technical or commercial obsolescence.

- **Defined Benefit Obligation**

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.

- **Fair value measurement of Financial Instruments**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

- **Expected Credit Loss**

The provision for expected credit loss involves estimating the probability of default and loss given default based on the past experience and other factors.

- **Determination of lease term**

Ind AS 116 Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised

- **Discount rate**

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

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

**Note 3. Cash and Cash Equivalents**

(₹ in Mn)

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Cash and Cash Equivalents</b>		
Cash on hand	0.11	0.10
Balance with banks		
-In current accounts	2,049.92	801.24
Collateralized Borrowing and Lending Obligation	1,379.58	499.95
<b>Cash and cash equivalents (As per Ind AS 7 Statement of Cashflows)</b>	<b>3,429.61</b>	<b>1,301.29</b>

**Note 4. Bank Balance other than Cash and Cash equivalents**

(₹ in Mn)

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Other Bank Balances</b>		
In Earmarked Accounts	-	5.27
In Deposit accounts (with original maturity of more than 3 months)	-	444.99
<b>Total</b>	<b>-</b>	<b>450.26</b>

There are no lien marked fixed deposits against derivative transactions.

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Note 5. Derivative Financial Instruments (Refer Note 41 and 49.3)

(₹ in Mn)

Part I	As at March 31, 2022			As at March 31, 2021		
	Notional amounts	Fair value - Assets	Fair value - Liabilities	Notional amounts	Fair value - Assets	Fair value - Liabilities
<b>(i) Interest rate derivatives</b>						
Interest rate swaps	-	-	-	-	-	-
<b>Subtotal(i)</b>	-	-	-	-	-	-
<b>(ii) Equity linked derivatives (Nifty Linked)</b>						
Option premium paid	126.02	0.30	-	4,904.08	1,492.58	-
Option premium received	259.94	-	1.19	2,678.91	-	47.99
Derivative component of debt securities	-	0.99	1,404.51	-	26.39	2,159.01
<b>Subtotal(ii)</b>	<b>385.96</b>	<b>1.29</b>	<b>1,405.70</b>	<b>7,582.99</b>	<b>1,518.97</b>	<b>2,207.00</b>
<b>Total Derivative Financial Instruments</b>	<b>385.96</b>	<b>1.29</b>	<b>1,405.70</b>	<b>7,582.99</b>	<b>1,518.97</b>	<b>2,207.00</b>

(₹ in Mn)

Part II	As at March 31, 2022			As at March 31, 2021		
	Notional amounts	Fair value - Assets	Fair value - Liabilities	Notional amounts	Fair value - Assets	Fair value - Liabilities
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:						
(i) Fair value hedging	-	-	-	-	-	-
(ii) Cash flow hedging	-	-	-	-	-	-
(iii) Net investment hedging	-	-	-	-	-	-
(iv) Undesignated derivatives	385.96	1.29	1,405.70	7,582.99	1,518.97	2,207.00
<b>Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)</b>	<b>385.96</b>	<b>1.29</b>	<b>1,405.70</b>	<b>7,582.99</b>	<b>1,518.97</b>	<b>2,207.00</b>

Note 6. Receivables (Refer Note 41)

(₹ in Mn)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>(i) Trade receivables</b>		
Receivables considered good - Unsecured	894.79	612.80
<b>Total (i)- Gross</b>	<b>894.79</b>	<b>612.80</b>
Less: Impairment loss allowance	(2.28)	(2.29)
<b>Total (i)- Net</b>	<b>892.51</b>	<b>610.51</b>
<b>(ii) Other receivables</b>		
Receivables considered good - Unsecured	130.53	370.26
<b>Total (ii)- Gross</b>	<b>130.53</b>	<b>370.26</b>
Less: Impairment loss allowance	-	-
<b>Total (ii)- Net</b>	<b>130.53</b>	<b>370.26</b>

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Note 6.1. Receivables ageing schedule as at 31st March, 2022

(₹ in Mn)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	800.63	153.30	53.02	18.37	-	1,025.32
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
Less: Impairment loss allowance	-	(0.26)	(2.01)	(0.01)	-	(2.28)
<b>Total</b>	<b>800.63</b>	<b>153.04</b>	<b>51.01</b>	<b>18.36</b>	-	<b>1,023.04</b>

Note 6.1. Receivables ageing schedule as at 31st March, 2021

(₹ in Mn)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	823.03	104.53	50.50	5.00	-	983.06
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	(0.83)	(0.31)	(1.15)	-	(2.29)
<b>Total</b>	<b>823.03</b>	<b>103.70</b>	<b>50.19</b>	<b>3.85</b>	-	<b>980.77</b>

Notes:

1. No trade or other receivables are due from directors or from other officers of the Company either severally or jointly with any other person nor any trade or other receivables are due from firms or private companies respectively in which any directors is a partner, director or a member as at 31st March 2022 and 31st March 2021.
2. There are no credit impaired receivables as at 31st March 2022 and 31st March 2021.
3. Other receivables include receivables on sale of Investments aggregating to ₹ 141.29 million (P.Y ₹ 259.12 million )
4. No trade or other receivables are interest bearing.

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Note 7. Loans (Refer Note 41)

(₹ in Mn)

Loans	As at March 31, 2022						As at March 31, 2021					
	Amortised cost	At Fair value			Subtotal	Total	Amortised cost	At Fair value			Subtotal	Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss				Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss		
<b>(A)</b>												
(i) Loan repayable on demand *	39,355.42	-	-	-	-	39,355.42	37,030.08	-	-	-	-	37,030.08
(ii) Others-Staff Loan	3.27	-	-	-	-	3.27	2.40	-	-	-	-	2.40
<b>Total (A) -Gross</b>	<b>39,358.69</b>	-	-	-	-	<b>39,358.69</b>	<b>37,032.47</b>	-	-	-	-	<b>37,032.47</b>
Less: Impairment loss allowance	(193.86)	-	-	-	-	(193.86)	(338.16)	-	-	-	-	(338.16)
<b>Total (A) - Net</b>	<b>39,164.83</b>	-	-	-	-	<b>39,164.83</b>	<b>36,694.31</b>	-	-	-	-	<b>36,694.31</b>
<b>(B)</b>												
(i) Secured by tangible assets (Refer foot note)	37,614.95	-	-	-	-	37,614.95	36,052.40	-	-	-	-	36,052.40
(ii) Unsecured	1,743.75	-	-	-	-	1,743.75	980.07	-	-	-	-	980.07
<b>Total (B)-Gross</b>	<b>39,358.69</b>	-	-	-	-	<b>39,358.69</b>	<b>37,032.47</b>	-	-	-	-	<b>37,032.47</b>
Less: Impairment loss allowance	(193.86)	-	-	-	-	(193.86)	(338.16)	-	-	-	-	(338.16)
<b>Total (B) - Net</b>	<b>39,164.83</b>	-	-	-	-	<b>39,164.83</b>	<b>36,694.31</b>	-	-	-	-	<b>36,694.31</b>
<b>(C)</b>												
<b>(I) Loans in India</b>	39,358.69	-	-	-	-	39,358.69	37,032.47	-	-	-	-	37,032.47
Less: Impairment loss allowance	(193.86)	-	-	-	-	(193.86)	(338.16)	-	-	-	-	(338.16)
<b>Total (C) (I)-Net</b>	<b>39,164.83</b>	-	-	-	-	<b>39,164.83</b>	<b>36,694.31</b>	-	-	-	-	<b>36,694.31</b>
<b>(II) Loans outside India</b>	-	-	-	-	-	-	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total (C) (II)- Net</b>	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total C(I) and C(II)</b>	<b>39,164.83</b>	-	-	-	-	<b>39,164.83</b>	<b>36,694.31</b>	-	-	-	-	<b>36,694.31</b>

Details of loans in the nature of loans to Promoters, Directors, KMPs & related parties, which are repayable on demand:

Type of Borrower	As at March 31, 2022		As at March 31, 2021	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans or advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans or advances in the nature of loans
Promoters	-	0.00%	-	0.00%
Directors	17.40	0.04%	-	0.00%
Key Managerial Persons (KMPs)	-	0.00%	-	0.00%
Other related parties	-	0.00%	42.37	0.12%
	<b>17.40</b>		<b>42.37</b>	

The product of the Company is to grant loans which are repayable on demand anytime during the sanction period but all the terms including interest and term of repayment are stated in sanction letter.

Foot note:

Secured loan & Other Credit Facilities given to customer are secured by :-

- Pledge of Shares / Bonds / Mutual Fund & AIF Units
- Equitable/Registered Mortgage on Property
- Personal Guarantee

\* Includes Loan to related parties- Refer Note 40

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Note 8. Investments (Refer Note 41)

Investments	As at March 31, 2022							As at March 31, 2021						
	At Fair value				Subtotal	Others	Total	At Fair value				Subtotal	Others	Total
	Amortised cost	Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss				Amortised cost	Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss			
(A)	1	2	3	4	5=2+3+4	6	7=1+5+6	1	2	3	4	5=2+3+4	6	7=1+5+6
Mutual funds	-	-	3,884.58	-	3,884.58	-	3,884.58	-	-	1,228.43	-	1,228.43	-	1,228.43
Government securities	-	-	636.57	-	636.57	-	636.57	-	-	649.00	-	649.00	-	649.00
Debt securities	-	-	9,416.78	-	9,416.78	-	9,416.78	-	-	12,621.48	-	12,621.48	-	12,621.48
Equity instruments	-	-	-	-	-	-	-	-	-	249.90	-	249.90	-	249.90
Subsidiaries	2,957.76	-	-	-	-	-	2,957.76	2,957.76	-	-	-	-	-	2,957.76
Alternate investment funds	-	-	10,894.19	-	10,894.19	-	10,894.19	-	-	6,909.60	-	6,909.60	-	6,909.60
Others	-	-	34.01	-	34.01	-	34.01	-	-	368.16	-	368.16	-	368.16
<b>Total (A)</b>	<b>2,957.76</b>	<b>-</b>	<b>24,866.13</b>	<b>-</b>	<b>24,866.13</b>	<b>-</b>	<b>27,823.89</b>	<b>2,957.76</b>	<b>-</b>	<b>22,026.57</b>	<b>-</b>	<b>22,026.57</b>	<b>-</b>	<b>24,984.33</b>
(B)														
i) Investments outside India														
ii) Investments in India	2,957.76	-	24,866.13	-	24,866.13	-	27,823.89	2,957.76	-	22,026.57	-	22,026.57	-	24,984.33
<b>Total (B)</b>	<b>2,957.76</b>	<b>-</b>	<b>24,866.13</b>	<b>-</b>	<b>24,866.13</b>	<b>-</b>	<b>27,823.89</b>	<b>2,957.76</b>	<b>-</b>	<b>22,026.57</b>	<b>-</b>	<b>22,026.57</b>	<b>-</b>	<b>24,984.33</b>
(C)														
Less: Allowance for impairment loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total- Net (D) = A-C</b>	<b>2,957.76</b>	<b>-</b>	<b>24,866.13</b>	<b>-</b>	<b>24,866.13</b>	<b>-</b>	<b>27,823.89</b>	<b>2,957.76</b>	<b>-</b>	<b>22,026.57</b>	<b>-</b>	<b>22,026.57</b>	<b>-</b>	<b>24,984.33</b>

Note:  
Of the above Investments, ₹ 6,723.58 millions (P.Y ₹ 8,309.69 millions) are kept as collateral against borrowings.

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Note 8. Investments (Refer Note 41)

Name of Investment	As at March 31, 2022			As at March 31, 2021		
	Face Value	No. of Units	Total Amount (₹ in Mn)	Face Value	No. of Units	Total Amount (₹ in Mn)
<b>Investment in Mutual Funds include :</b>						
ADITYA BIRLA SL CREDIT RISK DIRECT-GROWTH- Segregated Portfolio 1	10.00	35,91,505.00	0.61	10.00	35,91,505.00	1.49
ADITYA BIRLA SL MEDIUM TERM DIRECT-GROWTH- Segregated Portfolio 1	10.00	31,62,822.01	1.80	10.00	31,62,822.01	4.41
AXIS MUTUAL FUND AXIS TECHNOLOGY ETF FUND	-	-	-	100.00	1,94,160.00	50.19
DSP FMP SERIES 241-36M DIRECT-GROWTH	10.00	3,28,681.91	1,000.17	-	-	-
HDFC MUTUAL FUND FMP 3360D MAR2014(1)SR 30 REG GROWTH 06JU23	-	-	-	10.00	22,50,000.00	37.69
ICICI PRUDENTIAL MUTUAL FUND FMP SR 82-1136D PL P CUM 30AP21	-	-	-	10.00	2,69,865.00	3.41
IIFL LIQUID FUND - REGULAR PLAN - GROWTH	1,000.00	8.08	0.01	1,000.00	8.08	0.01
IIFL DYNAMIC BOND FUND DIRECT PLAN - GROWTH	10.00	57,36,551.00	108.20	10.00	2,00,36,551.53	352.04
KOTAK MAHINDRA MUTUAL FUND CREDIT RISK FUND DIR GROWTH ENED	10.00	58,110.01	250.05	-	-	-
KOTAK MAHINDRA MUTUAL FUND MEDIUM TERM FD DIR GROWTH OP	10.00	7,22,637.87	1,000.26	-	-	-
SBI Liquid Fund - REGULAR PLAN -Growth	-	-	-	1,000.00	90,000.00	288.28
SBI SAVINGS-GROWTH	-	-	-	10.00	40,67,953.43	139.11
SBI LIQUID DIRECT-GROWTH	1,000.00	5,000.00	16.55	1,000.00	1,09,200.58	351.80
HDFC FIXED MATURITY PLAN - 1265 DAYS - OCTOBER 2018 (1) - DIRECT PLAN - GROWTH	10.00	5,00,000.00	6.59	-	-	-
Sundaram Liquid Fund (Formerly Known As Principal Cash Management Fund)	1,000.00	5,32,294.13	1,000.22	-	-	-
Mirae Asset Cash Management Fund - Direct Plan Growth ISIN INF769K01CM1	1,000.00	2,22,558.65	500.12	-	-	-
			<b>3,884.58</b>			<b>1,228.43</b>
<b>Investment in Government Securities include :</b>						
7.32% GOVERNMENT OF INDIA FVRS100 28JAN2024	100.00	10,00,000.00	105.30	100.00	10,00,000.00	107.48
7.35% GOVT. STOCK 2024	100.00	50,00,000.00	531.27	100.00	50,00,000.00	541.52
			<b>636.57</b>			<b>649.00</b>
<b>Investment in Debt Securities include :</b>						
0.00% HDB FINANCIAL SERVICES LIMITED SR-A/0/119 NCD 08JU21 FVRS10LAC	-	-	-	10,00,000.00	20.00	25.62
0.00% INDIA GRID TRUST 4-JAN-23	-	-	-	10,00,000.00	10.00	11.85
0.00% TATA CAPITAL HOUSING FINANCE 24-JAN-24	-	-	-	10,00,000.00	3.00	3.04
10.50% INDUSIND BANK LIMITED SERIES III-2019 NCD PERPETUAL FVRS10LAC	10,00,000.00	146.00	151.73	10,00,000.00	261.00	257.62
10.99% UNION BANK OF INDIA SR-III10.99 BDPERPETUALFVRS10LACLOAUPT004AG16	-	-	-	10,00,000.00	42.00	45.53
11% RAJDARBAR PSORIASIS RESEARCH CENTRE PRIVATE LIMITED 11 NCD 01FB24 FVRS10LAC	-	-	-	10,00,000.00	250.00	256.90
6.6861% MINDSPACE BUSINESS PARK REIT 17-MAY-24	10,00,000.00	50.00	50.20	10,00,000.00	50.00	50.20
7.04% HUDCO TAX FREE BOND 10 YRS TR21A ANNUAL	-	-	-	1,000.00	1,000.00	1.13
7.04% INDIAN RAILWAY FINANCE CORPORATION LIMITED SR-106 7.04 BD 03MR26 FVRS10LACLOAUPT05AP16	-	-	-	10,00,000.00	13.00	14.87
7.18% REC LTD TAX FREE BOND 20 YRS SR3A ANNUAL	1,000.00	458.00	0.58	1,000.00	229.00	0.30
7.35%/7.64% IRFC 22-MAR-2031	-	-	-	1,000.00	850.00	1.06
7.39/7.64 HUDCO 8-FEB-2031	-	-	-	1,000.00	500.00	0.61
8.18% NHPC LTD TAX FREE BOND 10 YRS TR-I SR1-A ANNUAL	-	-	-	1,000.00	32,210.00	37.55
8.2/8.35 HOUSING AND URBAN DEVELOPMENT CORP. LTD. 8.2/8.35 LOA 05MR27 FVRS1000	-	-	-	1,000.00	4,100.00	4.86
8.23% IRFC 10YRS SR1A 18022024	-	-	-	1,000.00	19,978.00	23.44
8.30% NATIONAL HIGHWAYS AUTHORITY OF INDIA 8.3 BD 25JN27 FVRS1000_N2	-	-	-	1,000.00	6,171.00	7.61
8.35% INDIAN RAILWAY FINANCE CORPORATION LIMITED SR- 89 OP-1 8.35 LOA 21NV23 FVRS10LAC	-	-	-	10,00,000.00	1.00	1.17
8.41% INDIA INFRASTRUCTURE FINANCE COMPANY LIMITED TRCH-II SR-1A 8.41 LOA 22JN24 FVRS1000	-	-	-	1,000.00	5,000.00	5.56
8.41% NTPC LTD TAX FREE BOND 10 YRS SR1A ANNUAL 16DC23	1,000.00	1,000.00	1.10	1,000.00	37,998.00	42.44
8.50% / 8.75% NHAI BOND 05-FEB-29 (CORPORATE)	1,000.00	5,000.00	6.09	1,000.00	25,000.00	31.63
8.50% BANK OF BARODA SR XIV 8.50 BD PERPETUAL FVRS10LAC	10,00,000.00	15.00	15.71	10,00,000.00	25.00	25.71
8.50% SBI 22-NOV-24 PERP	10,00,000.00	169.00	178.34	10,00,000.00	393.00	411.43
8.70% BANK OF BARODA SERIES X NCD PERPATUAL FVRS10LAC	10,00,000.00	184.00	195.44	10,00,000.00	270.00	279.36

IIFL WEALTH PRIME LIMITED  
(FORMERLY IIFL WEALTH FINANCE LIMITED)  
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Note 8. Investments (Refer Note 41)

Name of Investment	As at March 31, 2022			As at March 31, 2021		
	Face Value	No. of Units	Total Amount (₹ in Mn)	Face Value	No. of Units	Total Amount (₹ in Mn)
8.75% AXIS BANK LIMITED SR-28 NCD PERPETUAL FVRS10LAC	-	-	-	10,00,000.00	370.00	398.57
8.75% SBI SERIES I 8.75 BD PERPETUAL FVRS10LAC	10,00,000.00	130.00	140.27	10,00,000.00	133.00	142.85
8.85% HDFC BANK BASEL III PERPETUAL BONDS SERIES 1/2017-18	-	-	-	10,00,000.00	15.00	16.51
8.90% RELIANCE HOME FINANCE LTD SR-I CAT III & IV 3YRS FV RS 1000	-	-	-	1,000.00	10.00	0.00
9.08% UNION BANK OF INDIA SR-XXIV BD PERPETUAL FVRS10LAC	-	-	-	10,00,000.00	1,094.00	1,197.56
9.37% STATE BANK OF INDIA SERIES II BD PERPETUAL FVRS10LAC	-	-	-	10,00,000.00	30.00	32.09
9.45% STATE BANK OF INDIA NCD FV10LAC 22MAR2030	-	-	-	10,00,000.00	99.00	103.29
9.56% STATE BANK OF INDIA SERIES 1 NCD PERPETUAL FVRS10LAC	-	-	-	10,00,000.00	40.00	43.13
9.90% ICICI BANK LIMITED SR DDE18AT 9.90 BD PERPETUAL FVRS10LAC	-	-	-	10,00,000.00	1.00	1.09
BANK OF BARODA SRIV10.49NCDPERPETUALFVRS10LACLOAUPTO29MR17	-	-	-	10,00,000.00	97.00	99.13
AXIS FINANCE LIMITED SR 02/2020-21 BR NCD 05JU23 FVRS10LAC	10,00,000.00	7.00	8.07	-	-	-
BANK OF BARODA SR-IX 8.65 BD PERPETUAL FVRS10LAC	10,00,000.00	39.00	41.61	10,00,000.00	110.00	116.88
BANK OF BARODA SR-VII 9.14 BD PERPETUAL FVRS10LAC	-	-	-	10,00,000.00	15.00	15.24
EMBASSY PROPERTY DEVELOPMENTS PRIVATE LIMITED (EPDPL) - EMBASSY MLD SERIES - I - 28APRIL23	-	-	-	10,00,000.00	1,500.00	1,500.45
EMBASSY PROPERTY DEVELOPMENTS PRIVATE LIMITED BR NCD 02MR30 FVRS10LAC - SERIES 2	10,00,000.00	193.00	159.28	10,00,000.00	52.00	52.28
HDB FINANCIAL SERVICES LIMITED SR 2020 A/0(ML)/4 BR NCD 09MY23 FVRS10LAC	-	-	-	10,00,000.00	14.00	15.24
ICICI BANK LIMITED SR- DMR17AT 9.2 BD PERPETUAL FVRS10LAC	-	-	-	10,00,000.00	35.00	35.81
ICICI BANK LIMITED SR-DMR18AT 9.15 BD PERPETUAL FVRS10LAC	-	-	-	10,00,000.00	50.00	54.82
ICICI BANK LIMITED SR-DOT17AT 8.55 BD PERPETUAL FVRS10LAC	10,00,000.00	93.00	97.98	10,00,000.00	148.00	156.04
IIFL HOME FINANCE LIMITED MLD-2028 SERIES C3 FVRS10LAC	-	-	-	10,00,000.00	140.00	173.03
IIFL HOME FINANCE LIMITED SERIES C12 BR NCD 25AP24 FVRS10LAC	-	-	-	10,00,000.00	78.00	92.05
MINDSPACE BUSINESS PARKS REIT - MLD SERIES 2	10,00,000.00	50.00	55.27	10,00,000.00	650.00	655.14
PRIIUS COMMERCIAL PROJECTS PRIVATE LIMITED 12 NCD 02MR36 FVRS1000	-	-	-	1,000.00	6,33,400.00	633.40
PRIIUS COMMERCIAL PROJECTS PRIVATE LIMITED SR 2 NCD 02MR41 FVRS1000	-	-	-	1,000.00	8,81,489.00	70.60
PUNJAB NATIONAL BANK SR-IX9.21BDPERPETUALFVRS10LACLOAUPTO27AP17	-	-	-	10,00,000.00	1.00	1.01
RAJDARBAR NINE VENTURES PRIVATE LIMITED 11 NCD 18CD23 FVRS10LAC	-	-	-	10,00,000.00	1,350.00	1,375.99
REDDY VEERANNA INVESTMENTS PRIVATE LIMITED SR A NCD 30SP22 FVRS10LAC	-	-	-	10,00,000.00	63.00	31.74
REDDY VEERANNA INVESTMENTS PRIVATE LIMITED SR_1 NCD 30SP22 FVRS10LAC	10,00,000.00	26.00	26.43	10,00,000.00	1,626.00	1,629.40
REDDY VEERANNA INVESTMENTS PRIVATE LIMITED SR-A NCD 30SP22 FVRS10LAC	-	-	-	10,00,000.00	105.00	60.33
RELIANCE CAPITAL LIMITED SR-8/359A TYPE III BR NCD 21OT19 FVRS1LAC	1,00,000.00	239.00	8.92	1,00,000.00	239.00	8.92
RELIANCE CAPITAL LIMITED SR-8/359A TYPE IV BR NCD 24OT19 FVRS1LAC	1,00,000.00	704.00	26.25	1,00,000.00	704.00	26.25
SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	1,00,000.00	267.00	288.28	1,00,000.00	69.00	8.94
STATE BANK OF INDIA SR-1 9 BD PERPETUAL FVRS10LAC	-	-	-	10,00,000.00	2.00	2.12
STATE BANK OF INDIA SR-IV 8.15 BD PERPETUAL FVRS10LAC	-	-	-	10,00,000.00	610.00	650.24
VIDYA TRUST 2021 SERIES II SERIES II PTC 26MAR21 (THINK & LEARN PVT LTD PTC 9.55% IRR 15MAR2022)	-	-	-	10,00,000.00	1,67,770.00	1,681.87
TATA CAPITAL FINANCIAL SERVICES LIMITED TR A 2018-19 TR III BR NCD 14AP22 FVRS10LAC	10,00,000.00	20.00	25.88	-	-	-
0% BAJAJ FINANCE LIMITED NCD 05AP22 FVRS10LAC	10,00,000.00	23.00	30.87	-	-	-
0.00% LONE FURROW 26-DEC-24	10,00,000.00	1,200.00	1,241.76	-	-	-
0.00% SUNDARAM FINANCE LIMITED SR-R-6 NCD 10JU22 FVRS10LAC	10,00,000.00	16.00	15.87	-	-	-
8.01/ 8.26 REC 24-SEP-23 (CORPORATE)	1,000.00	1,000.00	1.08	-	-	-
7.39% HUDCO TAX FREE BOND 15 YRS TR2IIA ANNUAL	1,000.00	13,090.00	15.62	-	-	-
7.51/8.01 HOUSING AND URBAN DEVELOPMENT CORP. LTD. 7.51/8.01 LOA 16FB28 FVRS1000_N5	1,000.00	20,000.00	22.95	-	-	-
7.25% IRFC LTD TAX FREE BOND 20 YRS SR3A ANNUAL	1,000.00	1,798.00	2.29	-	-	-
7.28% IRFC LTD TAX FREE BOND 15 YRS SR2A ANNUAL	1,000.00	6,000.00	7.26	-	-	-
7.28/7.53% IRFC 21-DEC-2030 (CORPORATE)	1,000.00	396.00	0.48	-	-	-
7.35% / 7.64% NABARD TAX FREE 23-MAR-2031 (CORPORATE)	1,000.00	13,000.00	15.39	-	-	-
7.37% NTPC LTD TAX FREE BOND 20 YRS SR3A ANNUAL	1,000.00	1,234.00	1.59	-	-	-
STATE BANK OF INDIA SR II 7.73 BD PERPETUAL FVRS10LAC	10,00,000.00	20.00	20.50	-	-	-



IIFL WEALTH PRIME LIMITED  
(FORMERLY IIFL WEALTH FINANCE LIMITED)  
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Note 8. Investments (Refer Note 41)

Name of Investment	Face Value	As at March 31, 2022		Face Value	As at March 31, 2021	
		No. of Units	Total Amount (₹ in Mn)		No. of Units	Total Amount (₹ in Mn)
NATIONAL HIGHWAYS INFRA TRUST NATIONAL HIGHWAYS INFRA TRUST	100.00	27,00,000.00	313.47	-	-	-
8.40/8.65% IRFC 15YRS SR2B 18022029 CORPORATE	1,000.00	360.00	0.46	-	-	-
8.48% / 8.73% IIFCL BOND 22-JAN-29 (CORPORATE)	1,000.00	600.00	0.74	-	-	-
7.35% NHAI LTD TAX FREE BOND 15 YRS SR2A ANNUAL	1,000.00	27,853.00	33.79	-	-	-
8.76% NATIONAL HOUSING BANK TRCH-I SR-3A 8.76 LOA 13JN34 FVRS5000	5,000.00	300.00	2.05	-	-	-
8.55% IIFCL TRANCHE III SERIES 2A 15YRS	1,000.00	1,000.00	1.22	-	-	-
7.95% BANK OF BARODA SR XVII 7.95 BD PERPETUAL FVRS1CR	1,00,00,000.00	1.00	10.32	-	-	-
8.25% BOB 17-JULY-25 PERP	10,00,000.00	1.00	1.06	-	-	-
AXIS FINANCE LIMITED SR O2 19 20 OPT A NCD 03AG22 FVRS10LAC	10,00,000.00	14.00	17.47	-	-	-
CHAYADEEP PROPERTIES PRIVATE LIMITED SR-1 NCD 27FB25 FVRS10LAC	10,00,000.00	1,000.00	1,008.77	-	-	-
8.35% TATA CAPITAL FINANCIAL SERVICES LIMITED 3 YEARS CORPORATE	1,000.00	1,000.00	1.05	-	-	-
8.90% RELIANCE HOME FINANCE LTD SR-I CAT III & IV 3YRS FV RS 1000	1,000.00	10.00	0.00	-	-	-
7.72% STATE BANK OF INDIA SR II 7.72 BD PERPETUAL FVRS1CR	1,00,00,000.00	7.00	72.83	-	-	-
7.43% REC LTD TAX FREE BOND 20 YRS SR3B ANNUAL	1,000.00	429.00	0.57	-	-	-
9.90% ICICI BANK LIMITED SR DDE18AT 9.90 BD PERPETUAL FVRS10LAC	10,00,000.00	2.00	2.18	-	-	-
8.50% CANARA BANK PERPETUAL FVRS10LAC	10,00,000.00	1.00	1.02	-	-	-
10% ZUARI GLOBAL LTD 29/06/2021 FV 10 LAKHS	10,00,000.00	468.00	479.67	-	-	-
10% ZUARI INVESTMENTS LIMITED 10 LOA 29JU24 FVRS10LAC	10,00,000.00	400.00	409.97	-	-	-
6.75%PIRAMAL CAPITAL & HOUSING FINANCE LIMITED 26SP31 FVRS1000	1,000.00	17,59,003.00	1,422.28	-	-	-
8.16% IIFCL TRANCHE III SERIES 1A 10YRS	1,000.00	10,000.00	10.77	-	-	-
CANARA BANK SR II TR II 8.05 LOA PERPETUAL FVRS1CR	1,00,00,000.00	2.00	20.45	-	-	-
HDB FINANCIAL SERVICES LIMITED SR A0(ZC)163 NCD 26AP24 FVRS10LAC	10,00,000.00	71.00	74.81	-	-	-
INDIA INFRASTRUCTURE TRUST INDIA INFRASTRUCTURE TRUST /INVIT	100.00	1,34,00,000.00	1,313.20	-	-	-
L&T INFRA DEBT FUND LIMITED SR E-FY 2019-20	10,00,000.00	5.00	6.15	-	-	-
SHRIRAM TRANSPORT FINANCE COMPANY LIMITED SR 03 BR NCD 18NV23 FVRS10LAC	10,00,000.00	3.00	3.31	-	-	-
VIDYA TRUST 2021 SERIES V	10,000.00	1,06,821.00	1,073.92	-	-	-
VIDYA TRUST 2021 SERIES IV	10,000.00	26,114.00	263.41	-	-	-
CCDs of Digital Succession Solutions Private Limited,	100.00	1,87,500.00	18.75	-	-	-
			<b>9,416.78</b>			<b>12,621.48</b>
<b>Investment in Equity Instrument include :</b>						
FINEWORTHY SOFTWARE SOLUTIONS LIMITED	-	-	-	10.00	4,79,904.00	109.90
PRIUS COMMERCIAL PROJECTS PRIVATE LIMITED EQ NEW FV RS. 10/-	-	-	-	10.00	1,40,00,000.00	140.00
			-			<b>249.90</b>
<b>Investment in Subsidiaries include</b>						
IIFL Wealth Capital Markets Limited	10.00	5,23,12,000.00	2,957.76	10.00	5,23,12,000.00	2,957.76
			<b>2,957.76</b>			<b>2,957.76</b>
<b>Investment in Alternate investment funds include :</b>						
ABAKKUS EMERGING OPPORTUNITIES FUND - 1 - CLASS E	1,000.00	10,000.00	29.08	1,000.00	10,000.00	19.05
ABAKKUS GROWTH FUND - 1 - CLASS E	1,000.00	10,000.00	22.48	1,000.00	10,000.00	16.44
BLUME VENTURES FUND	10,000.00	1.79	0.07	10,000.00	1.79	0.06
Blume Ventures (Opportunities) Fund IIA	100.00	15.52	0.00	100.00	2,99,757.11	55.64
HIGH CONVICTION FUND - SERIES 1 - CLASS S	-	-	-	10.00	25,00,000.00	31.67
IA ALL CAP FUND - CLASS S	10.00	1,03,56,188.09	129.34	10.00	1,03,56,188.09	104.54
IA BLENDED FUND - SERIES 2 - CLASS A	-	-	-	10.00	1,43,68,578.45	121.51
IA BLENDED FUND - SERIES 2 - CLASS S	-	-	-	10.00	50,96,412.67	42.99
IA DIVERSIFIED FUND - CLASS S2	-	-	-	10.00	93,70,981.20	110.35

IIFL WEALTH PRIME LIMITED  
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Note 8. Investments (Refer Note 41)

Name of Investment	As at March 31, 2022			As at March 31, 2021		
	Face Value	No. of Units	Total Amount (₹ in Mn)	Face Value	No. of Units	Total Amount (₹ in Mn)
IA OPPORTUNITIES FUND - SERIES 1 - CLASS S1	10.00	30,53,032.26	52.94	10.00	29,90,919.72	43.81
IA OPPORTUNITIES FUND - SERIES 1 - CLASS S2	10.00	15,08,481.70	25.79	10.00	10,15,710.31	14.27
IA OPPORTUNITIES FUND - SERIES 1 - CLASS S5	-	-	-	10.00	3,11,276.14	8.60
IA OPPORTUNITIES FUND - SERIES 2 - CLASS S1	-	-	-	10.00	40,94,149.34	55.46
IA OPPORTUNITIES FUND - SERIES 4 - CLASS S2	-	-	-	10.00	1,92,925.37	2.23
IA OPPORTUNITIES FUND - SERIES 4 - CLASS S4	-	-	-	10.00	7,14,520.61	8.20
IA OPPORTUNITIES FUND - SERIES 4 - CLASS S5	-	-	-	10.00	1,92,879.77	2.35
IA OPPORTUNITIES FUND - SERIES 8 - CLASS S1	10.00	1,47,651.32	2.41	10.00	1,47,651.32	2.04
IA OPPORTUNITIES FUND - SERIES 8 - CLASS S4	10.00	14,97,712.99	21.14	10.00	12,86,010.34	16.23
IA Opportunities Fund - Series 8	10.00	3,31,454.41	4.74	-	-	-
IA Opportunities Fund - Series 8   Sponsor Contribution	10.00	21,268.74	0.35	-	-	-
IA OPPORTUNITIES FUND - SERIES 9 - CLASS S4	-	-	-	10.00	24,64,149.07	29.15
IA VALUE FUND - SERIES A - CLASS S4	-	-	-	10.00	16,97,585.10	8.89
IIFL One Value Fund - Series B   Sponsor Commitment & Contribution	10.00	12,49,937.50	13.05	-	-	-
ICICI PRUDENTIAL REAL ESTATE AIF II - CLASS A	100.00	5,84,540.76	37.84	100.00	6,39,428.06	53.56
ICICI PRUDENTIAL LONG SHORT FUND - SERIES I Class B33/A33	100.00	4,99,975.01	51.29	-	-	-
IIFL BLENDED FUND - SERIES A - CLASS S1	10.00	22,38,190.16	26.15	10.00	22,38,190.16	22.95
IIFL BLENDED FUND - SERIES A - CLASS S2	10.00	20,14,489.69	30.37	10.00	20,14,489.69	26.48
IIFL BLENDED FUND - SERIES A - CLASS S3	10.00	19,62,115.86	30.81	10.00	19,62,115.86	26.72
IIFL BLENDED FUND - SERIES A - CLASS S4	10.00	19,93,820.26	32.27	10.00	19,93,820.26	28.31
IIFL BLENDED FUND - SERIES A - CLASS S5	10.00	20,51,947.16	35.83	10.00	20,51,947.16	30.97
IIFL BLENDED FUND - SERIES B - CLASS S	10.00	32,23,489.50	47.44	10.00	32,23,489.50	41.04
IIFL BLENDED FUND - SERIES C - CLASS B	10.00	2,500.00	0.04	10.00	2,500.00	0.03
IIFL BLENDED FUND - SERIES C - CLASS S	10.00	31,93,222.93	45.58	10.00	31,93,222.93	39.68
IIFL EQUITY OPPORTUNITIES FUND - CLASS S	10.00	19,44,390.94	25.84	10.00	19,44,390.94	19.95
IIFL HIGH GROWTH COMPANIES FUND - CLASS S	10.00	93,70,389.59	181.33	10.00	93,70,389.59	149.09
HIGH CONVICTION FUND - SERIES 1 - CLASS S (AIF CATEGORY III)	10.00	25,00,000.00	37.76	-	-	-
IIFL INCOME OPPORTUNITIES FUND SERIES - SPECIAL SITUATIONS - CLASS B	-	-	-	4.00	28,32,165.24	3.84
IIFL INCOME OPPORTUNITIES FUND SERIES 2 - CLASS A1	10.00	3,48,26,218.83	412.65	10.00	1,16,66,764.59	133.58
IIFL INCOME OPPORTUNITIES FUND SERIES 2 - CLASS A3	-	-	-	10.00	14,15,065.24	16.27
IIFL INCOME OPPORTUNITIES FUND SERIES 2 - CLASS S	10.00	2,23,58,172.56	268.67	10.00	1,86,07,307.71	215.19
IIFL Income Opportunities Fund Series 2	10.00	27,50,150.71	32.61	-	-	-
IIFL Income Opportunities Fund - Series 3 Class S	10.00	17,49,912.50	18.08	-	-	-
IIFL INCOME OPPORTUNITIES FUND SERIES SPECIAL SITUATIONS - CLASS B	-	-	-	4.00	57,09,898.84	7.75
IIFL India Private Equity Fund	10.00	2,85,33,027.69	366.53	-	-	-
IIFL INDIA PRIVATE EQUITY FUND - CLASS A	10.00	63,47,151.62	79.43	10.00	57,26,134.67	56.79
IIFL INDIA PRIVATE EQUITY FUND - CLASS B	10.00	5,49,81,408.14	695.15	10.00	1,84,78,882.92	184.40
IIFL INDIA PRIVATE EQUITY FUND - CLASS S	10.00	49,00,598.63	65.42	10.00	23,73,032.77	24.53
IIFL MULTI-STRATEGY FUND - CLASS S	10.00	7,90,76,948.07	955.23	10.00	1,00,00,000.00	146.94
IIFL ONE OPPORTUNITIES FUND - SERIES 20 - CLASS S	9.21	83,73,754.43	157.54	10.00	66,57,179.88	74.46
IIFL One Opportunities FoF - Series 1 CLASS S	9.21	4,99,975.00	5.99	10.00	9,99,950.00	10.00
IIFL ONE OPPORTUNITIES FUND - SERIES 20 - CLASS A	9.21	6,36,97,209.00	958.87	-	-	-
IIFL One Opportunities FOF - Series 1 Class A	10.00	1,34,81,502.49	150.00	-	-	-
IIFL One Opportunities FOF - Series 1 Class C	10.00	1,33,62,717.97	150.00	-	-	-
IIFL REAL ESTATE FUND (DOMESTIC) - SERIES 2 - CLASS A	4.03	80,86,078.81	29.51	6.06	80,86,078.81	38.07
IIFL REAL ESTATE FUND (DOMESTIC) - SERIES 2 - CLASS B	4.03	64,80,489.66	23.17	6.06	64,80,489.66	29.93
IIFL REAL ESTATE FUND (DOMESTIC) - SERIES 3 - CLASS B	7.49	2,67,12,466.05	132.83	8.59	2,77,00,742.21	149.87
IIFL REAL ESTATE FUND (DOMESTIC) - SERIES 3 - CLASS C	3.47	36,80,000.00	9.03	4.28	36,80,000.00	10.56

**IIFL WEALTH PRIME LIMITED**  
**(FORMERLY IIFL WEALTH FINANCE LIMITED)**  
**Notes forming part of Financial Statements for the Year ended March 31, 2022**

**Note 8. Investments (Refer Note 41)**

Name of Investment	As at March 31, 2022			As at March 31, 2021		
	Face Value	No. of Units	Total Amount (₹ in Mn)	Face Value	No. of Units	Total Amount (₹ in Mn)
IIFL REAL ESTATE FUND (DOMESTIC) - SERIES 3 - CLASS S	7.49	2,50,00,000.00	131.30	8.59	2,50,00,000.00	141.89
IIFL REAL ESTATE FUND (DOMESTIC) - SERIES 4 - CLASS A	7.46	3,36,61,718.26	191.22	9.13	3,36,61,718.26	231.88
IIFL REAL ESTATE FUND (DOMESTIC) - SERIES 4 - CLASS S	7.46	1,00,00,000.00	56.93	9.13	1,00,00,000.00	68.89
IIFL REAL ESTATE FUND (DOMESTIC) - SERIES 4 - CLASS B	7.46	34,86,147.57	19.65	8.74	34,86,147.57	23.87
IIFL REAL ESTATE FUND (DOMESTIC) - SERIES 3 class B2	7.49	9,88,276.16	4.91	-	-	-
IIFL REAL ESTATE FUND (DOMESTIC) - SERIES 3 - CLASS C	3.47	9,84,552.37	2.42	-	-	-
IIFL SEED VENTURES FUND - SERIES 2	10.00	58,40,251.73	79.27	10.00	50,00,000.00	57.05
IIFL SEED VENTURES FUND 1	6.94	1,93,76,993.53	691.60	9.75	1,85,84,493.69	442.78
IIFL SEED VENTURES FUND 1	6.94	64,66,012.70	212.75	7.69	72,58,512.54	166.67
IIFL SELECT EQUITY FUND - CLASS S	4.95	21,45,072.08	23.15	10.00	20,11,941.36	21.57
IIFL SELECT EQUITY FUND - CLASS S1	4.95	31,14,757.65	32.78	10.00	29,82,721.17	31.05
IIFL SELECT SERIES I - CLASS S	-	-	-	8.59	16,80,799.34	8.96
IIFL SELECT SERIES II - CLASS S	10.00	93,29,693.78	155.49	10.00	93,29,693.78	132.60
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 1 - CLASS A2	4.84	9,34,180.94	9.20	9.17	9,34,180.94	10.88
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 1 - CLASS S	4.84	43,45,070.33	45.27	9.17	43,45,070.33	52.11
IIFL Special Opportunities Fund - Series 1 - CO INVESTMENT (NSE INDIA LTD) CLASS S	10.00	28,055.35	0.83	-	-	-
IIFL Special Opportunities Fund - Series 1 - CO INVESTMENT (NSDL E-GOVERNANCE INFRASTRUCTURE) CLASS S	10.00	4,85,026.05	7.19	-	-	-
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 1 - CO INVESTMENT - CAPACITE INFRAPROJECTS LIMITED - CLASS S	-	-	-	10.00	47,643.75	0.36
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 1 - CO INVESTMENT - NATIONAL STOCK EXCHANGE OF INDIA LIMITED - CLASS S	-	-	-	10.00	28,055.35	0.38
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 1 - CO INVESTMENT - NAZARA TECHNOLOGIES LIMITED - CLASS S	-	-	-	10.00	67,559.79	0.30
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 1 - CO INVESTMENT - NSDL E-GOVERNANCE INFRASTRUCTURE - CLASS S	-	-	-	10.00	4,85,026.05	5.27
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 1 - CO INVESTMENT - RELIANCE NIPPON LIFE ASSET MANAGEMENT LIMITED - CLASS S	-	-	-	5.19	4,04,782.25	4.05
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 2 - CLASS A1	-	-	-	9.25	24,91,298.29	29.07
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 2 - CLASS S	-	-	-	9.25	45,06,593.49	52.01
IIFL Special Opportunities Fund - Series 2 - Class S	4.87	9,37,063.46	9.79	-	-	-
IIFL Special Opportunities Fund - Series 2 - CO INVESTMENT (NSDL E-GOVERNANCE INFRASTRUCTURE) CLASS S	4.87	45,06,593.49	46.80	10.00	47,643.75	0.37
IIFL Special Opportunities Fund - Series 2 - CO INVESTMENT (NSDL E-GOVERNANCE INFRASTRUCTURE) CLASS S	10.00	4,85,026.05	7.19	-	-	-
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 2 - CO INVESTMENT - NSDL E-GOVERNANCE INFRASTRUCTURE - CLASS S	-	-	-	10.00	4,85,026.05	5.27
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 2 - CO INVESTMENT - RELIANCE NIPPON LIFE ASSET MANAGEMENT LIMITED - CLASS S	-	-	-	10.00	4,04,782.25	4.05
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 3 - CLASS S	4.78	45,91,092.16	52.88	9.44	45,91,092.16	51.23
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 3 - CO INVESTMENT - CAPACITE INFRAPROJECTS LIMITED - CLASS S	-	-	-	10.00	1,59,588.00	1.16
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 3 - CO INVESTMENT - NAZARA TECHNOLOGIES LIMITED - CLASS S	-	-	-	10.00	4,889.20	0.05
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 3 - CO INVESTMENT - NSDL E-GOVERNANCE INFRASTRUCTURE - CLASS S	10.00	12,12,517.62	11.17	10.00	12,12,517.62	13.19
IIFL Special Opportunities Fund - Series 3 - CLASS N1 - NSE	10.00	18,96,638.97	37.17	-	-	-
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 3 - CO INVESTMENT - RELIANCE NIPPON LIFE ASSET MANAGEMENT LIMITED - CLASS S	-	-	-	5.55	13,56,001.45	13.56
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 4 - CLASS S	-	-	-	10.00	49,89,314.11	56.34
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 4 - CO INVESTMENT - NATIONAL STOCK EXCHANGE OF INDIA LIMITED - CLASS A2	10.00	2,24,996.60	7.67	10.00	2,24,996.60	4.13
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 4 - CO INVESTMENT - NATIONAL STOCK EXCHANGE OF INDIA LIMITED - CLASS S	10.00	24,463.48	0.48	10.00	8,90,061.60	16.51
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 4 - CO INVESTMENT - NAZARA TECHNOLOGIES LIMITED - CLASS S	-	-	-	10.00	17,73,127.21	21.71
IIFL Special Opportunities Fund - Series 4 - Class S	4.89	49,89,314.11	51.81	10.00	4,85,026.05	5.27
IIFL Special Opportunities Fund - Series 4 - CO INVESTMENT (NSDL E-GOVERNANCE INFRASTRUCTURE) CLASS S	10.00	4,85,026.05	7.19	-	-	-
IIFL Special Opportunities Fund - Series 4 - CLASS S - NSE	10.00	8,90,061.60	30.99	-	-	-
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 5 - CLASS A1	4.67	41,18,123.72	39.04	10.00	22,50,628.87	24.55
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 5 - CLASS S	4.67	50,61,683.74	50.06	10.00	50,61,683.74	56.92
IIFL Special Opportunities Fund - Series 5 - CO INVESTMENT (NSE INDIA LTD) CLASS S	1,010.00	8,90,654.40	30.99	-	-	-
IIFL Special Opportunities Fund - Series 5 - CO INVESTMENT (NSDL E-GOVERNANCE INFRASTRUCTURE) CLASS S	1,010.00	4,85,026.05	7.19	-	-	-
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 5 - CO INVESTMENT - NATIONAL STOCK EXCHANGE OF INDIA LIMITED - CLASS S	-	-	-	10.00	8,90,654.40	16.51
IIFL Special Opportunities Fund - Series 7 - Co Invnt - NSE - New Tranche - Class N	-	-	-	10.00	10,91,070.31	16.93

IIFL WEALTH PRIME LIMITED  
(FORMERLY IIFL WEALTH FINANCE LIMITED)  
Notes forming part of Financial Statements for the Year ended March 31, 2022

Note 8. Investments (Refer Note 41)

Name of Investment	As at March 31, 2022			As at March 31, 2021		
	Face Value	No. of Units	Total Amount (₹ in Mn)	Face Value	No. of Units	Total Amount (₹ in Mn)
IIFL Special Opportunities Fund - Series 1 - NSE	-	-	-	10.00	1,07,060.75	1.94
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 5 - CO INVESTMENT - NAZARA TECHNOLOGIES LIMITED - CLASS S	-	-	-	10.00	5,34,033.05	5.32
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 5 - CO INVESTMENT - NSDL E-GOVERNANCE INFRASTRUCTURE - CLASS S	-	-	-	10.00	4,85,026.05	5.27
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 6 - CLASS S	5.05	50,00,000.00	54.30	10.00	50,00,000.00	37.09
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 7 - CLASS S	10.00	50,00,000.00	97.39	10.00	50,00,000.00	70.13
IIFL Special Opportunities Fund - Series 7 - NSE	10.00	1,07,060.75	3.62	-	-	-
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 8 - CLASS S	10.00	37,49,812.51	49.05	10.00	12,49,937.50	12.53
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 8	10.00	23,40,006.64	29.55	-	-	-
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 8 - CLASS A1	10.00	10,49,947.50	13.20	-	-	-
IIFL SPECIAL OPPORTUNITIES FUND - SERIES 9	10.00	9,99,950.00	10.00	-	-	-
IIFL Special Opportunities Fund - Series 9 Sponsor S	10.00	17,49,912.50	17.54	-	-	-
IIFL Special Opportunities Fund - Series 10 Non-Sponsor A1	10.00	1,74,99,125.04	174.82	-	-	-
IIFL Special Opportunities Fund - Series 10 Sponsor S	10.00	24,99,875.01	25.11	-	-	-
IIFL Monopolistic Market Opportunities Fund Class A4	10.00	7,26,70,785.07	813.64	-	-	-
IIFL YIELD ENHANCER FUND - CLASS A	1.49	1,14,32,074.89	15.49	2.24	1,14,32,074.89	19.34
IIFL YIELD ENHANCER FUND - CLASS B	1.49	1,25,95,649.67	16.08	2.24	96,41,771.15	15.63
IIFL YIELD ENHANCER FUND - CLASS S	1.49	4,74,73,236.91	70.01	2.24	4,74,73,236.91	85.39
IIFL Commercial Yield Fund CAT 2 Non-Sponsor A1	10.00	49,99,750.01	55.26	-	-	-
IIFL Commercial Yield Fund CAT 2 Sponsor S	10.00	2,49,987.50	2.78	-	-	-
INDIA ALTERNATIVES PRIVATE EQUITY FUND II	1,00,000.00	239.92	28.69	1,00,000.00	3,717.92	348.78
India Housing Fund	7.77	46,70,348.89	46.67	-	-	-
INDIA HOUSING FUND - CLASS A	7.77	19,29,193.84	19.16	9.92	19,29,193.84	22.66
INDIA HOUSING FUND - CLASS B	7.77	29,83,026.58	29.67	9.92	29,83,026.58	35.07
INDIA HOUSING FUND - CLASS E	7.77	96,25,469.79	96.18	9.92	4,53,39,033.16	534.64
INDIA HOUSING FUND - CLASS S	7.77	50,00,000.00	51.94	9.92	50,00,000.00	60.84
INDIA HOUSING FUND - CLASS C	7.77	13,53,147.68	13.47	9.66	14,32,141.08	16.85
INDIA HOUSING FUND - SERIES 2 - CLASS A	-	-	-	10.00	4,00,80,258.90	181.59
INDIA HOUSING FUND - SERIES 2 - CLASS B	-	-	-	10.00	6,44,62,965.46	293.15
INDIA HOUSING FUND - SERIES 2 - CLASS I	-	-	-	10.00	4,74,70,456.00	210.23
INDIA HOUSING FUND - SERIES 2 - CLASS S	4.73	89,32,914.99	47.71	10.00	69,99,966.32	57.88
INDIA HOUSING FUND - SERIES 2 - CLASS E	7.77	4,53,39,033.16	453.05	-	-	-
INDIA HOUSING FUND - SERIES 3 - Class A	10.00	3,63,18,363.66	449.98	-	-	-
INDIA HOUSING FUND - SERIES 3 - Class C	10.00	49,99,750.01	62.65	-	-	-
INDIA HOUSING FUND - SERIES 3	10.00	3,07,43,487.11	382.08	-	-	-
INDIAREIT APARTMENT FUND - CLASS B	1,00,000.00	96.22	11.33	1,00,000.00	96.22	15.23
IRON PILLAR INDIA FUND1 - CLASS A	100.00	-	-	100.00	23,80,985.25	380.96
KAE CAPITAL FUND II A - CLASS B	1,00,000.00	-	-	1,00,000.00	2,100.00	225.98
PEGASUS INDIA EVOLVING OPPORTUNITIES FUND	1,00,000.00	500.00	48.45	1,00,000.00	500.00	49.46
WHITE OAK INDIA EQUITY FUND - CLASS A	10.00	-	-	10.00	29,00,564.69	50.07
WHITE OAK INDIA EQUITY FUND II - CLASS J	10.00	10,00,000.00	21.10	10.00	10,00,000.00	17.59
White Oak India Select Equity Fund - Class J1	10.00	20,00,000.00	30.20	10.00	10,00,000.00	17.40
XPONENTIA OPPORTUNITIES FUND I - CLASS S B2	1,00,000.00	1,740.00	167.59	1,00,000.00	970.00	114.75
Dallas Venture Capital (DVC) India Fund I	10.00	750.00	7.50	-	-	-
Orios Venture Partners Fund II	1,00,000.00	300.00	30.00	-	-	-
			<b>10,894.19</b>			<b>6,909.60</b>
<b>Investment in Others (Gold PTC) include :</b>						
LIQUID GOLD SERIES 2 - NOV 2020	-	-	-	1,00,000.00	49.00	4.94

IIFL WEALTH PRIME LIMITED  
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Notes forming part of Financial Statements for the Year ended March 31, 2022

Note 8. Investments (Refer Note 41)

Name of Investment	As at March 31, 2022			As at March 31, 2021		
	Face Value	No. of Units	Total Amount (₹ in Mn)	Face Value	No. of Units	Total Amount (₹ in Mn)
LIQUID GOLD SERIES 3 - DEC 2020	1,00,000.00	39.00	3.91	1,00,000.00	301.00	30.18
LIQUID GOLD SERIES 4 - FEB 2021	1,00,000.00	190.00	19.07	1,00,000.00	29.00	2.92
LIQUID GOLD PTC SERIES I OCT 20	1,00,000.00	11.00	11.03	-	-	-
EMBASSY OFFICE PARKS REAL ESTATE INV TRUST	-	-	-	10.00	10,14,400.00	330.12
			<b>34.01</b>			<b>368.16</b>

**IIFL WEALTH PRIME LIMITED**  
**(FORMERLY IIFL WEALTH FINANCE LIMITED)**  
**Notes forming part of Financial Statements for the Year ended March 31, 2022**

**Note 9. Other financial assets**

(₹ in Mn)

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Unsecured, considered good</b>		
Deposit with Clearing Corporation of India Limited (CCIL)	64.10	64.10
Other deposits (at amortised cost)	66.20	70.33
Income accrued & not due	324.59	331.90
Receivables from Group/Holding company (Refer Note 40)	27.10	316.25
Advance for purchase of Investments in units of AIF	-	-
Advances recoverable in cash or in kind*	14.07	137.51
<b>Total</b>	<b>496.06</b>	<b>920.09</b>

\* Includes Broker balances

IIFL WEALTH PRIME LIMITED  
(FORMERLY IIFL WEALTH FINANCE LIMITED)  
Notes forming part of Financial Statements for the Year ended March 31, 2022

Note 10. Property Plant and Equipment

As at March 31, 2022

(₹ in Mn)

Particulars	Furniture Fixture	Vehicles	Office Equipment	Air Conditioner	Computers	Electrical Equipment	Land	Total
Balance as on April 01, 2021	167.92	36.06	9.42	0.77	21.93	3.48	1.00	240.58
Additions	3.84	8.35	1.02	-	6.66	-	-	19.87
Deductions/ Adjustments during the year	0.98	0.15	-	-	-	-	-	1.13
<b>Balance as on March 31, 2022</b>	<b>170.78</b>	<b>44.26</b>	<b>10.44</b>	<b>0.77</b>	<b>28.59</b>	<b>3.48</b>	<b>1.00</b>	<b>259.32</b>
<b>Accumulated Depreciation as on April 01, 2021</b>	<b>95.59</b>	<b>2.09</b>	<b>5.57</b>	<b>0.32</b>	<b>17.86</b>	<b>2.65</b>	<b>-</b>	<b>124.08</b>
Depreciation for the year	30.49	8.45	1.69	0.15	4.53	0.38	-	45.69
Deductions/Adjustments during the year	-	-	-	-	-	-	-	-
<b>Accumulated Depreciation as on March 31, 2022</b>	<b>126.08</b>	<b>10.54</b>	<b>7.26</b>	<b>0.47</b>	<b>22.39</b>	<b>3.03</b>	<b>-</b>	<b>169.77</b>
<b>Net Block as at March 31, 2022</b>	<b>44.70</b>	<b>33.72</b>	<b>3.18</b>	<b>0.30</b>	<b>6.20</b>	<b>0.45</b>	<b>1.00</b>	<b>89.55</b>

As at March 31, 2021

(₹ in Mn)

Particulars	Furniture Fixture	Vehicles	Office Equipment	Air Conditioner	Computers	Electrical Equipment	Land	Total
Balance as on April 01, 2020	167.37	-	8.81	0.72	19.79	3.48	1.00	201.17
Additions	5.35	36.06	0.81	0.05	2.14	-	-	44.41
Deductions/ Adjustments during the year	4.80	-	0.20	-	-	-	-	5.00
<b>Balance as on March 31, 2021</b>	<b>167.92</b>	<b>36.06</b>	<b>9.42</b>	<b>0.77</b>	<b>21.93</b>	<b>3.48</b>	<b>1.00</b>	<b>240.58</b>
<b>Accumulated Depreciation as on April 01, 2020</b>	<b>63.13</b>	<b>-</b>	<b>3.78</b>	<b>0.17</b>	<b>12.49</b>	<b>2.16</b>	<b>-</b>	<b>81.73</b>
Depreciation for the year	35.80	2.09	1.82	0.15	5.37	0.49	-	45.72
Deductions/Adjustments during the year	3.34	-	0.03	-	-	-	-	3.37
<b>Accumulated Depreciation as on March 31, 2021</b>	<b>95.59</b>	<b>2.09</b>	<b>5.57</b>	<b>0.32</b>	<b>17.86</b>	<b>2.65</b>	<b>-</b>	<b>124.08</b>
<b>Net Block as at March 31, 2021</b>	<b>72.33</b>	<b>33.97</b>	<b>3.85</b>	<b>0.45</b>	<b>4.07</b>	<b>0.83</b>	<b>1.00</b>	<b>116.50</b>

Notes:

- The above land of ₹ 1 million (P.Y ₹ 1 million) is kept as collateral against borrowings.
- No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The Company has not revalued any of its Property, Plant and Equipment (including Right to use assets) during the year.

IIFL WEALTH PRIME LIMITED  
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Notes forming part of Financial Statements for the Year ended March 31, 2022

Note 11. Capital work in Progress

(₹ in Mn)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	10.16	0.69
Additions	-	10.16
Deductions	10.16	0.69
Closing Balance	-	10.16

FY 2020-21:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Advance for purchase of motor vehicle (including taxes)	10.16	-	-	-	10.16
	10.16	-	-	-	10.16

Note 12. Other Intangible Assets

(₹ in Mn)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Software	Customer relationship	Total	Software	Customer relationship	Total
Software/Intangible assets- Acquired						
Opening Balance	134.82	728.20	863.02	131.32	728.20	859.52
Additions (including Slump sale)	0.45	-	0.45	3.50	-	3.50
Closing Balance	135.27	728.20	863.47	134.82	728.20	863.02
Opening Accumulated amortisation	71.76	85.89	157.65	41.48	49.48	90.96
Amortisation for the year	27.04	36.41	63.45	30.28	36.41	66.69
Closing Accumulated amortisation	98.80	122.30	221.10	71.76	85.89	157.65
Net Block	36.47	605.90	642.37	63.06	642.31	705.37

The Company has not revalued any of its Intangible assets during the year.



Note 13. Right to use assets and Finance lease obligation

(₹ in Mn)

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

Particulars	Premises	Vehicles	Total
Balance as at 01 April, 2021	188.25	18.16	206.41
Additions during the year	24.09	22.07	46.16
Depreciation charge for the year	(80.38)	(12.83)	(93.21)
Deletions during the year	(24.18)	(6.89)	(31.07)
Balance as at March 31, 2022	107.78	20.51	128.29

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2021:

Particulars	Premises	Vehicles	Total
Balance as at 01 April, 2020	254.60	36.68	291.28
Additions during the year	25.74	3.92	29.66
Depreciation charge for the year	(92.04)	(17.39)	(109.43)
Deletions during the year	(0.05)	(5.05)	(5.10)
Balance as at March 31, 2021	188.25	18.16	206.41

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

Particulars	Premises	Vehicles	Total
Balance as at 01 April, 2021	210.23	20.32	230.55
Additions	24.09	22.07	46.16
Surrender	(25.65)	(7.08)	(32.73)
Finance cost accrued during the period	14.63	1.76	16.39
Payment of lease liabilities	(93.06)	(15.22)	(108.28)
Balance as at March 31, 2022	130.24	21.85	152.09

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

Particulars	Premises	Vehicles	Total
Balance as at 01 April, 2020	267.97	38.92	306.89
Additions	25.75	3.93	29.68
Surrender	(0.07)	(5.52)	(5.59)
Finance cost accrued during the period	21.49	2.64	24.13
Payment of lease liabilities	(104.91)	(19.65)	(124.56)
Balance as at March 31, 2021	210.23	20.32	230.55

Following is the break up value of the Current and Non - Current Lease Liabilities for the year ended March 31, 2022:

Particulars	Premises	Vehicles
Current lease liabilities	67.44	9.57
Non-current lease liabilities	62.79	12.29
Total	130.23	21.86

Following is the break up value of the Current and Non - Current Lease Liabilities for the year ended March 31, 2021:

Particulars	Premises	Vehicles
Current lease liabilities	84.18	12.34
Non-current lease liabilities	126.05	7.98
Total	210.23	20.32

Maturity analysis – contractual undiscounted cash flows as at 31st March'22

Particulars	Premises	Vehicles	Total
Less than one year	75.07	11.14	86.21
One to five years	65.83	13.56	79.39
More than five years	3.35	-	3.35
Total undiscounted lease liabilities at 31 March 2022	144.25	24.70	168.95
Lease liabilities included in the statement of financial position at 31 March 2022	130.24	21.85	152.09

Maturity analysis – contractual undiscounted cash flows as at 31st March '21

Particulars	Premises	Vehicles	Total
Less than one year	98.40	13.58	111.98
One to five years	133.42	8.60	142.02
More than five years	5.30	-	5.30
Total undiscounted lease liabilities at 31 March 2021	237.12	22.18	259.30
Lease liabilities included in the statement of financial position at 31 March 2021	210.23	20.32	230.55

Amounts recognised in statement of profit and loss

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest expenses	16.39	24.13
Expenses relating to short-term leases	67.68	77.38
Depreciation charged for ROU assets	93.21	109.43
Total	177.28	210.94

Amounts recognised in the statement of cash flows

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Total cash outflow for leases	108.27	124.56

While measuring the lease liabilities, the Company has discounted lease payments using its incremental borrowing rate which ranges from 9.28% to 9.78% p.a.

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Note 14. Other Non Financial Assets

(₹ in Mn)

Particulars	As at March 31, 2022	As at March 31, 2021
Prepaid expenses-Unsecured considered good	29.40	496.06
Advances recoverable in cash or in kind or for value to be received – Unsecured	42.15	14.24
<b>Total</b>	<b>71.55</b>	<b>510.30</b>

Note 15. Payables

(₹ in Mn)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>(A) Trade payables:</b>		
- (i) Total outstanding dues of micro enterprises and small enterprises (Refer note 15.1)		
- (ii) Total outstanding dues of creditors other than micro enterprises and small enterprises :		
- Sundry creditors for expenses	122.69	83.51
- Accrued salaries and benefits	601.03	207.33
- Provision for expenses	294.59	64.41
<b>Total Trade payables (A)</b>	<b>1,018.31</b>	<b>355.25</b>
<b>(B) Other payables:</b>		
- (i) Total outstanding dues of micro enterprises and small enterprises (Refer note 15.1)	-	-
- (ii) Total outstanding dues of creditors other than micro enterprises and small enterprises :	-	-
<b>Total Other payables (B)</b>	<b>-</b>	<b>-</b>
<b>Total payables (A+B)</b>	<b>1,018.31</b>	<b>355.25</b>

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Note 15.1. Payables ageing schedule as at 31st March, 2022

(₹ in Mn)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	122.51	-	0.18	-	122.69
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
(v) Unbilled & provision	895.62	-	-	-	895.62
<b>Total</b>	<b>1,018.13</b>	<b>-</b>	<b>0.18</b>	<b>-</b>	<b>1,018.31</b>

Note 15.1. Payables ageing schedule as at 31st March, 2021

(₹ in Mn)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	83.33	0.18	-	-	83.51
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
(v) Unbilled & provision	271.74	-	-	-	271.74
<b>Total</b>	<b>355.07</b>	<b>0.18</b>	<b>-</b>	<b>-</b>	<b>355.25</b>

**IIFL WEALTH PRIME LIMITED**  
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**15.2. Disclosure under The Micro, Small and Medium Enterprises Development Act, 2006**

The following disclosure is made as per the requirement under the Micro, Small and Medium Enterprises Development Act, 2016 (MSMED) on the basis of confirmations sought from suppliers on registration with the specified authority under MSMED. This has been relied upon by the auditors.

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(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 16. Debt Securities**

(₹ in Mn)

Particulars	As at March 31, 2022				As at March 31, 2021			
	At Amortised cost	At Fair value Through profit or loss	Designated at fair value through profit or loss	Total	At Amortised cost	At Fair value Through profit or loss	Designated at fair value through profit or loss	Total
Liability component of compound financial instruments (Secured)	4,675.03	-	-	4,675.03	9,271.89	-	-	9,271.89
Bonds/ Debentures (Secured)	25,583.67	5,495.33	-	31,079.00	25,893.19	7,776.84	-	33,670.03
Commercial papers (Secured)	12,389.00	-	-	12,389.00	2,000.00	-	-	2,000.00
Less: Unamortised discount	(134.95)	-	-	(134.95)	(25.03)	-	-	(25.03)
<b>Total</b>	<b>42,512.75</b>	<b>5,495.33</b>	<b>-</b>	<b>48,008.08</b>	<b>37,140.05</b>	<b>7,776.84</b>	<b>-</b>	<b>44,916.89</b>
Debt securities in India	42,512.75	5,495.33	-	48,008.08	37,140.05	7,776.84	-	44,916.89
Debt securities outside India	-	-	-	-	-	-	-	-
<b>Total</b>	<b>42,512.75</b>	<b>5,495.33</b>	<b>-</b>	<b>48,008.08</b>	<b>37,140.05</b>	<b>7,776.84</b>	<b>-</b>	<b>44,916.89</b>

Residual maturity	As at March 31, 2022		As at March 31, 2021	
	Balance outstanding	Interest rate % (p.a) *	Balance outstanding	Interest rate % (p.a) *
<b>At Amortised cost</b>				
Above 5 years	2,045.82	9.16% - 10.00%	4,242.25	9.16% - 10.00%
1-5 years	10,267.76	6.50% - 9.00%	16,502.20	6.75% - 10.25%
Less than 1 year	30,199.17	4.95% - 10.25%	16,395.60	6.10% - 9.25%
<b>At Fair value through profit or loss</b>				
Above 5 years	254.98	Market linked	3,461.77	Market linked
1-5 years	5,240.35	Market linked	4,315.07	Market linked
Less than 1 year	-	-	-	-

\* Indicates Effective Interest Rate

- a) The Listed Non-Convertible Debentures of the Company are Secured by pari passu mortgage and charge over the Company's identified immovable property, charge on present and future receivables to the extent equal to the principal and interest amount of the secured non-convertible debentures outstanding at any point of time and first exclusive charge by way of pledge on specific identified liquid or debt fund/ identified bonds/ perpetual bonds issued by bank/ marketable debt securities (being non-capital market investments of the Company) for each tranche in accordance with the respective tranche private placement offer document/ information memorandum.
- b) Security Coverage available as on March 31, 2022 in case of Secured non-convertible debentures issued by the Company is 1.29 times (1.51 times)
- c) Commercial papers are unsecured short term papers issued at discount. The cost on outstanding commercial papers is 4.95% to 6.60% p.a. (P.Y. 6.10% p.a).
- d) There have been no delay or default during the year ended March 31, 2022 and March 31, 2021 in repayment of Principal and interest.

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Particulars	(₹ in Mn)
<b>Debentures include :</b>	<b>As at March 31, 2022</b>
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 05-05-2022	709.89
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 27-05-2022	916.41
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 11-07-2022	1,322.24
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 02-08-2022	10,027.85
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 27-09-2022	145.25
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 20-10-2022	378.68
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 10-11-2022	478.98
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 30-03-2023	3,965.83
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 12-07-2023	41.36
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 08-08-2023	923.52
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 14-02-2024	784.12
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 28-02-2024	2,830.15
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 10-04-2024	2,614.10
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 15-05-2024	2,856.01
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 01-01-2025	1,002.62
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 12-03-2026	1,956.76
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 12-04-2026	1,458.96
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 27-04-2026	1,040.51
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 11-12-2028	108.76
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 22-01-2029	481.03
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 05-04-2029	254.98
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 15-03-2030	1,273.79
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 29-03-2030	182.23
	<b>35,754.03</b>

Commercial Papers include	As at March 31, 2022
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 29-04-2022 (Interest 4.95% p.a.)	250.00
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 03-05-2022 (Interest 6.25% p.a. to 6.60% p.a.)	1,160.00
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 20-05-2022 (Interest 4.95% p.a.)	750.00
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 30-05-2022 (Interest 4.95% p.a.)	1,500.00
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 01-06-2022 (Interest 4.95% to 5.15% p.a.)	2,750.00
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 08-06-2022 (Interest 5.15% p.a.)	2,500.00
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 14-06-2022 (Interest 5.10% p.a.)	1,250.00
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 04-07-2022 (Interest 5.40% p.a.)	80.00
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 14-07-2022 (Interest 5.40% p.a.)	50.00
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 29-07-2022 (Interest 5.30% p.a. to 5.40% p.a.)	499.00
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 01-09-2022 (Interest 5.65% p.a.)	1,100.00
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 05-09-2022 (Interest 5.65% p.a.)	250.00
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 02-01-2023 (Interest 5.75% p.a.)	250.00
	<b>12,389.00</b>

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Particulars	(₹ in Mn)
<b>Debentures include :</b>	<b>As at March 31, 2021</b>
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 14-05-2021	6,469.69
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 15-06-2021	4,741.52
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 09-08-2021	477.50
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 06-09-2021	303.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 25-10-2021	242.97
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 10-01-2022	327.58
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 14-02-2022	1,858.37
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 05-05-2022	1,296.26
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 27-05-2022	1,534.46
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 02-08-2022	9,292.99
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 20-10-2022	356.61
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 10-11-2022	491.26
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 30-03-2023	493.07
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 12-07-2023	37.94
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 14-02-2024	1,159.35
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 10-04-2024	1,595.88
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 15-05-2024	1,403.73
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 12-03-2026	3,155.71
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 12-04-2026	1,779.46
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 27-04-2026	1,253.65
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 11-12-2028	502.83
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 22-01-2029	871.40
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 22-03-2029	1,167.82
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 27-03-2029	387.88
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 05-04-2029	428.66
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 15-03-2030	1,148.54
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 29-03-2030	163.79
	<b>42,941.92</b>
<b>Commercial Papers include</b>	<b>As at March 31, 2021</b>
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 16-06-2021 (Interest 6.10% p.a.)	1,000.00
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 16-06-2021 (Interest 6.10% p.a.)	1,000.00
	<b>2,000.00</b>

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**Note 17. Borrowings (other than Debt securities)**

(₹ in Mn)

Particulars	As at March 31, 2022				As at March 31, 2021			
	At Amortised Cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total
	1	2	3	4=1+2+3	1	2	3	4=1+2+3
(a) Loans repayable on demand								
- (i) from banks - Secured	500.68	-	-	500.68	502.34	-	-	502.34
- (ii) from other parties	-	-	-	-	-	-	-	-
(b) Borrowings from Collateralized Borrowing and Lending Obligation (CBLO) - Secured	500.00	-	-	500.00	541.76	-	-	541.76
Less: Unamortised Discount	(0.14)	-	-	(0.14)	(0.20)	-	-	(0.20)
<b>Total (A)</b>	<b>1,000.54</b>	<b>-</b>	<b>-</b>	<b>1,000.54</b>	<b>1,043.90</b>	<b>-</b>	<b>-</b>	<b>1,043.90</b>
Borrowings in India	1,000.54	-	-	1,000.54	1,043.90	-	-	1,043.90
Borrowings outside India	-	-	-	-	-	-	-	-
<b>Total (B)</b>	<b>1,000.54</b>	<b>-</b>	<b>-</b>	<b>1,000.54</b>	<b>1,043.90</b>	<b>-</b>	<b>-</b>	<b>1,043.90</b>

Residual maturity	As at March 31, 2022		As at March 31, 2021	
	Balance outstanding	Interest rate % (p.a)	Balance outstanding	Interest rate % (p.a)
At Amortised cost				
Above 5 years	-	-	-	-
1-5 years	-	-	-	-
Less than 1 year	1,000.54	3.37% to 5.50%	1,043.90	3.50% to 5.9%

- Loans repayable on demand from banks - As at 31st March 2022, the loans are secured by way of pari passu charge on receivables. The interest rates on these loans are linked to Marginal Cost of funds based Lending Rate (MCLR) of the lending bank + Spread. Further, the Company has filed Statement of Asset Cover with Security Trustee and banks, which are reconciling with the books of accounts.
- Borrowings from CBLO are secured against Investments in Government Securities.
- None of the borrowings have been guaranteed by Directors or others.
- There have been no delay or default during the year ended March 31, 2022 and March 31, 2021 in repayment of Principal and interest.

Explanatory Notes	As at March 31, 2022
Particulars	
Working Capital Demand Loan Repayable on 19/09/2022	500.68
	500.68
Working Capital Demand Loan Repayable on 02/06/2021	502.34
	502.34

**Note 18. Subordinated Liabilities:**

(₹ in Mn)

Particulars	As at March 31, 2022				As at March 31, 2021			
	At Amortised cost	At Fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised cost	At Fair value through profit or loss	Designated at fair value through profit or loss	Total
(A)								
Perpetual Debt Instruments to the extent that do not qualify as equity	1,514.86	-	-	1,514.86	1,514.88	-	-	1,514.88
Subordinated debt	2,441.68	-	-	2,441.68	2,456.99	-	-	2,456.99
<b>Total (A)</b>	<b>3,956.54</b>	<b>-</b>	<b>-</b>	<b>3,956.54</b>	<b>3,971.87</b>	<b>-</b>	<b>-</b>	<b>3,971.87</b>
(B)								
Subordinated liabilities in India	3,956.54	-	-	3,956.54	3,971.87	-	-	3,971.87
Subordinated liabilities outside India	-	-	-	-	-	-	-	-
<b>Total (B)</b>	<b>3,956.54</b>	<b>-</b>	<b>-</b>	<b>3,956.54</b>	<b>3,971.87</b>	<b>-</b>	<b>-</b>	<b>3,971.87</b>

Residual maturity	As at March 31, 2022		As at March 31, 2021	
	Balance outstanding	Interest rate % (p.a) *	Balance outstanding	Interest rate % (p.a) *
At Amortised cost				
Above 5 years	-	-	1,514.88	10.00%
1-5 years	2,161.54	8.80%-10.00%	2,456.99	8.8% to 9.36%
Less than 1 year	1,795.00	9.10%-9.36%	-	-

\* Indicates Effective Interest Rate  
Note: The above subordinated liabilities are fully paid up, unsecured, free of any restrictive clauses and are subordinate to the claims of other creditors.

**IIFL WEALTH PRIME LIMITED**  
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Notes forming part of Financial Statements for the Year ended March 31, 2022

(₹ in Mn)

Particulars	As at March 31, 2022	As at March 31, 2021
	(Issue price)	(Issue price)
(i) Perpetual Debt Instruments include		
10.00% Subordinated Perpetual Debt of Face Value Rs. 5,00,000 Each Redeemable on 22/02/2027	1,010.68	504.18
10.00% Subordinated Perpetual Debt of Face Value Rs. 5,00,000 Each Redeemable on 02/03/2027	504.18	1,010.68
	<b>1,514.86</b>	<b>1,514.88</b>
(ii) Subordinated debt include		
8.80% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 02-05-2023	133.84	123.02
9.00% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 02-05-2023	473.22	498.13
9.00% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 10-01-2024	13.98	12.83
9.00% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 19-07-2023	25.41	25.41
9.10% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 12-07-2022	10.00	10.00
9.10% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 22-07-2022	130.00	130.00
9.10% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 24-06-2022	100.02	100.02
9.15% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 02-05-2023	-	92.32
9.36% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 06-06-2022	961.60	922.47
9.36% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 13-06-2022	504.33	461.16
9.36% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 24-06-2022	42.32	38.69
9.36% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 30-06-2022	46.96	42.94
	<b>2,441.68</b>	<b>2,456.99</b>



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

**Note 19. Other Financial Liabilities**

(₹ in Mn)

Particulars	As at March 31, 2022	As at March 31, 2021
Payable on account of purchase of investments	-	10.84
Payable to holding company / group companies	31.96	29.55
Embedded derivative part on bonds/debt securities	184.83	317.49
Others	7.80	-
<b>Total</b>	<b>224.59</b>	<b>357.88</b>

**Note 19.1:** No amount was required to be transferred in Investor Education and Protection fund account as per Section 125 of Companies Act, 2013 on account of unclaimed dividend and unclaimed dues on account of NCDs.

**Note 20. Provisions:**

(₹ in Mn)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for gratuity *	30.34	32.11
Provision for leave encashment *	1.36	-
<b>Total</b>	<b>31.70</b>	<b>32.11</b>

\* Refer Note 31.1

IIFL WEALTH PRIME LIMITED  
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Notes forming part of Financial Statements for the Year ended March 31, 2022

Note 21. Deferred Taxes

Significant components of deferred tax assets and liabilities for the year ended March 31, 2022 are as follows:

(₹ in Mn)

Particulars	Opening balance	Recognised in profit or loss	Recognised in/reclassified from OCI	Closing balance
<b>Deferred tax assets:</b>				
Property, Plant & Equipment and Intangible assets	4.60	7.59	-	12.19
Impairment of Financial Assets	85.68	(36.32)	-	49.36
Retirement benefits for employees	8.08	1.84	(2.28)	7.64
Lease & deposit fair value	2.30	(21.71)	-	(19.41)
<b>Total deferred tax assets (A)</b>	<b>100.66</b>	<b>(48.60)</b>	<b>(2.28)</b>	<b>49.78</b>
<b>Deferred tax liabilities:</b>				
Unrealised profit on Investments	99.59	239.08	-	338.67
Goodwill	161.66	(9.16)	-	152.50
<b>Total deferred tax liabilities (B)</b>	<b>261.25</b>	<b>229.92</b>	<b>-</b>	<b>491.17</b>
<b>Deferred tax liabilities (B - A)</b>	<b>160.59</b>	<b>278.52</b>	<b>2.28</b>	<b>441.39</b>

Significant components of deferred tax assets and liabilities for the year ended March 31, 2021 are as follows:

(Amount in ₹)

Particulars	Opening balance	Recognised in profit or loss	Recognised in/reclassified from OCI	Closing balance
<b>Deferred tax assets:</b>				
Property, Plant & Equipment and Intangible assets	0.92	3.68	-	4.60
Impairment of Financial Assets	42.29	43.40	-	85.69
Retirement benefits for employees	8.30	1.44	(1.66)	8.08
Lease & deposit fair value	0.46	1.85	-	2.31
Others	1.43	(1.43)	-	-
<b>Total deferred tax assets (A)</b>	<b>53.40</b>	<b>48.94</b>	<b>(1.66)</b>	<b>100.68</b>
<b>Deferred tax liabilities:</b>				
Unrealised profit on investments etc.	188.82	(89.23)	-	99.59
Goodwill	170.82	(9.16)	-	161.66
<b>Total deferred tax liabilities (B)</b>	<b>359.64</b>	<b>(98.39)</b>	<b>-</b>	<b>261.25</b>
<b>Deferred tax liabilities (B - A)</b>	<b>306.24</b>	<b>(147.33)</b>	<b>1.66</b>	<b>160.57</b>

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**Note 22. Other Non Financial Liabilities:**

(₹ in Mn)

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Undisputed statutory dues	112.65	114.35
Income received in advance	64.20	-
<b>Total</b>	<b>176.85</b>	<b>114.35</b>

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**Note 23. 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:

Authorised :	As at March 31, 2022	As at March 31, 2021
350,000,000 Equity shares (Previous years 350,000,000 Equity shares) of ₹ 10/- each with voting rights	3,50,00,00,000	3,50,00,00,000
<b>Issued, Subscribed and Paid Up:</b> 305,493,803 Equity shares (Previous years 305,493,803 Equity shares) of ₹ 10/- each fully paid up with voting rights (₹ in Mn)	3,054.94	3,054.94
<b>Total</b>	<b>3,054.94</b>	<b>3,054.94</b>

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

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount (₹ in Mn)	No. of shares	Amount (₹ in Mn)
At the beginning of the year	30,54,93,803	3,054.94	30,54,93,803	3,054.94
Add: Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>30,54,93,803</b>	<b>3,054.94</b>	<b>30,54,93,803</b>	<b>3,054.94</b>

(c) Terms/rights attached to equity shares:

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/- each. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend. The Board of Directors in their meeting held on May 03, 2022 have recommended a final dividend of Rs. 3.60 per equity share for the financial year 2021-22 amounting to Rs. 10,997.78 lakhs, subject to approval of the shareholders in the forthcoming Annual General Meeting of the Company.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) Details of shares held by Holding Company:

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% holding	No. of shares	% holding
IIFL Wealth Management Limited and its nominees	30,54,93,803	100%	30,54,93,803	100%

(e) Details of shareholders holding more than 5% of the aggregate shares in the Company:

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% holding	No. of shares	% holding
IIFL Wealth Management Limited and its nominees	30,54,93,803	100%	30,54,93,803	100%

(f) During the period of 5 years immediately preceding the Balance Sheet date, the Company has not issued any equity shares without payment being received in cash, bonus shares and has not bought back any equity shares.

(g) Shares held by promoters at the end of the year

Particulars	As at March 31, 2022		
	No. of shares	% holding	% of holding change
IIFL Wealth Management Limited and its nominees	30,54,93,803	100%	0%

Particulars	As at March 31, 2021		
	No. of shares	% holding	% of holding change
IIFL Wealth Management Limited and its nominees	30,54,93,803	100%	0%

(h) NBFC's objectives, policies and processes for managing capital:

For above disclosures Refer Note 41F

(i) Details of dividend declared during the financial year

The Board had proposed a final dividend of Rs. 3.60 per equity share for financial year ended March 31, 2022 in the Board of Directors meeting held on May 03, 2022.

Accounting period	Net profit for the Accounting period (₹ in Mn)	Rate of Dividend (%)	Amount of Dividend (₹ in Mn)	Dividend Payout ratio (%)
FY 2021-22	2,331.37	36.00%	1,099.78	47.17%

In FY 2020-21, Company has declared final dividend of ₹ 0.95 per equity share, total amounting to ₹ 290.22 million.

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

**Note 23A. Other Equity:**

(₹ in Mn)

Particulars	As at March 31, 2022	As at March 31, 2021
Securities premium	11,558.34	11,558.34
General reserve	1.43	1.43
Special reserve pursuant to section 45 IC of Reserve Bank of India Act, 1934	1,899.75	1,432.11
Capital Reserve	(4.98)	(4.98)
Capital Redemption Reserve	2.30	2.30
Retained earnings	2,476.18	895.86
<b>Total</b>	<b>15,933.02</b>	<b>13,885.06</b>

**i) Securities Premium**

Securities Premium includes the difference between face value of equity shares and consideration in respect of shares issued. The issue expenses of securities which qualify as equity instruments are written off against securities premium account.

**ii) General Reserve**

The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

**iii) Special Reserve Pursuant to Section 45 IC of Reserve Bank of India Act, 1934**

As per Section 45-IC of the Reserve Bank of India Act, 1934, the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared.

**iv) Capital Redemption Reserve**

It represents the gains of capital nature which mainly include the excess of value of net assets acquired over consideration paid by the Company for business amalgamation transactions in earlier years.

**v) Debenture Redemption Reserve**

There is no Debenture Redemption Reserve (DRR) created as the Non-Banking Financial Companies registered with Reserve Bank of India are not required to create DRR for the privately placed debentures.

**vi) Retained Earnings**

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

**vii) Capital Reserves**

The net assets have been acquired by the company at a net excess consideration of Rs. 4,975,845. Such excess consideration had been recognised as debit to Capital Reserves.

IIFL WEALTH PRIME LIMITED  
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Notes forming part of Financial Statements for the Year ended March 31, 2022

Note 24. Interest Income

(₹ in Mn)

Particulars	For the year ended March 31, 2022				For the year ended March 31, 2021			
	On financial assets measured at fair value through OCI	On financial assets measured at amortised cost	Interest income on financial assets classified at fair value through profit or loss	Total	On financial assets measured at fair value through OCI	On financial assets measured at amortised cost	Interest income on financial assets classified at fair value through profit or loss	Total
Interest on loans	-	4,098.82	-	4,098.82	-	3,701.10	-	3,701.10
Interest income from investments	-	-	915.18	915.18	-	-	2,607.92	2,607.92
Interest on deposits with banks	-	55.57	-	55.57	-	84.41	-	84.41
Other interest income	-	24.84	-	24.84	-	27.15	-	27.15
<b>Total</b>	-	<b>4,179.23</b>	<b>915.18</b>	<b>5,094.41</b>	-	<b>3,812.66</b>	<b>2,607.92</b>	<b>6,420.59</b>

Note 25. Dividend & Distribution income on Investments

(₹ in Mn)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Dividend Income	5.27	12.67
Distribution income on AIF Investments	61.40	49.63
<b>TOTAL</b>	<b>66.67</b>	<b>62.30</b>

Note 26. Fee and Commission Income

(₹ in Mn)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Distribution fees and other fees	3,944.11	1,848.83
Commission Income	74.79	31.77
<b>TOTAL</b>	<b>4,018.90</b>	<b>1,880.60</b>

Note 27. Net Gain/Loss On Fair Value Change:-

(₹ in Mn)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(A) Net gain/ (loss) on financial instruments at fair value through profit or loss		
- Investments	3,164.18	3,575.74
- Derivatives	(35.51)	(1,090.33)
- Borrowings in form of Debt securities-		
Measured at fair value	(724.05)	(1,142.40)
<b>Total net gain/(loss) on fair value changes (B)</b>	<b>2,404.62</b>	<b>1,343.01</b>
(B) Fair value changes:		
-Realised	2,625.43	(274.67)
-Unrealised	(220.81)	1,617.68
<b>Total net gain/(loss) on fair value changes(C) to tally with (B)</b>	<b>2,404.62</b>	<b>1,343.01</b>

Note 28. Other Income

(₹ in Mn)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Gain/(loss) on cancellation of lease	1.66	0.47
Others	0.61	1.10
<b>Total</b>	<b>2.27</b>	<b>1.57</b>

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Note 29. Finance Cost

(₹ in Mn)

Particulars	For the year ended March 31, 2022			For the year ended March 31, 2021		
	On financial liabilities measured at fair value through profit or loss	On financial liabilities measured at amortised cost	Total	On financial liabilities measured at fair value through profit or loss	On financial liabilities measured at amortised cost	Total
Interest on borrowings	-	151.98	151.98	-	706.37	706.37
Interest on debt securities	56.09	2,904.63	2,960.72	-	2,886.42	2,886.42
Interest on subordinated liabilities	-	418.79	418.79	-	477.95	477.95
Interest on lease liability	-	16.39	16.39	-	23.86	23.86
Other Finance Costs	-	23.93	23.93	-	55.41	55.41
<b>Total</b>	<b>56.09</b>	<b>3,515.72</b>	<b>3,571.81</b>	<b>-</b>	<b>4,150.01</b>	<b>4,150.01</b>

Note 30. Impairment On Financial Instruments

(₹ in Mn)

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	On financial instruments measured at fair value through OCI	On financial instruments measured at amortised cost	On financial instruments measured at fair value through OCI	On financial instruments measured at amortised cost
On loans	-	(144.30)	-	170.96
On receivables	-	0.21	-	1.47
<b>Total</b>	<b>-</b>	<b>(144.09)</b>	<b>-</b>	<b>172.43</b>

Note 31. Employee Benefit Expenses

(₹ in Mn)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries and wages	2,688.72	1,971.41
Contribution to provident and other funds	52.68	50.99
Share based payments to employees	132.54	133.35
Staff welfare expenses	40.86	41.98
Gratuity expense (Refer Note 31.1)	16.93	19.34
Leave encashment	1.37	-
<b>Total</b>	<b>2,933.10</b>	<b>2,217.07</b>

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

**31.1. Defined benefit plan**

	(₹ in Mn)	
Particulars	As at March 31, 2022	As at March 31, 2021
Type of benefit	Gratuity	Gratuity
Country	India	India
Reporting currency	INR	INR
Reporting standard	Indian Accounting Standard 19 (Ind AS 19)	Indian Accounting Standard 19 (Ind AS 19)
Funding status	Funded	Funded
Starting period	01-Apr-21	01-Apr-20
Date of reporting	31-Mar-22	31-Mar-21
Period of reporting	12 Months	12 Months
<b>Significant Actuarial Assumptions:</b>		
Expected return on plan assets	6.96%	6.33%
Rate of discounting	6.96%	6.33%
Rate of salary increase	7.50%	7.50%
Rate of employee turnover	For service 4 years and below 15.00% p.a. For service 5 years and above 7.50% p.a.	For service 4 years and below 15.00% p.a. For service 5 years and above 7.50% p.a.
Mortality rate during employment	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban
Mortality rate after employment	N.A.	N.A.
<b>Change in the defined benefit obligation</b>		
	As at March 31, 2022	As at March 31, 2021
Present value of benefit obligation at the beginning of the year	137.99	135.53
Interest cost	8.73	8.19
Current service cost	14.90	17.34
Liability transferred in/ acquisitions	0.94	2.94
Liability transferred out/ divestments	(1.56)	(1.94)
Benefit paid directly by the employer	(9.02)	(14.61)
Benefit paid from the fund	(6.45)	(3.70)
Actuarial (gains)/losses on obligations - due to change in demographic assumptions	(0.10)	-
Actuarial (gains)/losses on obligations - due to change in financial assumptions	(6.51)	(3.15)
Actuarial (gains)/losses on obligations - due to experience	(5.63)	(2.60)
Present value of benefit obligation at the end of the year	133.30	137.99
<b>Change in the fair value of plan assets</b>		
	As at March 31, 2022	As at March 31, 2021
Fair value of plan assets at the beginning of the year	105.88	-
Interest income	6.70	-
Benefit paid from the fund	(6.45)	(3.70)
Return on plan assets, excluding interest income	(3.17)	109.58
Fair value of plan assets at the end of the year	102.96	105.88
<b>Amount recognized in the balance sheet</b>		
	As at March 31, 2022	As at March 31, 2021
Present value of benefit obligation at the end of the year	(133.30)	(137.99)
Fair value of plan assets at the end of the year	102.96	105.88
Funded status (surplus/ (deficit))	(30.34)	(32.11)
Net (liability)/asset recognized in the balance sheet	(30.34)	(32.11)
<b>Net interest cost for current period</b>		
	As at March 31, 2022	As at March 31, 2021
Present value of benefit obligation at the beginning of the period	137.99	135.53
Fair value of plan assets at the beginning of the period	(105.88)	-
Net liability/(asset) at the beginning	32.11	135.53
Interest cost	8.73	8.19
Interest income	(6.70)	-
Net interest cost for current period	2.03	8.19
<b>Expenses recognized in the statement of profit and loss</b>		
	As at March 31, 2022	As at March 31, 2021
Current service cost	14.90	17.34
Net interest cost	2.03	8.19
Past service cost	-	-
Expected contributions by the employees	-	-
(Gains)/losses on curtailments and settlements	-	-
Net effect of changes in foreign exchange rates	-	-
Expenses recognized	16.93	25.53



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<b>Expenses recognized in the other comprehensive income (OCI)</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Actuarial (gains)/losses on obligation for the period	(12.24)	(5.76)
Return on plan assets, excluding interest income	3.17	(109.58)
Change in asset ceiling	-	-
Net (income)/expense for the period recognized in oci	(9.07)	(115.34)

  

<b>Balance sheet reconciliation</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Opening net liability	32.11	33.00
Expenses recognized in statement of profit and loss	16.93	19.34
Expenses recognized in OCI	(9.07)	(6.61)
Net liability/(asset) transfer in	0.94	2.94
Net (liability)/asset transfer out	(1.56)	(1.94)
Benefit paid directly by the employer	(9.02)	(14.61)
Employer's contribution	-	-
Net liability/(asset) recognized in the balance sheet	30.34	32.11

  

<b>Category of assets</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Government of india assets	-	-
State government securities	-	-
Special deposits scheme	-	-
Debt instruments	-	-
Corporate bonds	-	-
Cash and cash equivalents	-	-
Insurance fund	102.96	105.88
Asset-backed securities	-	-
Structured debt	-	-
Other	-	-
Total	102.96	105.88

  

<b>Other assumptions</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
No of active members	438	410
Per month salary for active members	47.38	45.06
Weighted average duration of pbo	8.94	9.21
Average expected future service	9.00	9.00
Projected benefit obligation (pbo)	133.30	137.99
Prescribed contribution for next year (12 months)	43.47	45.06

  

<b>Expected cash flow for following year</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Present Value of Benefit Obligation at the End of the Period	133.30	137.99
Fair Value of Plan Assets at the End of the Period	(102.96)	(105.88)
Net Liability/(Asset) at the End of the Period	30.34	32.11
Interest Cost	9.28	8.73
Interest Income	(7.17)	(6.70)
Net Interest Cost for Next Year	2.11	2.03

  

<b>Expected expenses to be recognized in the Statement of Profit and Loss for Next Year</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Current Service Cost	13.14	14.90
Net Interest Cost	2.11	2.03
Expected Contributions by the Employees		
Expenses Recognized	15.25	16.93

  

<b>Maturity analysis of the benefit payments</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
1st following year	12.13	14.12
2nd following year	11.56	10.86
3rd following year	11.56	11.68
4th following year	11.91	10.94
5th following year	11.34	11.22
Sum of years 6 to 10	52.85	51.15
Sum of years 11 and above	140.53	140.23

  

<b>Sensitivity analysis</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
PBO on current assumptions	133.30	137.99
Delta effect of +1% change in rate of discounting	(9.28)	(9.96)
Delta effect of -1% change in rate of discounting	10.59	11.44
Delta effect of +1% change in rate of salary increase	4.90	5.51
Delta effect of -1% change in rate of salary increase	(5.04)	(5.56)
Delta effect of +1% change in rate of employee turnover	1.87	1.27
Delta effect of -1% change in rate of employee turnover	(2.12)	(1.47)

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The above mentioned plans are valued by independent actuaries using the projected unit credit method.

The Company's gratuity plan obligation is determined by actuarial valuation and is funded by investments in Insurance funds. As such, the valuation and the funding are exposed to certain risks, including mainly salary increments, attrition levels, interest rates and investment yields. If salaries and interest rates rise faster than assumed or if the attrition rates are lower than assumed, then the Group's gratuity obligation would rise faster in future periods and an increase in market yields of government securities would reduce the value of the plan's investments, leading to higher future funding requirements. The Group monitors plan obligations and investments regularly with a view to ensuring that there is adequate funding on an ongoing basis, thus mitigating any potential adverse consequences of the risks described.

**Leave Encashment:**

The Company has provided for ₹ 1.37 million (PY: NIL) basis the actuarial valuation report obtained by the Company. The mentioned plan is valued by independent actuaries using the projected unit credit method.

**IIFL WEALTH PRIME LIMITED**  
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**Notes forming part of Financial Statements for the Year ended March 31, 2022**

**31.2 Defined Contribution Plans:**

The Company has recognised the following amounts as an expense and included in the Employee Benefit Expenses.

Particulars	(₹ in Mn)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Contribution to provident fund	52.68	50.99
Contribution to ESIC	-	-
Contribution to labour welfare fund	0.00	0.00
<b>Total</b>	<b>52.68</b>	<b>50.99</b>

The Company contributes to recognised provident fund for qualifying employees. Under the scheme, the Company is required to contribute specified percentage of payroll costs to fund the benefits.

**Note 32. Other Expenses:-**

(₹ in Mn)

Particulars	(₹ in Mn)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Operations and Fund Management expenses	105.42	91.47
Rent, rates & taxes	81.06	88.94
Insurance	3.06	2.95
Repairs & maintenance	26.50	23.68
Marketing, advertisement and business promotion expenses	301.55	102.36
Travelling & conveyance	62.80	51.74
Legal & professional fees	89.80	70.87
Communication cost	16.48	17.43
Information technology cost	104.33	102.08
Office expenses	217.91	172.42
Loss on sale of assets	-	1.38
Donation	4.49	0.35
Directors' fees and commission	4.04	2.47
Remuneration to Auditors :		
Audit fees (net of GST input credit) *	2.82	2.00
Certification expenses	0.73	0.69
Out Of pocket expenses	-	0.10
Corporate social responsibility expenses (Refer Note 38)	42.42	43.38
<b>Total</b>	<b>1,063.41</b>	<b>774.31</b>

\* - This includes limited review & Internal control financial reporting

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**Note 33. Income taxes**

Disclosure pursuant to Ind AS 12 "Income Taxes"

(a) Major components of tax expense/ (income)

(₹ in Mn)

Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
	Statement of Profit and Loss:		
(a)	Profit and Loss section:		
	(i) Current income tax :		
	Current income tax expense	352.60	509.09
	Tax expense in respect of earlier years		
		352.60	509.09
	(ii) Deferred Tax:		
	Tax expense on origination and reversal of temporary differences	278.52	(147.33)
	Effect on deferred tax balances due to the change in income tax rate		
		278.52	(147.33)
	<b>Income tax expense reported in the statement of profit or loss [(i)+(ii)]</b>	<b>631.12</b>	<b>361.76</b>
(b)	Other Comprehensive Income (OCI) Section:		
	(i) Items not to be reclassified to profit or loss in subsequent periods:		
	(A) Current tax expense/(income):		
	On re-measurement of defined benefit plans		
	(B) Deferred tax expense/(income):		
	On re-measurement of defined benefit plans	(2.28)	(1.66)
	(ii) Items to be reclassified to profit or loss in subsequent periods:		
		(2.28)	(1.66)
	<b>Income tax expense reported in the other comprehensive income [(i)+(ii)]</b>	<b>(2.28)</b>	<b>(1.66)</b>

(b) Reconciliation of Tax expense and accounting profit multiplied by domestic tax rate applicable in India:

(₹ in Mn)

Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a)	<b>Profit/(loss) before tax</b>	2,962.51	1,923.64
(b)	Applicable tax rate	25.168%	25.168%
(c)	Income tax expense at tax rates applicable including deferred tax	745.60	484.14
(d)	(i) Tax on income subject to lower tax rate		
	(A) Gains on investments (including fair valuation)	(108.68)	(125.96)
(e)	(ii) Tax on Income exempt from Tax		
	(A) Income from Investments (Including tax suffered income on investment in AIF)	(28.31)	(13.44)
	(iii) Tax on expense not tax deductible		
	(A) Expenses not allowable as tax deductible as per tax laws	14.36	10.95
	(iv) Tax effect on various other items	8.16	6.06
	<b>Total effect of tax adjustments [(i) to (v)]</b>	<b>(114.48)</b>	<b>(122.38)</b>
(f)	Tax expense recognised during the year	<b>631.12</b>	<b>361.76</b>
	Effective tax rate	21.30%	18.81%

**IIFL WEALTH PRIME LIMITED**  
**(FORMERLY IIFL WEALTH FINANCE LIMITED)**  
**Notes forming part of Financial Statements for the Year ended March 31, 2022**

**Note 34. Earnings Per Share:**

Basic and diluted earnings per share ["EPS"] computed in accordance with INDAS 33 'Earnings per share'.

(₹ in Mn)

Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
Face value of equity shares in ₹ fully paid up		10.00	10.00
<b>BASIC</b>			
Profit after tax as per Statement of Profit and Loss	A	2,331.39	1,561.88
Weighted average number of shares subscribed	B	30,54,93,803	30,54,93,803
Face value of equity shares (in ₹) fully paid		10.00	10.00
Basic EPS (₹)	A/B	7.63	5.11
<b>DILUTED</b>			
Profit after tax as per Statement of Profit and Loss	A	2,331.39	1,561.88
Weighted average number of shares subscribed	B	30,54,93,803	30,54,93,803
Add: Potential equity shares on account of conversion of employee stock option	C	-	-
Weighted average number of shares outstanding	D=B+C	30,54,93,803	30,54,93,803
Diluted EPS (₹)	A/D	7.63	5.11

**Note 35. Capital, Other Commitments and Contingent Liabilities at Balance Sheet date:**

**Capital and Other Commitments (except undisbursed amount of loans)**

(₹ in Mn)

Particulars	As at March 31, 2022	As at March 31, 2021
Commitments on Investments	1,669.71	1,762.98
<b>Total</b>	<b>1,669.71</b>	<b>1,762.98</b>

**Contingent Liabilities**

(₹ in Mn)

Particulars	As at March 31, 2022	As at March 31, 2021
In respect of Income tax demand *	135.82	135.82
<b>Total</b>	<b>135.82</b>	<b>135.82</b>

\* Out of the above demand, ₹ 27.16 million (P.Y ₹27.16 million) has been deposited under protest.

The Management believes that the ultimate outcome of above matters will not have a material adverse impact on its financial position, results of operations and cash flows. In respect of above matters, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgements pending at various authorities.

**IIFL WEALTH PRIME LIMITED**  
**(FORMERLY IIFL WEALTH FINANCE LIMITED)**  
**Notes forming part of Financial Statements for the Year ended March 31, 2022**

**Note 36.** The Company operates from the premises owned by the Holding Company and uses its infrastructure and other facilities and services as provided to it by its holding company/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/recoverable from the Company 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 expenses are difficult to determine.

**Note 37. Undisbursed Sanctioned Loans**

As on the balance sheet date there are undisbursed sanctioned loans amounting to ₹ 26,855.56 Mn (P.Y. ₹ 20,432.04 Mn). These undisbursed sanctioned amounts are cancellable at the option of the Company.

**Note 38. Corporate Social Responsibility**

During the year 2021-22, the Company has spent its entire liability of ₹ 42.22 Mn (PY ₹ 43.38 Mn) as required to be spent as per section 135 of the Companies Act 2013 in respect of Corporate Social Responsibility (CSR). The Company is committed to supporting development of the country by contributing in achieving sustainable development goals and all its activities are directed towards this. Going forward these projects will be consolidated and scaled to achieve a larger and deeper impact. The key focus areas include education and healthcare including COVID Relief. (Refer Note 40 on Related Party Disclosures)

Particulars	(₹ in Mn)	
	As at March 31, 2022	As at March 31, 2021
Amount required to be spent by the company during the year	42.42	43.38
Amount of expenditure incurred	31.73	43.38
Shortfall at the end of the year	10.69	-
Reason for shortfall	Pertains to ongoing projects.	NA
Provision of CSR	10.69	-
Nature of CSR activities	Education and livelihoods	Environmental sustainability and Education

Company has met its CSR obligations through its fellow subsidiary IIFLW CSR Foundation, the details of related party transaction is provided in note 40 b.

The unspent amount is transferred to unspent CSR bank account within 30 days from the end of the financial year, in accordance with the Companies Act, 2013 read with the CSR Amendment Rules.

**Note 39. Segment Reporting**

Products offered by IIFL Wealth Prime Limited (formerly known as IIFL Wealth Finance Limited) (the Company), i.e. lending, credit solutions etc. forms part of the Wealth Management segment. The distribution business acquired by the Company by way of slump sale also forms key part of the same Cash Generating Unit (CGU). The credit solutions and other products of IIFL Wealth Prime Limited (formerly IIFL Wealth Finance Limited) are principally offered to the clients, who form part of the Wealth Management CGU.

In view of the above, in the opinion of the entity's Chief Operating Decision Maker (CoDM), there is only one reportable business segment as envisaged by Ind AS 108 'Operating Segments', as prescribed under section 133 of the Act. Accordingly, no separate disclosure for segment reporting is required to be made in the financial statements of the Company. Secondary segment information 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.

**IIFL WEALTH FINANCE LIMITED**

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

**Note 40. Related Party Disclosures:**

Related party disclosures for the year ended 31st March, 2022

**a) List of Related Parties:**

<b>Nature of relationship</b>	<b>Name of party</b>	
<b>Director/ Key Managerial Personnel (KMP)</b>	Mr. Himanshu Jain, Chief Executive Officer and Whole time Director	
	Mr. Yatin Shah, Whole-time Director	
	Mr. Shantanu Rastogi, Non-executive Director	
	Mr. Karan Bhagat, Non Executve Director	
	Dr. S. Narayan, Non-executive Director (Independent Director)	
	Ms. Rekha Warriar, Non-executive Director (Independent Director)	
	Mr. Mihir Nanavati (Upto September 3, 2021)	
	Mr. Sanjay Wadhwa, Chief financial Officer (From September 4, 2021)	
	Mr. Amit Bhandari, Company Secretary	
<b>Holding Company</b>	IIFL Wealth Management Limited	
<b>Fellow Subsidiaries</b>	IIFL Asset Management Limited	
	IIFL Investment Adviser and Trustee Services Limited	
	IIFL Trustee Limited	
	IIFL Wealth Portfolio Managers Limited	
	IIFL Wealth Distribution Services Limited ( Formerly known as IIFL Distribution Services Limited)	
	IIFL Wealth Securities IFSC Limited	
	IIFL Wealth Altiore Limited (Formerly known as IIFL Altiore Advisors Limited)	
	IIFL Wealth Employee Welfare benefit Trust (upto January 11, 2022)	
	IIFL Private Wealth Management (Dubai) Limited	
	IIFL Inc.	
	IIFL Asset Management (Mauritius) Limited	
	IIFL (Asia) Pte. Limited *	
	IIFL Capital Pte. Limited *	
	IIFL Securities Pte. Limited *	
	IIFL Capital (Canada) Limited	
IIFLW CSR Foundation		
<b>Subsidiary Company</b>	IIFL Wealth Capital Markets Limited (Formerly known as L & T Capital Markets Limited)	
<b>Related parties by virtue of common directorships of director(s) of the Company</b>	IIFL Finance Limited	
	IIFL Securities Limited	
	IIFL Commodities Limited (Formerly known as India Infoline Commodities Limited)	
	Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited w.e.f. February 22, 2022)	
	IIFL Management Services Limited (Formerly known as India Infoline Insurance Services Limited)	
	IIFL Wealth (UK) Limited	
	IIFL Capital Inc.	
	IIFL Facilities Services Limited (Formerly known as IIFL Real Estate Limited)	
	IIFL Securities Services IFSC Limited	
	Livlong Protection & Wellness Services Limited (Formerly known as IIFL Corporate Services Limited w.e.f. October 6, 2021)	
	IIFL Home Finance Limited	
	Samasta Microfinance Limited (w.e.f March 01, 2017)	
	Meenakshi Tower LLP (Joint Venture of IIFL Management Services Limited)	
	Shreyans Foundation LLP	
	India Infoline Foundation	
	Spaisa Capital Limited	
	Spaisa Trading Limited	
	IIFL Sales Limited	
	Giskard Datatech Private Limited (Associate Company w.e.f. November 06, 2020 and Ceased to be Associate Company w.e.f. December 30, 2021)	
	General Atlantic Singapore Fund Pte Limited	
	<b>Other related parties/relatives of directors/KMP</b>	Mr. Venkataraman Rajamani
		Mr. Nirmal Jain
		Mr. Sandeep Achyut Naik
		Mr. Gopalakrishnan Soundarajan
		Mr. Rohit Bhase
		Mrs. Shilpa Bhagat (Spouse of Mr. Karan Bhagat)
		Late Mr. Om Prakash Bhagat (Father of Mr. Karan Bhagat)
Ms. Madhu Bhagat (Mother of Mr. Karan Bhagat)		
Mr. Kush Bhagat (Son of Mr. Karan Bhagat)		
Ms. Kyra Bhagat (Daughter of Mr. Karan Bhagat)		
Mr. Varun Bhagat (Brother of Mr. Karan Bhagat)		
Mrs. Ami Yatin Shah (Spouse of Mr. Yatin Shah)		
Yatin Prakash Shah HUF		
Prakashchandra Chunilal Shah HUF		
Mr. Prakashchandra Shah (Father of Mr. Yatin Shah)		
Mrs. Hansadevi Shah (Mother of Mr. Yatin Shah)		
Mr. Kiaan Shah (Son of Mr. Yatin Shah)		
Ms. Naysa Shah (Daughter of Mr. Yatin Shah)		
Ms. Yasmita Sarju Vakil (Sister of Mr. Yatin Shah)		
Ms. Shefali Devani (Sister of Mr. Yatin Shah)		
Mrs. Shanthi Narayan (Spouse of Mr. Subbaraman Narayan)		
Mr. Sumant (Son of Mr. Subbaraman Narayan)		
Ms. Sweta (Son's wife of of Mr. Subbaraman Narayan)		
Ms. Suchitra (Daughter of Mr. Subbaraman Narayan)		
Mr. Sridhar (Daughter's husband of Mr. Subbaraman Narayan)		
Mrs. Jaya (Sister of Mr. Subbaraman Narayan)		
Mrs. Madhu Jain (Spouse of Mr. Nirmal Jain)		
Mr. Bhanwarlal Jain (Father of Mr. Nirmal Jain)		
Ms. Sunderben Jain (Mother of Mr. Nirmal Jain)		

IIFL WEALTH FINANCE LIMITED

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

Note 40. Related Party Disclosures:

Related party disclosures for the year ended 31st March, 2022

Nature of relationship	Name of party
Other related parties/relatives of directors/KMP	Mr. Bhavya Jain (Son of Mr. Nirmal Jain)
	Ms. Kalpita Jain (Daughter of Mr. Nirmal Jain)
	Ms. Harshita Jain (Daughter of Mr. Nirmal Jain)
	Mr. Mansukh Jain and Mr. Ramesh Jain (Brother of Mr. Nirmal Jain)
	Ms. Pushpa Khokhawati (Sister of Mr. Nirmal Jain)
	Ms. Aditi Athavankar (Spouse of Mr. Venkataraman Rajamani)
	Mr. Rajamani (Father of Mr. Venkataraman Rajamani)
	Ms. Syamala (Mother of Mr. Venkataraman Rajamani)
	Mr. Vihaan Venkataraman (Son of Mr. Venkataraman Rajamani)
	Mr. Varun Venkataraman (Son of Mr. Venkataraman Rajamani)
	Ms. Nandini (Sister of Mr. Venkataraman Rajamani)
	Mrs. Anchal Rastogi (Spouse of Mr. Shantanu Rastogi)
	Mr. Girish Kumar Rastogi (Father of Mr. Shantanu Rastogi)
	Mrs. Nisha Rastogi (Mother of Mr. Shantanu Rastogi)
	Mr. Vir Rastogi (Son of Mr. Shantanu Rastogi)
	Mr. Shivam Rastogi (Brother of Mr. Shantanu Rastogi)
	Ms. Piyusha Jain (Spouse of Mr. Himanshu Jain)
	Prof. S.P.Jain (Father of Mr. Himanshu Jain)
	Mrs. Shakuntala Jain (Mother of Mr. Himanshu Jain)
	Ms. Srishti Jain, (Daughter of Mr. Himanshu Jain)
	Ms. Snigdha Jain, (Daughter of Mr. Himanshu Jain)
	Dr. Alok Jain (Brother of Mr. Himanshu Jain)
	Dr. Chetna Jain (Sister of Mr. Himanshu Jain)
	Mr. Subramanian Gopalkrishnan (Spouse of Mrs. Rekha Warriar)
	Late Sri Eswara Warriar (Father of Mrs. Rekha Warriar)
	Mrs. Santha Warriar (Mother of Mrs. Rekha Warriar)
	Mr. Sarang Gopalkrishnan (Son of Mrs. Rekha Warriar)
	Mrs. Calista McRae (Son's wife of Mrs. Rekha Warriar)
	Mr. Venugopal Easwar (Brother of Mrs. Rekha Warriar)
	Dr. Geetha Raghukumar (Sister of Mrs. Rekha Warriar)
	Ms. Bhakti Prabhu Naik (Spouse of Mr. Sandeep Naik)
	Mr. Achyut Madhushiva Naik (Father of Mr. Sandeep Naik)
	Ms. Suman Achyut Naik (Mother of Mr. Sandeep Naik)
	Mr. Naman Naik (Son of Mr. Sandeep Naik)
	Mr. Kian Naik (Son of Mr. Sandeep Naik)
	Mr. Deepak Achyut Naik (Brother of Mr. Sandeep Naik)
	Mr. Sunil Achyut Naik (Brother of Mr. Sandeep Naik)
	Ms. Prajakta Thakur (Sister of Mr. Sandeep Naik)
	Ms. Shalini Gopalakrishnan (Spouse of Mr. Gopalakrishnan Soundarajan)
	Mr. Govindarajan Soundarajan (Father of Mr. Gopalakrishnan Soundarajan)
	Ms. Sakunthla Soundarajan (Mother of Mr. Gopalakrishnan Soundarajan)
	Mr. Adidev Gopalakrishnan (Son of Mr. Gopalakrishnan Soundarajan)
	Ms. Srimathi Basra (Sister of Mr. Gopalakrishnan Soundarajan)
	Mrs. Bhavya Wadhwa (Spouse of Mr. Sanjay Wadhwa)
	Mr. Tulsio Wadhwa (Father of Mr. Sanjay Wadhwa)
	Mrs. Chandra Wadhwa (Mother of Mr. Sanjay Wadhwa)
	Mr. Shail Wadhwa (Son of Mr. Sanjay Wadhwa)
	Ms. Drishti Wadhwa (Daughter of Mr. Sanjay Wadhwa)
	Mr. Girish Wadhwa (Brother of Mr. Sanjay Wadhwa)
	Ms. Mamta Wadhwa (Sister of Mr. Sanjay Wadhwa)
	Dr. Akanksha Rohit Bhas (Spouse of Mr. Rohit Bhas)
	Mr. Shrinivas Raghunath Bhas (Father of Mr. Rohit Bhas)
	Mrs. Anjali Shrinivas Bhas (Mother of Mr. Rohit Bhas)
	Ms. Uma Rohit Bhas (Daughter of Mr. Rohit Bhas)
	Ms. Namrata Bhandari (Spouse of Mr. Amit Bhandari)
	Mr. Tejmal Bhandari (Father of Mr. Amit Bhandari)
	Late Ms Pushpa Bhandari (Mother of Mr. Amit Bhandari)
	Ms. Charvi and Tanvi (Daughter of Mr. Amit Bhandari)
	Ms. Ankita Mehta (Sister of Mr. Amit Bhandari)
	Vare Precast & Construction Private Limited.
	Unique Vacation Homes Private Limited
	M/s. Prasanna Shenoy & Associates
	Yatin Investments
	Kyrush Investments
	Naykia Realty Private Limited
	Trend Analytics (India) Private Limited (Formerly known as Financial advisors (India) Private Limited)
	Kyrush Trading & Investments Private Limited (Formerly known as Kyrush Realty Private Limited)
	Orpheous Trading Private Limited
	MNJ Consultants Private Limited
	Ardent Impex Private Limited
	Sunder Bhawar Ventures Private Limited
Chintamani Properties Private Limited	
5 Paisa P2P Limited	
5 Paisa Insurance Brokers Limited	
Kush Family Private Trust	
Kyra Family Private Trust	
Kalki Family Private Trust	
Nirmal Madhu Family Private Trust	
Naykia Family Private Trust	
Prakash Shah Family Private Trust	
Bhagat Family Private Trust	
Kyrush Family Private Trust	



**IIFL WEALTH FINANCE LIMITED**
**Notes forming part of Financial Statements for the Year ended March 31, 2022**
**Note 40. Related Party Disclosures:**

Related party disclosures for the year ended 31st March, 2022

Nature of relationship	Name of party
Other related parties/relatives of directors/KMP	Naysa Shah Family Private Trust
	Kiaan Shah Family Private Trust
	FIH Mauritius Investments Limited
	Capital Foods Private Limited
	Rubicon Research Private Limited
	No Broker Technologies Solutions Private Limited
	House of Anita Dongre Private Limited
	Sorting Hat Technologies Private Limited
	Castlewood Trading Private Limited
	Rudransh Trading Private Limited

\*IIFL (Asia) Pte. Limited, IIFL Capital Pte. Limited and IIFL Securities Pte. Ltd. have Amalgamated to become IIFL Capital Pte. Limited with effect from October 27, 2021

**b) Significant Transactions with Related Parties**

(₹ in Mn)

Nature of Transaction	Director/Key Managerial Person	Holding Company	Subsidiary Company	Fellow Subsidiaries	Other Related Parties	Total
<b>Amount paid/payable on account of reimbursement of Expenses for transition period and creditors paid</b>						
IIFL Wealth Management Limited	-	-	-	-	-	-
		(5.16)	-	-	-	(5.16)
<b>Amount received/ receivable on account of Transfer of Revenue for transition period &amp; realisation of debtors</b>						
IIFL Wealth Management Limited	-	161.61	-	-	-	161.61
	-	(335.83)	-	-	-	(335.83)
<b>Dividend Paid</b>						
IIFL Wealth Management Limited	-	290.22	-	-	-	290.22
	-	(3,207.68)	-	-	-	(3,207.68)
<b>Loans Given</b>						
Mr. Yatin Shah	33.00	-	-	-	-	33.00
	(499.95)	-	-	-	-	(499.95)
Mr. Nirmal Jain	-	-	-	-	5,894.95	5,894.95
	-	-	-	-	(1,499.99)	(1,499.99)
Mrs. Madhu Jain	-	-	-	-	999.99	999.99
	-	-	-	-	(3,896.83)	(3,896.83)
Yatin Investments	-	-	-	-	1,349.98	1,349.98
	-	-	-	-	-	-
Kyrush Investments	-	-	-	-	184.00	184.00
	-	-	-	-	(327.22)	(327.22)
<b>Loan Received Back</b>						
Mr. Yatin Shah	15.60	-	-	-	-	15.60
	(499.95)	-	-	-	-	(499.95)
Mr. Nirmal Jain	-	-	-	-	5,894.95	5,894.95
	-	-	-	-	(1,499.99)	(1,499.99)
Mrs. Madhu Jain	-	-	-	-	999.99	999.99
	-	-	-	-	(3,896.83)	(3,896.83)
Yatin Investments	-	-	-	-	1,349.98	1,349.98
	-	-	-	-	-	-
Kyrush Investments	-	-	-	-	226.37	226.37
	-	-	-	-	(284.85)	(284.85)
<b>ICD Given</b>						
IIFL Investment Adviser & Trustee Services Limited	-	-	-	2,000.00	-	2,000.00
	-	-	-	(1,210.00)	-	(1,210.00)
IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services)	-	-	-	4,530.00	-	4,530.00
	-	-	-	(1,420.00)	-	(1,420.00)
IIFL Wealth Portfolio Managers Limited (Formerly known as IIFL Portfolio Managers)	-	-	-	16,780.00	-	16,780.00
	-	-	-	(39,178.00)	-	(39,178.00)
IIFL Asset Management Limited	-	-	-	1,340.00	-	1,340.00
	-	-	-	(1,820.00)	-	(1,820.00)
IIFL WEALTH CAPITAL MARKETS LIMITED	-	-	120.00	-	-	120.00
	-	-	-	-	-	-
IIFL Wealth Management Limited	-	27,740.00	-	-	-	27,740.00
	-	(35,236.10)	-	-	-	(35,236.10)
<b>ICD Received Back</b>						
IIFL Investment Adviser & Trustee Services Limited	-	-	-	2,000.00	-	2,000.00
	-	-	-	(1,210.00)	-	(1,210.00)
IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services)	-	-	-	4,530.00	-	4,530.00
	-	-	-	(1,420.00)	-	(1,420.00)
IIFL Wealth Portfolio Managers Limited (Formerly known as IIFL Portfolio Managers)	-	-	-	16,780.00	-	16,780.00
	-	-	-	(39,178.00)	-	(39,178.00)
IIFL Asset Management Limited	-	-	-	1,340.00	-	1,340.00
	-	-	-	(1,820.00)	-	(1,820.00)
IIFL WEALTH CAPITAL MARKETS LIMITED	-	-	120.00	-	-	120.00
	-	-	-	-	-	-
IIFL Wealth Management Limited	-	27,740.00	-	-	-	27,740.00
	-	(37,067.00)	-	-	-	(37,067.00)
<b>ICD Taken</b>						
IIFL Investment Adviser & Trustee Services Limited	-	-	-	-	-	-
	-	-	-	(290.00)	-	(290.00)
IIFL Wealth Portfolio Managers Limited (Formerly known as IIFL Portfolio Managers)	-	-	-	10.00	-	10.00
	-	-	-	(1,520.00)	-	(1,520.00)

**IIFL WEALTH FINANCE LIMITED**
**Notes forming part of Financial Statements for the Year ended March 31, 2022**
**Note 40. Related Party Disclosures:**

Related party disclosures for the year ended 31st March, 2022

Nature of Transaction	Director/Key Managerial Person	Holding Company	Subsidiary Company	Fellow Subsidiaries	Other Related Parties	Total
IIFL Asset Management Limited	-	-	-	60.00	-	60.00
	-	-	-	(2,790.00)	-	(2,790.00)
IIFL Wealth Management Limited	-	99,780.00	-	-	-	99,780.00
	-	(47,315.00)	-	-	-	(47,315.00)
IIFL Wealth Capital Markets Limited (Formerly known as L & T Capital Markets)	-	-	1,100.00	-	-	1,100.00
IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services)	-	-	(1,060.00)	-	-	(1,060.00)
	-	-	-	-	-	-
	-	-	-	(680.00)	-	(680.00)
<b>ICD Repaid</b>						
IIFL Investment Adviser & Trustee Services Limited	-	-	-	-	-	-
	-	-	-	(290.00)	-	(290.00)
IIFL Wealth Portfolio Managers Limited (Formerly known as IIFL Portfolio Managers)	-	-	-	10.00	-	10.00
	-	-	-	(1,520.00)	-	(1,520.00)
IIFL Asset Management Limited	-	-	-	60.00	-	60.00
	-	-	-	(2,790.00)	-	(2,790.00)
IIFL Wealth Management Limited	-	99,780.00	-	-	-	99,780.00
	-	(47,315.00)	-	-	-	(47,315.00)
IIFL Wealth Capital Markets Limited (Formerly known as L & T Capital Markets)	-	-	1,100.00	-	-	1,100.00
IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services)	-	-	(1,060.00)	-	-	(1,060.00)
	-	-	-	-	-	-
	-	-	-	(680.00)	-	(680.00)
<b>Interest Income on Loans</b>						
Kyrush Investments	-	-	-	-	1.12	1.12
	-	-	-	-	(2.01)	(2.01)
Yatin Investments	-	-	-	-	2.78	2.78
	-	-	-	-	-	-
Mr. Yatin Shah	2.55	-	-	-	-	2.55
	(1.34)	-	-	-	-	(1.34)
Mr. Nirmal Jain	-	-	-	-	9.61	9.61
	-	-	-	-	(2.19)	(2.19)
Mrs. Madhu Jain	-	-	-	-	2.04	2.04
	-	-	-	-	(5.46)	(5.46)
<b>Interest Income on ICD</b>						
IIFL Investment Adviser & Trustee Services Limited	-	-	-	3.38	-	3.38
	-	-	-	(2.09)	-	(2.09)
IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services)	-	-	-	7.66	-	7.66
	-	-	-	(2.29)	-	(2.29)
IIFL Wealth Portfolio Managers Limited (Formerly known as IIFL Portfolio Managers)	-	-	-	33.94	-	33.94
	-	-	-	(39.12)	-	(39.12)
IIFL Asset Management Limited	-	-	-	4.17	-	4.17
	-	-	-	(0.35)	-	(0.35)
IIFL Wealth Capital Markets Limited (Formerly known as L & T Capital Markets)	-	-	0.08	-	-	0.08
	-	-	-	-	-	-
IIFL Wealth Management Limited	-	21.67	-	-	-	21.67
	-	(61.07)	-	-	-	(61.07)
<b>Interest Expense on ICD</b>						
IIFL Investment Adviser & Trustee Services Limited	-	-	-	-	-	-
	-	-	-	(0.14)	-	(0.14)
IIFL Wealth Portfolio Managers Limited (Formerly known as IIFL Portfolio Managers)	-	-	-	0.00	-	0.00
	-	-	-	(0.11)	-	(0.11)
IIFL Asset Management Limited	-	-	-	-	-	-
	-	-	-	(1.90)	-	(1.90)
IIFL Wealth Management Limited	-	124.44	-	-	-	124.44
	-	(77.15)	-	-	-	(77.15)
IIFL Wealth Capital Markets Limited (Formerly known as L & T Capital Markets)	-	-	0.14	-	-	0.14
	-	-	(1.61)	-	-	(1.61)
IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services)	-	-	-	-	-	-
	-	-	-	(0.19)	-	(0.19)
<b>Purchase of Investment</b>						
IIFL Finance Limited (Formerly known as IIFL Holdings Limited)	-	-	-	-	-	-
	-	-	-	-	(2,011.10)	(2,011.10)
IIFL Management Services Limited	-	-	-	-	439.15	439.15
	-	-	-	-	(79.08)	(79.08)
IIFL Wealth Management Limited	-	542.15	-	-	-	542.15
	-	(168.69)	-	-	-	(168.69)
IIFL Asset Management Limited	-	-	-	-	-	-
	-	-	-	(224.24)	-	(224.24)
KYRUSH INVESTMENTS	-	-	-	45.69	-	45.69
	-	-	-	-	-	-
IIFL Wealth Portfolio Managers Limited (Formerly known as IIFL Portfolio Managers)	-	-	-	249.10	-	249.10
	-	-	-	(1,248.88)	-	(1,248.88)
<b>Redemption/Buy Back of NCD</b>						
IIFL Wealth Portfolio Managers Limited (Formerly known as IIFL Portfolio Managers)	-	-	-	20,874.85	-	20,874.85
	-	-	-	(29,988.60)	-	(29,988.60)
IIFL Wealth Management Limited	-	376.63	-	-	-	376.63
	-	-	-	-	-	-

**IIFL WEALTH FINANCE LIMITED**
**Notes forming part of Financial Statements for the Year ended March 31, 2022**
**Note 40. Related Party Disclosures:**

Related party disclosures for the year ended 31st March, 2022

<b>Issue of NCD</b>						
<b>Nature of Transaction</b>	<b>Director/Key Managerial Person</b>	<b>Holding Company</b>	<b>Subsidiary Company</b>	<b>Fellow Subsidiaries</b>	<b>Other Related Parties</b>	<b>Total</b>
<b>Issue of NCD</b>						
IIFL Wealth Portfolio Managers Limited (Formerly known as IIFL Portfolio Managers)	-	-	-	876.77	-	876.77
	-	-	-	(2,492.26)	-	(2,492.26)
<b>Sale of Investment</b>						
IIFL Finance Limited (Formerly known as IIFL Holdings Limited)	-	-	-	-	(813.46)	(813.46)
IIFL Home Finance Limited	-	-	-	-	(224.97)	(224.97)
IIFL Facilities Services Limited	-	-	-	-	(50.01)	(50.01)
IIFL Wealth Portfolio Managers Limited (Formerly known as IIFL Portfolio Managers)	-	-	-	437.56	-	437.56
IIFL Wealth Management Limited	-	-	-	(1,356.34)	-	(1,356.34)
	-	(1,247.27)	-	-	-	(1,247.27)
<b>Interest Expense on NCD</b>						
IIFL Wealth Management Limited	-	13.77	-	-	-	13.77
IIFL Asset Management Limited	-	-	46.64	-	-	46.64
IIFL Wealth Portfolio Managers Limited (Formerly known as IIFL Portfolio Managers)	-	-	44.78	-	-	44.78
IIFL Investment Adviser & Trustee Services Limited	-	-	29.10	-	-	29.10
	-	-	-	-	-	-
<b>Fees Earned For Services rendered</b>						
IIFL Asset Management Limited	-	-	-	129.36	-	129.36
	-	-	-	(67.07)	-	(67.07)
IIFL Wealth Portfolio Managers Limited (Formerly known as IIFL Portfolio Managers)	-	-	-	165.74	-	165.74
	-	-	-	(118.24)	-	(118.24)
<b>Fees/Expenses incurred/Reimbursed For Services Procured</b>						
IIFL Wealth Distribution Services Limited	-	-	-	151.26	-	151.26
	-	-	-	(132.31)	-	(132.31)
IIFL Investment Adviser & Trustee Services	-	-	-	34.70	-	34.70
	-	-	-	(15.34)	-	(15.34)
IIFL Wealth Management Limited	-	63.76	-	-	-	63.76
	-	(63.76)	-	-	-	(63.76)
IIFL Wealth Altiore Limited (Formerly known as IIFL Wealth Altiore Limited)	-	-	-	-	-	-
	-	-	-	(0.12)	-	(0.12)
IIFL INC	-	-	-	-	-	-
	-	-	-	(47.56)	-	(47.56)
<b>Corporate Social Responsibility (CSR)</b>						
India Infoline Foundation	-	-	-	-	-	-
	-	-	-	-	-	-
IIFLW CSR Foundation	-	-	-	30.15	-	30.15
	-	-	-	(44.78)	-	(44.78)
<b>Allocation / Reimbursement of expenses</b>						
IIFLW CSR Foundation	-	-	-	-	-	-
	-	-	-	(0.43)	-	(0.43)
<b>Allocation / Reimbursement of expenses</b>						
IIFL Management Services Limited	-	-	-	-	0.16	0.16
	-	-	-	-	(0.05)	(0.05)
IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services)	-	-	-	1.31	-	1.31
	-	-	-	(0.75)	-	(0.75)
IIFL Wealth Management Limited	-	105.58	-	-	-	105.58
	-	(113.28)	-	-	-	(113.28)
<b>Other funds paid</b>						
IIFL Wealth Management Limited	-	136.46	-	-	-	136.46
	-	(143.73)	-	-	-	(143.73)
IIFL Asset Management Limited	-	-	-	0.07	-	0.07
	-	-	-	(0.01)	-	(0.01)
IIFL Wealth Portfolio Managers Limited (Formerly known as IIFL Portfolio Managers)	-	-	-	1.43	-	1.43
	-	-	-	(2.97)	-	(2.97)
IIFL Wealth Capital Markets Limited (Formerly known as L & T Capital Markets)	-	-	(0.04)	-	-	(0.04)
<b>Other funds received</b>						
IIFL Wealth Management Limited	-	53.09	-	-	-	53.09
	-	(1.50)	-	-	-	(1.50)
IIFL Asset Management Limited	-	-	-	2.80	-	2.80
	-	-	-	(0.74)	-	(0.74)
IIFL Wealth Portfolio Managers Limited (Formerly known as IIFL Portfolio Managers)	-	-	-	0.25	-	0.25
	-	-	-	(1.73)	-	(1.73)
IIFL Investment Advisors And Trustee Services Limited	-	-	-	0.04	-	0.04
	-	-	-	-	-	-
IIFL Wealth Capital Markets Limited (Formerly known as L & T Capital Markets)	-	-	(140.33)	-	-	(140.33)
IIFL Securities Limited	-	-	-	-	(0.07)	(0.07)

**IIFL WEALTH FINANCE LIMITED**
**Notes forming part of Financial Statements for the Year ended March 31, 2022**
**Note 40. Related Party Disclosures:**

Related party disclosures for the year ended 31st March, 2022

**(b) Amount due to/ from related parties (Outstanding balances)**

Nature of Transaction	Director/Key Managerial Person	Holding Company	Subsidiary Company	Fellow Subsidiaries	Other Related Parties	Total
<b>Sundry payables</b>						
IIFL Wealth Distribution Services Limited	-	-	-	52.63	-	52.63
(Formerly known as IIFL Distribution Services)	-	-	-	(28.82)	-	(28.82)
IIFL Wealth Management Limited	-	59.22	-	-	-	59.22
IIFL Investment Adviser & Trustee Services Limited	-	-	-	17.55	-	17.55
IIFL Management Services Limited	-	-	-	(16.95)	-	(16.95)
	-	-	-	-	-	-
	-	-	-	-	(0.03)	(0.03)
<b>Sundry receivables</b>						
IIFL Wealth Management Limited	-	-	-	-	-	-
	-	(121.38)	-	-	-	(121.38)
IIFL Asset Management Limited	-	-	-	39.90	-	39.90
	-	-	-	(23.21)	-	(23.21)
IIFL Investment Adviser & Trustee Services Limited	-	-	-	0.20	-	0.20
	-	-	-	(0.20)	-	(0.20)
IIFL Wealth Securities IFSC Limited	-	-	-	0.24	-	0.24
	-	-	-	(0.24)	-	(0.24)
IIFL Wealth Capital Markets Limited	-	-	0.31	-	-	0.31
(Formerly known as L & T Capital Markets)	-	-	(0.33)	-	-	(0.33)
IIFL Wealth Portfolio Managers Limited (Formerly known as IIFL Portfolio Managers)	-	-	-	57.63	-	57.63
IIFLW CSR Foundation	-	-	-	(39.78)	-	(39.78)
	-	-	-	-	-	-
	-	-	-	(0.50)	-	(0.50)
IIFL Securities Limited	-	-	-	-	-	-
	-	-	-	-	(0.07)	(0.07)
Mr. Yatin Shah	0.65	-	-	-	-	0.65
	-	-	-	-	-	-
Kyrush Investments	-	-	-	-	0.09	0.09
	-	-	-	-	(0.31)	(0.31)
<b>Receivables from Broker</b>						
IIFL Wealth Distribution Services Limited	-	-	-	18.01	-	18.01
(Formerly known as IIFL Distribution Services)	-	-	-	(163.08)	-	(163.08)
<b>Investment in NCD</b>						
IIFL Home Finance Limited	-	-	-	-	-	-
	-	-	-	-	(265.07)	(265.07)
Samasta Microfinance Limited	-	-	-	-	-	-
	-	-	-	-	(8.94)	(8.94)
<b>Issue of NCD</b>						
IIFL Wealth Management Limited	-	635.17	-	-	-	635.17
	-	-	-	-	-	-
IIFL Wealth Portfolio Managers Limited (Formerly known as IIFL Portfolio Managers)	-	-	-	1,374.00	-	1,374.00
	-	-	-	-	-	-
IIFL Investment Adviser & Trustee Services Limited	-	-	-	293.47	-	293.47
	-	-	-	-	-	-
<b>Loans Given</b>						
Mr. Yatin Shah	17.40	-	-	-	-	17.40
	-	-	-	-	-	-
Kyrush Investments	-	-	-	-	-	-
	-	-	-	-	(42.37)	(42.37)

**(c) Remunerations paid to Directors/Key Managerial Persons during the year ended March 31, 2022**

The table below describes the compensation to key managerial personnel which comprise directors and key managerial personnel

Particulars	2021-22	2020-21
	(Short term)	(Short term)
Salaries and other employee benefits to whole time directors and other KMPs	99.48	56.76
Commission and other benefits to non-executive /independent directors	4.04	3.20

**(D) Other notes**

1. Related party relationships and transactions have been identified by the Management and relied upon by the Auditors.
2. The remuneration to the key managerial person does not include provisions towards bonus and gratuity and other benefits as they are determined on actuarial basis for the Company as a whole.
3. Figures in bracket pertain to previous year.
4. Transactions shown above are excluding Goods & Services tax.

**Note 41. Disclosure Pursuant to Ind AS 107 "Financial Instruments: Disclosures"**

**Financial Risk Management**

While risk is inherent in the Company's activities, it is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls.

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.

The Risk Committee has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. The Risk Committee is responsible for managing risk decisions and monitoring risk levels and reports to the Supervisory Board.

The Company's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Group.

**41A.1. Credit Risk**

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Credit risk assessment on various components is described below:

**1) Lending operations – Loans**

The Lending Operations of the Company has a well-defined framework within which credit risk is assumed, managed and monitored. Credit risk management function closely oversees management and control of credit risks and associated operational risks. The credit proposals are evaluated having regard to specified prudent exposure limits and approved by the appropriate authority, approved by the Board of Directors (the Board) of the entity engaged in lending business. The risk management policies including exposure limits are defined and reviewed along with the Board.

The Company sanctions and monitors the loan based on underlying security offered by borrower. The Company has not implemented the system for credit grading of borrowers since most of its lendings are against liquid collaterals. In order to manage credit risk, Loan to Value (LTV) ratio is decided/re-adjusted at the time of sanction and on ongoing basis at the time of monitoring of loan.

The carrying amount of Loans arising from lending business which may be subject to credit risk are as per table below: (₹ in Mn)

Loans to customers		Apr 2021- Mar 2022			
Particulars	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	Purchased or originated credit-impaired financial assets (POCI)	Total
Loans*	38,578.12	777.30	-	-	39,355.42
<b>Total gross carrying amount</b>	<b>38,578.12</b>	<b>777.30</b>	<b>-</b>	<b>-</b>	<b>39,355.42</b>
Loss allowance	(193.56)	(0.30)	-	-	(193.86)
Carrying amount	38,384.56	777.00	-	-	39,161.56

\* Excluding Intercorporate deposits and Staff Loan

Loans to customers		Apr 2020- Mar 2021			
Particulars	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	Purchased or originated credit-impaired financial assets (POCI)	Total
Loans*	36,228.02	802.06	-	-	37,030.08
<b>Total gross carrying amount</b>	<b>36,228.02</b>	<b>802.06</b>	<b>-</b>	<b>-</b>	<b>37,030.08</b>
Loss allowance	(176.86)	(161.30)	-	-	(338.16)
Carrying amount	36,051.16	640.76	-	-	36,691.92

\* Excluding Intercorporate deposits, Staff Loan

**Reconciliation of Expected Credit Loss/ Impairment Loss allowance with regards to lending operations for F.Y 21-22 is as follows**

Particulars	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	Purchased or originated credit-impaired financial assets (POCI)	Total
Loss allowance as at 01.04.2021	176.86	161.30	-	-	338.16
Provision on loans originated during the year	42.55	-	-	-	42.55
Net change in provision on continuing loans	(161.71)	-	-	-	(161.71)
Provision on loans derecognised during the year	136.16	(161.30)	-	-	(25.14)
<b>Loss allowance as at 31.03.2022</b>	<b>193.86</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>193.86</b>

**Reconciliation of Expected Credit Loss/ Impairment Loss allowance with regards to lending operations for F.Y 20-21 is as follows**

Particulars	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	Purchased or originated credit-impaired financial assets (POCI)	Total
Loss allowance as at 01.04.2020	160.24	6.96	-	-	167.20
Provision on loans originated during the year	79.55	-	-	-	79.55
Net change in provision on continuing loans	91.00	154.35	-	-	245.35
Provision on loans derecognised during the year	(153.93)	-	-	-	(153.93)
<b>Loss allowance as at 31.03.2021</b>	<b>176.86</b>	<b>161.31</b>	<b>-</b>	<b>-</b>	<b>338.17</b>

In addition to loans from lending business, the company has outstanding loans under staff and Holding company/Fellow subsidiaries. The company has not made any provision on ECL as credit risk is considered insignificant.

For financial assets, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that the modification does not result in cash flows that are substantially different (thereby not resulting into derecognition), the modification gain/loss based on discounted cash flows on it is as below:

Particulars	As at 31st March 2022	As at 31st March 2021
Value of modified assets at the time of modification	-	792.93
Value of modified assets outstanding at end of year	-	802.06
Modification gain/ loss- Considered as ECL Provision	-	85.13

**IIFL WEALTH PRIME LIMITED**  
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**Notes forming part of Financial Statements for the Year ended March 31, 2022**

**Note 41. Disclosure Pursuant to Ind AS 107 "Financial Instruments: Disclosures"**

**Credit concentration and gradation**

The company provides loans mainly to High Net worth Individuals (HNIs) against securities/collaterals in the form of financial instruments (Loans against Securities - LAS). The Company does not have a significant concentration with regard to single/group borrower and industry.

The Company sanctions and monitors these loans based on underlying securities. In order to manage credit risk Loan to Value (representing value of securities/collateral against the loans outstanding) is decided/re-adjusted at the time of sanction and on ongoing basis as a part of monitoring of loans.

**2) Trade receivables, Other receivables and Other Financial Assets**

The Company's trade receivables primarily include receivables from mutual funds, alternative Investment funds on account of distribution business, customers under Portfolio Mnaagement scheme and Advisory services arrangements. The Company has made lifetime expected credit loss provision based on provision matrix which takes into account historical experience in collection and credit losses.

Credit Risk on Other Financial assets is considered insignificant considering the nature of such assets and absence of counterparty risk.

**3) Others**

In addition to the above, Balances and deposits with banks, Investments in bonds, debt securities and in units of funds and Derivative financial instruments also have exposure to credit risk. Credit risk on Balances and deposits with banks is considered to be insignificant.

**41B. Liquidity Risk**

Liquidity risk refers to the risk that the Company may not be able to meet its short-term financial obligations. The Company manages liquidity risk by maintaining sufficient cash and marketable securities and by having access to funding through an adequate amount of credit lines. Further, The Company has well defined Asset Liability Management (ALM) Framework with an appropriate organizational structure to regularly monitor and manage maturity profiles of financial assets and financial liabilities including debt financing plans, cash and cash equivalent instruments to ensure liquidity. The Company seeks to maintain flexibility in funding mix by way of sourcing the funds through money markets, debt markets and banks to meet its business and liquidity requirements.

The following table shows the maturity profile of Financial liabilities:

(₹ in Mn)

As at 31st March 2022						
Financial liabilities	Total	Less than 1 months	1 months to 6 months	6 months to 1 year	Between 1 to 5 years	5 years and above
Derivative financial instruments	1,405.70	-	1,026.81	170.17	-	208.72
Trade Payables	1,018.31	1,018.31	-	-	-	-
Debt Securities	48,008.08	249.06	24,886.91	5,063.20	15,508.11	2,300.81
Borrowings (Other than Debt Securities)	1,000.54	499.86	500.68	-	-	-
Subordinated Liabilities	3,956.54	-	1,795.00	-	2,161.54	-
Other financial liabilities	224.59	22.05	40.26	-	-	162.28
<b>Total</b>	<b>55,613.76</b>	<b>1,789.28</b>	<b>28,249.66</b>	<b>5,233.37</b>	<b>17,669.65</b>	<b>2,671.81</b>

As at 31st March 2021						
Financial liabilities	Total	Less than 1 months	1 months to 6 months	6 months to 1 year	Between 1 to 5 years	5 years and above
Derivative financial instruments	2,207.00	-	245.60	40.21	1,528.32	392.87
Trade Payables	355.25	355.25	-	-	-	-
Debt Securities	44,916.89	-	13,966.69	2,428.92	20,817.27	7,704.01
Borrowings (Other than Debt Securities)	1,043.90	541.56	502.34	-	-	-
Subordinated Liabilities	3,971.87	-	-	-	2,456.99	1,514.88
Other financial liabilities	357.88	29.55	17.83	-	-	310.48
<b>Total</b>	<b>52,852.79</b>	<b>926.36</b>	<b>14,732.46</b>	<b>2,469.13</b>	<b>24,802.58</b>	<b>9,922.24</b>

The classification of assets & liabilities under different maturity bucket is based on certain estimates and assumptions as used by the Company which has been relied upon by the auditors.

**41C. 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 as explained below

**41C.1 Currency Risk**

The Company does not have any closing position in foreign currency and hence it is not exposed to Foreign currency risk.

**41C.2 Interest rate risk**

The Company has considered interest rate risk on financial assets and liabilities accounted for on amortised cost basis.

The Company's exposure to changes in interest rates relates primarily to the Company's outstanding floating rate debt included in borrowings/debt securities.

The carrying amount of floating rate liabilities and related interest rate sensitivity is as below:

Particulars	(₹ in Mn)	
	As at 31st March 2022	As at 31st March 2021
Floating Rate Liabilities (Debt Securities and Borrowings)	2,943.24	6,450.25

A hypothetical 0.25% shift in underlying benchmark rates will have the below impact :

Impact on Profit and Loss after tax and equity	2021-22	2020-21
Increase of 0.25%	(5.51)	(12.07)
Decrease of 0.25% basis point	5.51	12.07

The loans arising from lending operations generally provide for reset of the interest rates based on its Prime lending Rate (PLR). The Company aims to reset PLR on its loan book on the basis of, inter-alia, actualized /expected change in its overall borrowing costs. This enables the Company to mitigate interest risk on revision/ repricing of interest bearing liabilities. As such the Company does not carry any interest rate risk on account of the above. As required under applicable accounting standard, impact of hypothetical change in PLR on its loan books by 0.25% would be as follows:

Particulars	(₹ in Mn)	
	As at 31st March 2022	As at 31st March 2021
Loans	39,355.42	37,030.08

  

Impact on Profit and Loss after tax and equity	2021-22	2020-21
Increase of 0.25%	73.63	69.28
Decrease of 0.25%	(73.63)	(69.28)

IIFL WEALTH PRIME LIMITED  
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Notes forming part of Financial Statements for the Year ended March 31, 2022

Note 41. Disclosure Pursuant to Ind AS 107 "Financial Instruments: Disclosures"

41C3. Other Price Risk

Other price risk is related to the change in market reference price of the derivative financial instruments, investments and debt securities which are fair valued and exposes the Company to price risks. The carrying amount of financial assets and liabilities subject to price risk is as below:

Particulars	₹ in Mn	
	As at 31st March 2022	As at 31st March 2021
<b>Financial Assets</b>		
Derivative financial instruments	1.29	1,518.97
Investments	24,866.13	22,026.57
	<b>24,867.42</b>	<b>23,545.54</b>
<b>Financial Liabilities</b>		
Derivative financial instruments	1,405.70	2,207.00
Debt securities	5,495.33	7,776.84
	<b>6,901.03</b>	<b>9,983.84</b>

The sensitivity analysis is done on the basis of a hypothetical 1% change in value of investments in alternative investment funds, and other investments and derivatives assets and liabilities that are equity linked. In respect of investments and borrowings that are interest rate sensitive, the impact is computed on the basis of a hypothetical change 0.25% in the interest rate over the duration of underlying instruments

Below is the sensitivity analysis for the year :

	2021-22	2020-21
<b>Increase</b>		
Impact on Profit and Loss after tax	77.21	62.14
Impact on Equity	77.21	62.14
<b>Decrease</b>		
Impact on Profit and Loss after tax	(77.21)	(62.14)
Impact on Equity	(77.21)	(62.14)

41D. Capital Management

The Company's capital management is intended to create value for shareholders. The assessment of Capital level and requirements are assessed having regard to long and short term strategies of the Company and regulatory capital requirements of its businesses and constituent entities. The Company maintains at all times sufficient capital comprising both of Tier I and Tier II capital as required under the prudential norms prescribed by the Reserve Bank of India. Capital adequacy as on March 31, 2022 was 23.61% comprising of Tier I was 23.18% and Tier II was 0.43% (please refer to Note 1. Disclosure as required under Annexure XIV of RBI Directions)

(₹ in Mn)

41E. Category Wise Classification for applicable Financial Assets and Liabilities					
Sr No.	Particulars	As at 31st March 2022			Total
		Measure at amortised cost	Measured at fair value through profit or loss(P/L)	Measured at fair value through other comprehensive income (OCI)	
	<b>Financial Assets</b>				
(a)	Cash and cash equivalents	3,429.61	-	-	3,429.61
(b)	Bank balance other than (a) above	-	-	-	-
(c)	Derivative financial instruments	-	1.29	-	1.29
(d)	Receivables	-	-	-	-
	(i) Trade receivables	892.51	-	-	892.51
	(ii) Other receivables	130.53	-	-	130.53
(e)	Loans	39,164.83	-	-	39,164.83
(f)	Investments	2,957.76	24,866.13	-	27,823.89
(g)	Other financial assets	496.06	-	-	496.06
	<b>Total</b>	<b>47,071.30</b>	<b>24,867.42</b>	<b>-</b>	<b>71,938.72</b>
	<b>Financial Liabilities</b>				
(a)	Derivative financial instruments	-	1,405.70	-	1,405.70
(b)	Payables	-	-	-	-
	(i) Trade payables	-	-	-	-
	(i) total outstanding dues of micro enterprises and	-	-	-	-
	(ii) total outstanding dues of creditors other than	1,018.31	-	-	1,018.31
(c)	Debt securities	42,512.75	5,495.33	-	48,008.08
(d)	Borrowings (other than debt securities)	1,000.54	-	-	1,000.54
(e)	Subordinated liabilities	3,956.54	-	-	3,956.54
(f)	Finance Lease Obligation	152.09	-	-	152.09
(g)	Other financial liabilities	224.59	-	-	224.59
	<b>Total</b>	<b>48,864.82</b>	<b>6,901.03</b>	<b>-</b>	<b>55,765.85</b>

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

Note 41. Disclosure Pursuant to Ind AS 107 "Financial Instruments: Disclosures"

Sr No.	Particulars	As at 31st March 2021			
		Measure at amortised cost	Measured at fair value through profit or loss(P/L)	Measured at fair value through other comprehensive income (OCI)	Total
	<b>Financial Assets</b>				
(a)	Cash and cash equivalents	1,301.29	-	-	1,301.29
(b)	Bank balance other than (a) above	450.26	-	-	450.26
(c)	Derivative financial instruments	-	1,518.97	-	1,518.97
(d)	Receivables				-
	(I) Trade receivables	610.51	-	-	610.51
	(II) Other receivables	370.26	-	-	370.26
(e)	Loans	36,694.31	-	-	36,694.31
(f)	Investments	2,957.76	22,026.57	-	24,984.33
(g)	Other financial assets	920.09	-	-	920.09
	<b>Total</b>	<b>43,304.48</b>	<b>23,545.54</b>	<b>-</b>	<b>66,850.00</b>
	<b>Financial Liabilities</b>				
(a)	Derivative financial instruments	-	2,207.00	-	2,207.00
(b)	Payables				-
	(i) Trade payables				-
	(ii) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
	(iii) total outstanding dues of creditors other than micro enterprises and small enterprises	355.25	-	-	355.25
(c)	Debt securities	37,140.05	7,776.84	-	44,916.89
(d)	Borrowings (other than debt securities)	1,043.90	-	-	1,043.90
(e)	Subordinated liabilities	3,971.87	-	-	3,971.87
(f)	Finance Lease Obligation	230.55	-	-	230.55
(g)	Other financial liabilities	357.88	-	-	357.88
	<b>Total</b>	<b>43,099.50</b>	<b>9,983.84</b>	<b>-</b>	<b>53,083.34</b>

41E.1. Fair values of financial instruments

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

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments. This include NAVs of the schemes of mutual funds.

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

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

The Company uses widely recognised valuation methods to determine the fair value of common and simple financial instruments, such as interest rate swaps, options, which use only observable market data as far as practicable. Observable prices or model inputs are usually available in the market for listed debt and equity securities, exchange-traded derivatives and simple OTC derivatives such as interest rate swaps.

41E. 1a. Financial instruments measured at fair value – Fair value hierarchy

The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised.

The amounts are based on the values recognised in the statement of financial position. The fair values include any deferred differences between the transaction price and the fair value on initial recognition when the fair value is based on a valuation technique that uses unobservable inputs.

(₹ in Mn)

Financial instruments measured at fair value	Recurring fair value measurements at 31.03.2022			
	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investments in mutual funds	3,884.58	-	-	3,884.58
Investments in debt securities	-	9,416.78	-	9,416.78
Investments in Government Securities	-	636.57	-	636.57
Investments in alternate investment funds	-	-	10,894.19	10,894.19
Investments in Others	-	34.01	-	34.01
Derivative financial assets	-	1.29	-	1.29
<b>Total Assets</b>	<b>3,884.58</b>	<b>10,088.65</b>	<b>10,894.19</b>	<b>24,867.42</b>
<b>Financial Liabilities</b>				
Bonds/ debentures	-	5,495.33	-	5,495.33
Derivative financial liabilities	-	1,405.70	-	1,405.70
<b>Total Liabilities</b>	<b>-</b>	<b>6,901.03</b>	<b>-</b>	<b>6,901.03</b>

Financial instruments measured at fair value	Recurring fair value measurements at 31.03.2021			
	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investments in mutual funds	1,228.43	-	-	1,228.43
Investments in debt securities	-	12,621.48	-	12,621.48
Investments in Government Securities	-	649.00	-	649.00
Investments in alternate investment funds	-	-	6,909.60	6,909.60
Investments in equity shares	-	-	249.90	249.90
Investments in Others	-	368.16	-	368.16
Derivative financial assets	-	1,518.97	-	1,518.97
<b>Total Assets</b>	<b>1,228.43</b>	<b>15,157.61</b>	<b>7,159.50</b>	<b>23,545.54</b>
<b>Financial Liabilities</b>				
Bonds/ debentures	-	7,776.84	-	7,776.84
Derivative financial liabilities	-	2,207.00	-	2,207.00
<b>Total Liabilities</b>	<b>-</b>	<b>9,983.84</b>	<b>-</b>	<b>9,983.84</b>



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Note 41. Disclosure Pursuant to Ind AS 107 "Financial Instruments: Disclosures"  
Reconciliation of Level 3 fair value measurements

Particulars	(₹ in Mn)	
	As at 31st March 2022	As at 31st March 2021
Opening Balance	7,159.50	7,516.44
Total gains or losses	-	-
- in profit or loss incl Mark to Market	1,987.86	1,175.09
Purchases	13,308.43	4,189.06
Disposal/ Settlements	(11,561.60)	(5,721.09)
Transfer out of Level 3	-	-
Closing Balance	10,894.19	7,159.50

41E. 1b Fair value of financial assets and financial liabilities measured at amortised cost

Financial Assets and liabilities which are measured at amortised cost for which fair values are disclosed	(₹ in Mn)			
	As at 31st March 2022		As at 31st March 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets</b>				
Cash and cash equivalents	3,429.61	3,429.61	1,301.29	1,301.29
Bank balance other than above	-	-	450.26	450.26
Receivables				
(I) Trade receivables	892.51	892.51	610.51	610.51
(II) Other receivables	130.53	130.53	370.26	370.26
Loans	39,164.83	39,164.83	36,694.31	36,694.31
Investments	2,957.76	2,957.76	2,957.76	2,957.76
Other financial assets	496.06	496.06	920.09	920.09
<b>Financial Liabilities</b>				
(I) Trade payables				
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,018.31	1,018.31	355.25	355.25
Finance Lease Obligation	152.09	152.09	230.55	230.55
Debt securities	42,512.75	39,173.71	37,140.05	34,144.65
Borrowings (other than debt securities)	1,000.54	1,000.54	1,043.90	1,043.90
Subordinated liabilities	3,956.54	3,165.64	3,971.87	3,329.50
Other financial liabilities	224.59	224.59	357.88	357.88

**Financial assets measured at amortised cost:**

The carrying amounts of cash and cash equivalents and other bank balances, trade and other receivables, loans and other financial assets are considered to be the same as their fair values due to their short term nature.

**Financial liabilities measured at amortised cost:**

The carrying amounts of trade payables and other financial liabilities are considered to be the same as their fair values due to their short term nature. The carrying amounts of borrowings with floating rate of interest are considered to be close to the fair value.

Financial Assets and liabilities which are measured at amortised cost for which fair values are disclosed	(₹ in Mn)			
	As at 31.03.2022			
	Level 1	Level 2	Level 3	Total
<b>Financial Liabilities</b>				
Debt securities	-	39,173.71	-	39,173.71
Subordinated liabilities	-	3,165.64	-	3,165.64
<b>Financial Assets and liabilities which are measured at amortised cost for which fair values are disclosed</b>				
<b>Financial Liabilities</b>				
Debt securities	-	34,144.65	-	34,144.65
Subordinated liabilities	-	3,329.50	-	3,329.50

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**Note 41. Disclosure Pursuant to Ind AS 107 "Financial Instruments: Disclosures"**

**41F. Capital management**

- (i) Risk management  
The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- (a) safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- (b) Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors capital on the basis of the following gearing ratio: Net debt (total borrowings net of cash and cash equivalents) divided by Total 'Equity' (as shown in the balance sheet).

The Company's gearing ratios were as follows: (₹ in Mn)

Particulars	As at 31st March 2022	As at 31st March 2021
Net Debts	52,965	49,933
Total Equity	18,988	16,940
<b>Net debt to equity ratio</b>	<b>2.79</b>	<b>2.95</b>

- (ii) In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.
- (iii) No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2022 and 31st March, 2021

**41G. Expenditure in Foreign Currency:**

(₹ in Mn)

Particulars	As at 31st March 2022	As at 31st March 2021
Information technology cost	38.93	40.57
Marketing expenses	20.28	32.03
Operating expenses	4.04	56.77
	<b>63.25</b>	<b>129.37</b>

**Note 42. Business Combination**

With a view to consolidate the distribution businesses of IIFL Wealth Management Limited under a single wholly owned subsidiary, it is proposed to demerge the distribution business from IIFL Wealth Prime Limited ("IWPL") to IIFL Wealth Distribution Services Limited ("IWDSL"). In this regard, the Boards of Directors of IIFL Wealth Capital Market Limited (IWCML) and IWPL and IWDSL have approved the Composite Scheme of Arrangement under Sections 230 to 232 of the Companies Act, 2013 ("Scheme"). In this Scheme, it is proposed to amalgamate IWCML with IWPL and transfer the distribution business from IWPL and IWCML to IWDSL. The appointed date for the Scheme is April 1, 2021 and the necessary accounting adjustments basis the scheme will be given effect to, upon receipt of necessary statutory and regulatory approvals.

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

**Note 43. Maturity analysis of assets and liabilities**

The table below shows an analysis of assets & liabilities analysed according to when they are expected to be recovered or settled

**Note 43.1. Maturity analysis of assets and liabilities as at March 31, 2022**

(₹ in Mn)

Sr. No.	Particulars	Within 12 months	After 12 months	Total
	<b>ASSETS</b>			
<b>1</b>	<b>Financial Assets</b>			
(a)	Cash and cash equivalents	3,429.61	-	3,429.61
(b)	Derivative financial instruments	0.30	0.99	1.29
(c)	Receivables			
	(I) Trade receivables	892.51	-	892.51
	(II) Other receivables	130.53	-	130.53
(d)	Loans (Refer foot note)	34,147.05	5,017.78	39,164.83
(e)	Investments	20,328.85	7,495.04	27,823.89
(f)	Other financial assets	365.76	130.30	496.06
<b>2</b>	<b>Non-Financial Assets</b>			
(a)	Current tax assets (net)	-	763.88	763.88
(b)	Property, plant and equipment	-	89.55	89.55
(c)	Goodwill	-	1,846.40	1,846.40
(d)	Other intangible assets	-	642.37	642.37
(e)	Right to use asset	-	128.29	128.29
(f)	Other non-financial assets	63.47	8.08	71.55
	<b>Total Assets</b>	<b>59,358.08</b>	<b>16,122.68</b>	<b>75,480.76</b>
	<b>LIABILITIES AND EQUITY</b>			
	<b>LIABILITIES</b>			
<b>1</b>	<b>Financial Liabilities</b>			
(a)	Derivative financial instruments	1,196.98	208.72	1,405.70
(b)	Payables			
	Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,018.31	-	1,018.31
	(II) Other payables			
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-
(c)	Finance Lease Obligation	77.01	75.08	152.09
(d)	Debt securities	30,199.17	17,808.91	48,008.08
(e)	Borrowings (other than debt securities)	1,000.54	-	1,000.54
(f)	Subordinated liabilities	1,795.00	2,161.54	3,956.54
(g)	Other financial liabilities	62.31	162.28	224.59
<b>2</b>	<b>Non-Financial Liabilities</b>			
(a)	Current tax liabilities (net)	77.01	-	77.01
(b)	Provisions	31.70	-	31.70
(c)	Deferred tax liabilities (net)	-	441.39	441.39
(d)	Other non-financial liabilities	176.85	-	176.85
<b>3</b>	<b>EQUITY</b>			
(a)	Equity share capital	-	3,054.94	3,054.94
(b)	Other equity	-	15,933.02	15,933.02
	<b>Total Liabilities and Equity</b>	<b>35,634.88</b>	<b>39,845.88</b>	<b>75,480.76</b>

**Foot note:**

- a) The amount has been bifurcated basis the residual tenure computed from the last due date specified in the saction letter.  
b) The classification of assets & liabilities under different maturity bucket is based on certain estimates and assumptions as used by the Company which has been relied upon by the auditors.

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Note 43.2. Maturity analysis of assets and liabilities as at March 31, 2021

(₹ in Mn)

Sr. No.	Particulars	Within 12 months	After 12 months	Total
	<b>ASSETS</b>			
<b>1</b>	<b>Financial Assets</b>			
(a)	Cash and cash equivalents	1,301.29	-	1,301.29
(b)	Bank balance other than (a) above	450.26	-	450.26
(c)	Derivative financial instruments	1,493.25	25.72	1,518.97
(d)	Receivables			-
	(I) Trade receivables	610.51	-	610.51
	(II) Other receivables	370.26	-	370.26
(e)	Loans	33,193.54	3,500.77	36,694.31
(f)	Investments	12,538.19	12,446.14	24,984.33
(g)	Other financial assets	571.96	348.13	920.09
<b>2</b>	<b>Non-Financial Assets</b>			
(a)	Current tax assets (net)	-	323.34	323.34
(b)	Property, plant and equipment	-	116.51	116.51
(c)	Capital work-in-progress	-	10.16	10.16
(d)	Goodwill	-	1,846.40	1,846.40
(e)	Other intangible assets	-	705.36	705.36
(f)	Right to use asset	-	206.41	206.41
(g)	Other non-financial assets	393.36	116.94	510.30
	<b>Total Assets</b>	<b>50,921.62</b>	<b>19,645.88</b>	<b>70,568.50</b>
	<b>LIABILITIES AND EQUITY</b>			
	<b>LIABILITIES</b>			
<b>1</b>	<b>Financial Liabilities</b>			
(a)	Derivative financial instruments	285.81	1,921.19	2,207.00
(b)	Payables			
	Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	355.25	-	355.25
	(II) Other payables			
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-
(c)	Finance Lease Obligation	96.52	134.03	230.55
(d)	Debt securities	16,395.60	28,521.29	44,916.89
(e)	Borrowings (other than debt securities)	1,043.90	-	1,043.90
(f)	Subordinated liabilities	-	3,971.87	3,971.87
(g)	Other financial liabilities	47.38	310.48	357.86
<b>2</b>	<b>Non-Financial Liabilities</b>			
(a)	Current tax liabilities (net)	238.13	-	238.13
(b)	Provisions	32.11	-	32.11
(c)	Deferred tax liabilities (net)	-	160.57	160.57
(d)	Other non-financial liabilities	114.35	-	114.35
<b>3</b>	<b>EQUITY</b>			
(a)	Equity share capital	-	3,054.94	3,054.94
(b)	Other equity	-	13,885.08	13,885.08
	<b>Total Liabilities and Equity</b>	<b>18,609.05</b>	<b>51,959.45</b>	<b>70,568.50</b>

**Foot note:**

- a) The amount has been bifurcated basis the residual tenure computed from the last due date specified in the saction letter.  
b) The classification of assets & liabilities under different maturity bucket is based on certain estimates and assumptions as used by the Company which has been relied upon by the auditors.

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

**Note 44. Share based payment**

Pursuant to the Employees Stock Options Scheme established by the Holding Company (i.e. IIFL Wealth Management Limited), stock options have been granted to the employees of the Company. Total cost incurred by the Holding Company in respect of the options granted to employees of the Company is recovered from the Company.

During the year ended March 31, 2022, the Holding Company has recovered ₹ 132.54 millions (P.Y. ₹ 133.35 millions) from the Company and later has been accounted under Employee benefit expenses.

**Note 45. Relationship with struck off companies**

Basis the information available there are no relations and transactions with Struck off companies during the year ended March 31, 2022 (Previous year: Nil)

**Note 46. Unhedged foreign currency exposure**

The Company does not have any unhedged foreign currency exposure as on 31st March, 2022 (Previous year: Nil)

**Note 47. Fraud**

There are no fraud reported/identified during the year ended March 31, 2022 (Previous year: NIL).

**Note 48. Subsequent Events**

There have been no significant events after the reporting date till the date of adoption of accounts that require disclosure in these financial statements.

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**Notes forming part of the standalone financial statements**

Note: 49 The following additional information is disclosed in the terms of Master Direction - Non-Banking Financial Company - Systematically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued by Reserve Bank of India vide circular no. RBI/DNBR/2016-17/45 Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 01, 2016 as amended (the "RBI Master Directions").

The disclosures as required by the RBI Master Directions has been prepared as per Indian Accounting Standards as mentioned in RBI circular RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020.

49.1 Capital :

₹ in million			
Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
i)	CRAR (%)	23.61%	23.11%
ii)	CRAR - Tier I Capital (%)	23.18%	22.06%
iii)	CRAR - Tier II Capital (%)	0.43%	1.05%
iv)	Amount of subordinated debt raised as Tier-II capital* (Repaid during the year ₹145.00 million , previous year ₹2,369.00 million)	2,441.68	2,456.99
v)	Amount raised by issue of Perpetual Debt Instruments (Raised during the year ₹ Nil, previous year ₹ Nil)	1,514.86	1,514.88
vi)	Percentage of the amount of Perpetual Debt Instruments of the amount of its Tier I Capital	9.82%	10.95%

\* Discounted value of ₹ 88.80 million (Previous year ₹ 475.40 million) considered for Tier II capital against the book value of ₹ 2,441.68 million (Previous year ₹ 2,456.99 million).

49.2 Investments :

₹ in million			
	Particulars	As at March 31, 2022	As at March 31, 2021
(1)	<b>Value of Investments</b>		
	(i) Gross Value of Investments		
	(a) In India	27,823.89	24,984.33
	(b) Outside India	-	-
	(ii) Provisions for Depreciation*		
	(a) In India	-	-
	(b) Outside India	-	-
	(iii) Net Value of Investments		
	(a) In India	27,823.89	24,984.33
	(b) Outside India	-	-
(2)	<b>Movement of provisions held towards depreciation on investments*</b>		
	(i) Opening balance	-	-
	(ii) Add : Provisions made during the year	-	-
	(iii) Less : Write-off / write-back of excess provisions during the year	-	-
	(iv) Closing balance	-	-

\*Provision for depreciation on Investments includes provision towards impairment of financial instruments.

49.3 Derivatives :

I) Forward Rate Agreement / Interest Rate Swap (also includes currency interest rate swaps)

₹ in million			
	Particulars	2021-22	2020-21
(i)	The notional principal of swap agreements	-	-
(ii)	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
(iii)	Collateral required by the NBFC upon entering into swaps	-	-
(iv)	Concentration of credit risk arising from the swaps	-	-
(v)	The fair value of the swap book	-	-

II) Exchange Traded Interest Rate (IR) Derivatives: The Company has not traded in Interest Rate Derivative during the financial year ended March 31,2022 (Previous year: NIL).

III) Disclosures on Risk Exposure in Derivatives

Qualitative Disclosure

Mark To Market (MTM) valuation of the derivatives are recorded in accordance with principles enunciated in Indian Accounting Standard 109 Financial Instruments. MTM Valuation is determined based on quotes available from exchange/ counter party/ rating agency.

The Company undertakes transactions in derivative products in the role of a user with counter parties. The Company deals in derivatives for balance sheet management i.e. covering its positions against underlying assets and liabilities exposure. Dealing in derivatives is carried out by the treasury department of the Company. The department is also responsible for assessing counterparty and market risk. The Company has put in place policy framework which covers various aspects of derivative exposures.

IV) Options Contract Outstanding as at

₹ in million			
	Option Contract	As at March 31, 2022	As at March 31, 2021
A	Total Premium Carried forward on Buy Option (Net of Provisions)	0.30	1,492.58
B	Total Premium Carried forward on Sell Option (Net of Provisions)	1.19	47.99
C	Net Receivable/(Payable)	(0.89)	1,444.59

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**49.4 Securitisation:**

i) The information on securitisation of the Company as an originator in respect of outstanding amount of securitised assets is given below:

		₹ in million	
Particulars		No. / Amount	
		As at March 31, 2022	As at March 31, 2021
1	No of SPVs sponsored by the NBFC for securitisation transactions	-	-
2	Total amount of securitised assets as per books of the SPVs sponsored	-	-
3	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet	-	-
	a) Off-balance sheet exposures	-	-
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures	-	-
	First loss	-	-
	Others	-	-
4	Amount of exposures to securitisation transactions other than MRR	-	-
	a) Off-balance sheet exposures	-	-
	i) Exposure to own securitisations	-	-
	First loss	-	-
	Loss	-	-
	ii) Exposure to third party securitisations	-	-
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures	-	-
	i) Exposure to own securitisations	-	-
	First loss	-	-
	Others	-	-
	ii) Exposure to third party securitisations	-	-
	First loss	-	-
	Others	-	-

ii) Details of securitisation transactions undertaken by applicable NBFCs

		₹ in million	
Particulars		F.Y. 2021-22	F.Y. 2020-21
(i)	No. of accounts	-	-
(ii)	Aggregate value (net of provisions) of accounts securitised	-	-
(iii)	Aggregate consideration	-	-
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v)	Aggregate gain / (loss) over net book value	-	-

iii) Details of Assignment transactions undertaken by applicable NBFCs

		₹ in million	
Particulars		F.Y. 2021-22	F.Y. 2020-21
(i)	No. of accounts	-	-
(ii)	Aggregate value (net of provisions) of accounts sold	-	-
(iii)	Aggregate consideration	-	-
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v)	Aggregate gain / (loss) over net book value*	-	-

\* Gain / (Loss) on assignment is amortised over the life of Portfolio.

iv) **Details of non-performing financial assets purchased/sold from/to NBFCs:** During the current and previous year, no non-performing financial assets has been purchased/sold from/to other NBFCs.

v) **Financial asset sold to Securitisation/Reconstruction company for Asset reconstruction:**

		₹ in million	
Particulars		F.Y. 2021-22	F.Y. 2020-21
1	No. of accounts sold	1	-
2	Aggregate value (net of provisions) of accounts sold to SC/RC (₹ million)	216.61	-
3	Aggregate consideration (₹ million)	230.00	-
4	Additional consideration realized in respect of accounts transferred in earlier years (₹ million)	-	-
5	Aggregate Gain/(Loss) over net book Value (₹ million)	13.39	-

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49.5 Exposures

(I) Exposure to Real Estate Sector

		₹ in million	
Particulars		As at March 31, 2022	As at March 31, 2021
<b>(a) Direct Exposure</b>			
<b>(i) Residential Mortgages -</b>			
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	657.77	936.80
<b>(ii) Commercial Real Estate -</b>			
	Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits	2,011.02	2,455.60
<b>(iii)</b>	Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
	a. Residential	-	-
	b. Commercial Real Estate	-	-
	<b>Total Direct Exposure to Real Estate Sector (a)</b>	<b>2,668.79</b>	<b>3,392.40</b>
<b>(b) Indirect Exposure</b>			
	a. Fund Based and non-fund based exposures on NHB / HFCS	-	-
	b. Any other	-	-
	<b>Total Indirect Exposure to Real Estate Sector (b)</b>	<b>-</b>	<b>-</b>
	<b>Total Exposure to Real Estate Sector (a+b)</b>	<b>2,668.79</b>	<b>3,392.40</b>

**Footnote:** Undisbursed commitments are considered as NIL on account of conditions precedent to disbursements.

(II) Exposure to Capital Market

		₹ in million	
Particulars		As at March 31, 2022	As at March 31, 2021
<b>(i)</b>	direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	30.01
<b>(ii)</b>	advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	17,538.43	6,627.00
<b>(iii)</b>	advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	16,766.92	24,736.10
<b>(iv)</b>	advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds/ convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
<b>(v)</b>	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
<b>(vi)</b>	loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
<b>(vii)</b>	bridge loans to companies against expected equity flows / issues;	-	-
<b>(viii)</b>	all exposures to Venture Capital Funds (both registered and unregistered)	-	-
	<b>Total Exposure to Capital Market</b>	<b>34,305.35</b>	<b>31,393.11</b>

**(III) Details of financing of parent company products:** The Company has no specific program for financing its parent company products. However, in its general lending business, the Company may have funded some entities which may have been customer(s) of its ultimate parent company.

**(IV) Single Borrower Limit (SBL) or Group Borrower Limit (GBL) as prescribed by the RBI.**

The company has not exceeded the Single Borrower Limit (SBL) or Group Borrower Limit (GBL) as prescribed by the RBI based on the net owned funds as on March 31, 2021.

**(V) Unsecured Advances:**

		₹ in million	
Particulars		As at March 31, 2022	As at March 31, 2021
	Term loans (loan repayable on demand)	1,743.75	980.07
	Debentures	-	-
	Personal Loans	-	-
	<b>Total</b>	<b>1,743.75</b>	<b>980.07</b>

Note : There are no advances outstanding as on 31st March 2022 against which intangible securities has been taken as collateral. (Previous year : Nil)



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**49.6 Miscellaneous**

**(I) Registration obtained from other financial sector regulators :**

The company holds the 'Corporate Agency License for Composite Insurance' obtained from Insurance Regulatory and Development Authority of India (IRDAI).  
The company also holds ARN (Association of Mutual fund of India Registration Number) for distribution business.

**(II) Penalties imposed by RBI and other regulators :** No penalties have been imposed by RBI or other regulators during the year. (Previous Year: NIL)

**(III) Ratings assigned by credit rating agencies and migration of ratings during the year**

Particular	F.Y. 2021-2022			F.Y. 2020-2021		
	CRISIL A1 + (A one Plus)	CARE A1 + (A one Plus)	ICRA A1 + (A one Plus)	CRISIL A1 + (A one Plus)	CARE A1 + (A one Plus)	ICRA A1 + (A one Plus)
(i) Commercial Paper	-	-	AA	-	-	AA
(ii) Non-Convertible Debentures	-	-	-	-	-	-
(iii) Long term Bank facilities	-	-	AA	-	-	AA
(iv) Subordinate Debts/Perpetual Debt	-	-	AA	-	-	AA
(v) Principal Protected Market-Linked Debenture	AA	-	AA	AA	-	AA

**(V) Postponements of revenue recognition:** Current year: NIL (Previous year: NIL)

**49.7 Provisions and Contingencies :**

**(I) Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account**

Particulars	F.Y. 2021-2022	2020-2021*
Provision on depreciation and investments	-	-
Provision on loan assets and other receivable	(144.09)	172.43
Provision made towards Income tax		
Current Tax	352.60	509.09
Deferred Tax (included impact of change in the rate on opening deferred tax)	278.52	(147.33)
Other Provision and Contingencies (with details)		
Loss on foreclosure of loans	36.22	-

\* Provision on loan assets and Provision for depreciation on Investments is considered as allowance for impairment loss on financial instruments.

**(II) Drawn down from reserves:** No draw down from reserves during the financial year (Previous year: NIL)

**49.8 Concentration of Advances, Exposures and NPAs**

**(I) Concentration of Advances**

Particulars	As at March 31, 2022	As at March 31, 2021
Total Advances to twenty largest borrowers	17,601.33	19,314.70
Percentage of advances to twenty largest borrowers to total advances of the Company	44.72%	51.46%

**(II) Concentration of Exposures**

Particulars	As at March 31, 2022	As at March 31, 2021
Total Exposure to twenty largest borrowers / customers <sup>#</sup>	24,827.02	26,793.30
Percentage of total exposure to twenty largest borrowers / customers to total exposure of the Company on borrowers / customers <sup>#</sup>	37.49%	42.86%

# Undisbursed commitments are considered as NIL on account of conditions precedent to disbursements.

**(III) Concentration of NPA**

Particulars	As at March 31, 2022	As at March 31, 2021
Total Exposure to top four NPA accounts	-	-

**(IV) Sector-wise NPAs**

Particulars	Percentage to Total Advances in that Sector	
	As at March 31, 2022	As at March 31, 2021
1 Agriculture & allied activities	0.00%	0.00%
2 MSME	0.00%	0.00%
3 Corporate borrowers	0.00%	0.00%
4 Services	0.00%	0.00%
5 Unsecured personal loans	0.00%	0.00%
6 Auto loans	0.00%	0.00%
7 Other personal loans	0.00%	0.00%

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**49.9 Movement of NPAs**

		₹ in million	
Particulars		F.Y. 2021-22	F.Y. 2020-21
(i)	Net NPAs to Net Advances (%)	0.00%	0.00%
(ii)	Movement of NPAs (Gross)		
	(a) Opening balance	-	-
	(b) Additions during the year	240.68	-
	(c) Reductions during the year	240.68	-
	(d) Closing balance	-	-
(iii)	Movement of Net NPAs		
	(a) Opening balance	-	-
	(b) Additions during the year	216.61	-
	(c) Reductions during the year	216.61	-
	(d) Closing balance	-	-
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
	(a) Opening balance	-	-
	(b) Provisions made during the year	24.07	-
	(c) Write-off / write-back of excess provisions	24.07	-
	(d) Closing balance	-	-

**49.10** Overseas assets (for those with joint ventures and subsidiaries abroad): Nil (Previous year: Nil)  
Off Balance Sheet SPVs sponsored: Nil (Previous year: Nil)

**49.11 Disclosure of customer complaints**

Particulars		F.Y. 2021-22	F.Y. 2020-21
(i)	No. of complaints pending at the beginning of the year	-	-
(ii)	No. of complaints received during the year	-	-
(iii)	No. of complaints redressed during the year	-	-
(iv)	No. of complaints pending at the end of the year	-	-

**49.12** Disclosures on COVID19 Regulatory Package - Asset Classification and Provisioning, in terms of RBI circular RBI/2019-20/220/DOR.No. BP.BC.63/ 21.04.048/ 2019-20 dated April 17, 2020 ("RBI Circular") and Resolution Framework for COVID-19-related Stress, in terms of RBI circular RBI/2020-21/16/DOR.No.BP.BC/3/21.04.048/2020-21 dated August 06, 2020 ("RBI Circular")

₹ in million					
Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loans	-	-	-	-	-
Corporate persons	-	-	-	-	-
<i>Of which, MSMEs</i>	-	-	-	-	-
Others	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

\*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016.

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**49.13 Asset Liability Management Maturity pattern of certain items of Assets and Liabilities**

₹ in million									
March 31, 2022	upto 30 /31 days	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-
Advances (gross)	475.74	168.77	819.18	8,492.76	8,385.08	21,017.16	-	-	39,358.69
Investments (net)	4,387.31	7,287.43	2,261.95	6,367.39	-	35.20	-	7,484.61	27,823.89
Borrowings	5,112.81	6,173.56	7,529.66	12,703.17	4,928.11	10,864.75	1,500.00	144.24	48,956.30
Foreign Currency assets	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-

₹ in million									
March 31, 2021	upto 30 /31 days	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-
Advances (gross)	5,273.50	2.70	2,504.90	9,517.30	15,328.80	3,607.50	-	-	36,234.70
Investments (net)	5,914.73	-	1,228.40	-	5,498.60	2,506.50	-	9,836.10	24,984.33
Borrowings	6,406.20	4,358.00	2,475.00	860.20	2,329.00	18,329.00	5,647.20	7,060.50	47,465.10
Foreign Currency assets	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-

**footnote:** In computing the above information, certain estimates, assumptions and adjustments have been made by the Management and relied upon by the auditors. The maturity is determined basis the behavioral pattern.

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49.14 Details of restructured accounts as on March 31, 2022

Type of Restructuring		Under CDR Mechanism										Others					Total				
		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total					
1	Restructured Accounts as on April 1, 2021	No. of borrowers	-	-	-	-	-	-	-	1	-	-	1	-	-	1	-	-	1		
		Amount outstanding Restructured facility only	-	-	-	-	-	-	802.06	-	-	802.06	-	802.06	-	-	802.06				
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
		Provision thereon	-	-	-	-	-	-	161.30	-	-	161.30	-	161.30	-	-	161.30				
2	Movement in balance for accounts appearing under opening balance	No. of borrowers	-	-	-	-	-	-	1	-	-	1	-	1	-	-	1				
		Amount outstanding Restructured facility only	-	-	-	-	-	-	(802.06)	-	-	(802.06)	-	(802.06)	-	-	(802.06)				
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
		Provision thereon	-	-	-	-	-	-	(161.30)	-	-	(161.30)	-	(161.30)	-	-	(161.30)				
3	Fresh restructuring during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
		Amount outstanding Restructured facility only	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
4	Upgradations to restructured standard category during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
		Amount outstanding Restructured facility only	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
5	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers	-	-	-	-	-	-	1	-	-	1	-	1	-	-	1				
		Amount outstanding Restructured facility only	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
6	Downgradations of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
		Amount outstanding Restructured facility only	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
7	Write-offs of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
		Amount outstanding Restructured facility only	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
8	Restructured Accounts as on March 31, 2022	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
		Amount outstanding Restructured facility only	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				

Note: Asset classification is as required under Master Direction - Non-Banking Financial Company - Systemically Important Non Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended, as asset classification is not defined under Indian Accounting Standards.

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49.14 Details of restructured accounts as on March 31, 2021

(₹ in million except no. of borrowers)

Type of Restructuring	Asset Classification		Under CDR Mechanism					Others					Total				
			Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	Restructured Accounts as on April 1, 2020	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding Restructured facility only	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Movement in balance for accounts appearing under opening balance	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding Restructured facility only	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Fresh restructuring during the year	No. of borrowers	-	-	-	-	-	-	-	1	-	-	1	-	1	-	1
		Amount outstanding Restructured facility only	-	-	-	-	-	-	-	802.06	-	-	802.06	-	802.06	-	802.06
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	161.30	-	-	161.30	-	161.30	-	161.30
4	Upgradations to restructured standard category during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding Restructured facility only	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding Restructured facility only	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Downgradations of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding Restructured facility only	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Write-offs of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding Restructured facility only	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Restructured Accounts as on March 31, 2021	No. of borrowers	-	-	-	-	-	-	-	1	-	-	1	-	1	-	1
		Amount outstanding Restructured facility only	-	-	-	-	-	-	-	802.06	-	-	802.06	-	802.06	-	802.06
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	161.30	-	-	161.30	-	161.30	-	161.30

Note: Asset classification is as required under Master Direction - Non-Banking Financial Company - Systemically Important Non Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended, as asset classification is not defined under Indian Accounting Standards.

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Note : 49.15  
Disclosures on Implementation of Indian Accounting Standards, in terms of RBI circular RBI/2019-20/170/DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020  
March 31, 2022

₹ in million

Asset Classification as per RBI Norms (1)	Asset classification as per Ind AS 109 (2)	Gross Carrying Amount as per Ind AS as on March 31, 2022* (3)	Loss Allowances (Provisions) as required under Ind AS 109 as on March 31, 2022 (4)	Net Carrying Amount as on March 31, 2022 (5)=(3)-(4)	Provisions required as per IRACP norms as on March 31, 2022 (6)	Difference between Ind AS 109 provisions and IRACP norms as on March 31, 2022 (7) = (4)-(6)
<b>Performing Assets</b>						
Standard	Stage 1	38,581.39	193.56	38,387.83	151.47	42.09
	Stage 2	777.30	0.30	777.00	3.02	-2.72
	<b>Subtotal of Performing Assets</b>	<b>39,358.69</b>	<b>193.86</b>	<b>39,164.83</b>	<b>154.49</b>	<b>39.37</b>
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage 3	-	-	-	-	-
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
	<b>Subtotal of Non-Performing Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Loss</b>	Stage 3	-	-	-	-	-
	<b>Subtotal</b>	<b>39,358.69</b>	<b>193.86</b>	<b>39,164.83</b>	<b>154.49</b>	<b>39.37</b>
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms						
Non fund base exposure	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>Stage 1</b>	<b>38,581.39</b>	<b>193.56</b>	<b>38,387.83</b>	<b>151.47</b>	<b>42.09</b>
	<b>Stage 2</b>	<b>777.30</b>	<b>0.30</b>	<b>777.00</b>	<b>3.02</b>	<b>-2.72</b>
	<b>Stage 3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total</b>	<b>39,358.69</b>	<b>193.86</b>	<b>39,164.83</b>	<b>154.49</b>	<b>39.37</b>

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Note : 49.15

Disclosures on Implementation of Indian Accounting Standards, in terms of RBI circular RBI/2019-20/170/DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020  
March 31, 2021

₹ in million

Asset Classification as per RBI Norms (1)	Asset classification as per Ind AS 109 (2)	Gross Carrying Amount as per Ind AS as on March 31, 2021 (3)	Loss Allowances (Provisions) as required under Ind AS 109 as on March 31, 2021 (4)	Net Carrying Amount as on March 31, 2021 (5)=(3)-(4)	Provisions required as per IRACP norms as on 31, 2021 (6)	Difference between Ind AS 109 provisions and IRACP norms as on 31, 2021 (7) = (4)-(6)
<b>Performing Assets</b>						
Standard	Stage 1	36,228.02	176.86	36,051.16	145.10	31.76
	Stage 2	-	-	-	-	-
<b>Subtotal of Performing Assets</b>		<b>36,228.02</b>	<b>176.86</b>	<b>36,051.16</b>	<b>145.10</b>	<b>31.76</b>
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage 2	802.06	161.30	640.76	161.30	-
Substandard	Stage 3	-	-	-	-	-
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
<b>Subtotal of Non-Performing Assets</b>		<b>802.06</b>	<b>161.30</b>	<b>640.76</b>	<b>161.30</b>	<b>-</b>
<b>Loss</b>						
<b>Subtotal</b>		<b>37,030.08</b>	<b>338.16</b>	<b>36,691.92</b>	<b>306.40</b>	<b>31.76</b>
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms						
Non fund base exposure						
	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
<b>Subtotal</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>						
	Stage 1	36,228.02	176.86	36,051.16	145.10	31.76
	Stage 2	802.06	161.30	640.76	161.30	-
	Stage 3	-	-	-	-	-
<b>Total</b>		<b>37,030.08</b>	<b>338.16</b>	<b>36,691.92</b>	<b>306.40</b>	<b>31.76</b>

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**Note 49.16 Disclosures as required for liquidity risk.**

**A) Funding Concentration based on significant counterparty (both deposits and borrowings)**

Particulars	March 31, 2022	March 31, 2021
Number of significant counter parties*	13	6
Amount ( In million)	19,831.80	7,730.20
Percentage of funding concentration to total deposits	N.A	N.A
Percentage of funding concentration to total liabilities	34.27%	14.41%

\*Significant counterparty is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated 4 November 2019 on Liquidity Risk Management Framework for Non Banking Financial Companies and Core Investment Companies.

**B) Top 20 large deposits- Nil**

**C) Top 10 borrowings**

₹ in million

Particulars	March 31, 2022	March 31, 2021
Total amount of top 10 borrowings ( in million)	17,726.80	9,595.20
Percentage of amount of top 10 borrowings to total borrowings	33.47%	20.70%

**D) Funding Concentration based on significant instrument/product**

Particulars	March 31, 2021		March 31, 2020	
	Amount In million	% of Total Liabilities	Amount In million	% of Total Liabilities
Non-convertible debentures	35,754.03	61.79%	42,941.92	80.01%
Sub-ordinated debts/Perpetual Debt	3,956.54	6.84%	3,971.87	7.40%
Commercial paper	12,254.05	21.18%	1,974.97	3.68%
CBLO Borrowings	499.86	0.86%	541.56	1.01%
Bank borrowing	500.68	0.87%	-	0.00%

**E) Stock Ratio**

Particulars	March 31, 2022	March 31, 2021
a) Commercial papers as % total liabilities	21.69%	3.68%
b) Commercial papers as a % of total assets	16.23%	2.80%
c) Commercial papers as a % of total Public funds	23.36%	4.31%
d) Non-convertible debenture (original maturity of less than one year) as a % of total liabilities	-	-
e) Non-convertible debenture (original maturity of less than one year) as a % of total assets	-	-
f) Other short term liabilities, if any as % of total assets	17.56%	4.27%
g) Other short term liabilities, if any as % of total liabilities	23.46%	5.62%
h) Other short term liabilities, if any as % of total Public funds	25.26%	6.58%

Institutional set-up for liquidity risk Management- The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed to in the course of conducting its business. The Board approves the governance structure, policies, strategy and the risk limits for the management of liquidity risk. The Board of Directors approves the constitution of the Risk Management Committee (RMC) for the effective supervision, evaluation, monitoring and review of various aspects and types of risks, including liquidity risk, faced by the Company. Further, the Board of Directors also approves constitution of Asset Liability Committee (ALCO), which functions as the strategic decision-making body for the asset-liability management of the Company from risk return perspective and within the risk appetite and guard-rails approved by the Board. The main objective of ALCO is to assist the Board and RMC in effective discharge of the responsibilities of asset-liability management, market risk management, liquidity and interest rate risk management and also to ensure adherence to risk tolerance/limits set up by the Board. ALCO provides guidance and directions in terms of interest rate, liquidity, funding sources, and investment of surplus funds. ALCO meetings are held once in a quarter or more frequently as warranted from time to time.



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**49.17 Disclosure on Liquidity Coverage Ratio**

Liquidity Coverage Ratio (LCR) aims to ensure that NBFC's maintains an adequate level of unencumbered High Quality Liquidity Asset (HQLAs) that can be converted into cash to meet liquidity needs for a 30 calendar day time horizon under a significantly severe liquidity stress scenario. The Company has robust liquidity risk management framework in place that ensures sufficient liquidity including a cushion of unencumbered, high quality liquid assets, to withstand a range of stress events, including those involving the loss or impairment of both unsecured and secured funding sources. The Company has been able to manage LCR quite higher than the minimum requirement of 60%. HQLA comprises of unencumbered Bank Balances, Cash in Hand, Liquid Investments after appropriate haircut. The Company maintains sufficient balance of Cash and Bank Balance and Liquid Investments which can be easily liquidated in times of stress. Liquidity Coverage Ratio results drive by inflow of next 30 days receivable on loans and advances and corresponding outflow over the next 30 days towards borrowings and other liabilities.

₹ in million

Sr No.	Particulars	As on March 31, 2022		For the quarter ended March 31, 2022		For the quarter ended December 31, 2021		For the quarter ended September 30, 2021		For the quarter ended June 30, 2021		As on March 31, 2021	
		Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value
1	<b>Total High Quality Liquid Assets (HQLA)</b>	<b>3,741.39</b>	<b>3,703.69</b>	<b>2,474.17</b>	<b>2,443.84</b>	<b>3,147.14</b>	<b>2,902.96</b>	<b>3,827.12</b>	<b>3,512.28</b>	<b>4,471.88</b>	<b>4,232.66</b>	<b>4,324.00</b>	<b>3,422.70</b>
	1.Cash and Bank	2,050.02	2,050.02	544.91	544.91	423.42	423.42	529.74	529.74	1,014.49	1,014.49	801.30	801.30
	2.Liquid Investments	1,691.37	1,653.67	1,929.27	1,898.94	2,723.72	2,479.54	3,297.38	2,982.55	3,457.38	3,218.17	3,522.70	2,621.40
	<b>Cash Outflows</b>												
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	-	-	-	-	-	-	-	-	58.00	66.70	-	-
4	Secured wholesale funding	-	-	1,050.11	1,207.63	178.36	205.12	207.08	238.15	454.91	523.15	541.60	622.80
5	Additional requirements, of which	-	-	-	-	-	-	-	-	-	-	-	-
(i)	Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-	-	-	-	-
(ii)	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-	-	-	-	-
(iii)	Credit and liquidity facilities	-	-	-	-	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	250.00	287.50	5,191.84	5,970.62	10,109.29	11,625.68	12,106.84	13,922.86	7,730.70	8,890.30	-	-
7	Other contingent funding obligations	-	-	-	-	-	-	-	-	-	-	-	-
8	<b>TOTAL CASH OUTFLOWS</b>	<b>250.00</b>	<b>287.50</b>	<b>6,241.95</b>	<b>7,178.25</b>	<b>10,287.65</b>	<b>11,830.80</b>	<b>12,313.92</b>	<b>14,161.01</b>	<b>8,243.61</b>	<b>9,480.15</b>	<b>541.60</b>	<b>622.80</b>
	<b>Cash Inflows</b>												
9	Secured lending	4,365.47	3,274.10	7,657.65	5,743.24	39,232.78	29,424.59	44,118.34	33,088.76	26,374.62	19,780.96	1,228.50	921.40
10	Inflows from fully performing exposures	-	-	-	-	-	-	-	-	-	-	-	-
11	Other cash inflows	-	-	1,055.00	791.25	791.43	593.57	271.54	203.65	923.85	692.88	-	-
12	<b>TOTAL CASH INFLOWS</b>	<b>4,365.47</b>	<b>3,274.10</b>	<b>8,712.65</b>	<b>6,534.49</b>	<b>40,024.21</b>	<b>30,018.16</b>	<b>44,389.88</b>	<b>33,292.41</b>	<b>27,298.46</b>	<b>20,473.85</b>	<b>1,228.50</b>	<b>921.40</b>
	<b>Total Adjusted Value</b>												
13	TOTAL HQLA		3,703.69		2,443.84		2,902.96		3,512.28		4,232.66		3,422.70
14	TOTAL NET CASH OUTFLOWS		71.88		1,794.56		2,957.70		3,540.25		2,370.04		155.7
15	LIQUIDITY COVERAGE RATIO (%)		5152.96%		136%		98%		99%		179%		2198%

Note :

1. Unweighted values calculated as outstanding balances maturing or callable within one month (for inflows and outflows). Averages are calculated basis simple average of month-end observations.
2. Weighted values calculated after the application of respective haircuts (for HQLA) and stress factors on inflow (75%) and outflow (115%).
3. All of the HQLA, cash inflows and outflows are in rupee terms and there is no currency mismatch.
4. The figures for the quarter end December 2021, September 2021 and June 2021 are based on reviewed results.

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**Note : 49.18**

Schedule to the Balance Sheet of a non-deposit taking non-banking financial company (as required in terms of paragraph 19 of Master Direction - Non-Banking Financial Company - Systematically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued vide Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 01, 2016 as amended)

**Liabilities Side:**

**1. Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:**

₹ in million

Particulars	As at March 31, 2022		As at March 31, 2021	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
(a) Debentures :				
- Secured	35,754.03	-	42,941.92	-
- Unsecured	3,956.54	-	3,971.87	-
(Other than falling within the meaning of Public Deposits)*				
(b) Deferred Credits	-	-	-	-
(c) Term Loans	-	-	-	-
(d) Inter-Corporate Loans and borrowings	-	-	-	-
(e) Commercial Paper (Net off unexpired discounting charges)	12,254.05	-	1,974.97	-
(f) Public Deposits	-	-	-	-
(g) Other Loans	-	-	-	-
i) Bank Overdraft, Cash credit & Working Capital Demand Loan	500.68	-	502.34	-
ii) Corporate Bond Repo and Collateralized Borrowing and Lending Obligation	499.86	-	541.56	-

\* Refer footnote 1 below

**2 Break-up of 1(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :**

₹ in million

Particulars	As at March 31, 2022		As at March 31, 2021	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
(a) In the form of Unsecured debentures	-	-	-	-
(b) In the form of partly secured debentures i.e. debentures where	-	-	-	-
(c) Other public deposits	-	-	-	-

\* Refer footnote 1 below

**Assets Side:**

**3. Break-up of Loans and Advances including bills receivables [Other than those included in (4) below] :**

₹ in million

Particulars	Amount Outstanding	
	As at March 31, 2022	As at March 31, 2021
(a) Secured (net of provision)	37,422.49	35,714.24
(b) Unsecured (net of provision)	1,742.34	980.07

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**4. Break-up of Leased Assets and Stock on Hire and hypothecation loans counting towards AFC activities**

₹ in million

Particulars	Amount Outstanding	
	As at March 31, 2022	As at March 31, 2021
(i) Lease assets including lease rentals under sundry debtors :		
(a) Financial Lease	-	-
(b) Operating Lease (net of provision)	-	-
(ii) Stock on hire including hire charges under sundry debtors :		
(a) Assets on Hire	-	-
(b) Repossessed Assets	-	-
(iii) Other loans counting towards AFC activities :		
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-

**5. Break-up of Investments (net off diminution) :**

₹ in million

Particulars	Amount Outstanding	
	As at March 31, 2022	As at March 31, 2021
<b>Current Investments</b>		
<b>1 Quoted</b>		
(i) Shares :		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	3,694.95	1,201.10
(iii) Units of Mutual Funds	3,884.58	1,228.40
(iv) Government Securities	636.57	649.10
(v) Others	-	330.10
<b>2 Unquoted</b>		
(i) Shares :		
(a) Equity	-	140.00
(b) Preference	-	-
(ii) Debentures and Bonds	4,718.73	4,979.10
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Units of Alternate Investment Funds	7,360.01	3,989.20
(vi) Others	34.11	38.03
<b>Long Term Investments</b>		
<b>1 Quoted</b>		
(i) Shares :		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	949.08	4,086.00
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
<b>2 Unquoted</b>		
(i) Shares :		
(a) Equity	2,957.76	3,067.70
(b) Preference	-	-
(ii) Debentures and Bonds	53.92	2,355.20
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Units of Alternate investment funds	3,534.18	2,920.40

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**6. Borrower group-wise classification of assets financed as in (3) and (4) above (see footnote 2 below) :**

₹ in million

Category	As at March 31, 2022		As at March 31, 2021	
	Secured (net of provision)	Unsecured (net of provision)	Secured (net of provision)	Unsecured (net of provision)
1 Related Parties **				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	17.40	-	42.36	-
2 Other than related parties	37,405.09	1,742.34	35,671.88	980.07
<b>Total</b>	<b>37,422.49</b>	<b>1,742.34</b>	<b>35,714.24</b>	<b>980.07</b>

\*\* As per Indian Accounting Standard issued by MCA (Please see footnote 3)

**7. Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):**

₹ in million

Category	As at March 31, 2022		As at March 31, 2021	
	Market value/Breakup Value/ Fair Value / NAV	Book Value (Net of Provision)	Market value/Breakup Value/ Fair Value / NAV	Book Value (Net of Provision)
1 Related Parties**				
(a) Subsidiaries	2,957.76	2,957.76	2,957.76	2,957.76
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	274.00	274.00
2 Other than related parties	24,866.13	24,866.13	21,752.57	21,752.57
<b>Total</b>	<b>27,823.89</b>	<b>27,823.89</b>	<b>24,984.33</b>	<b>24,984.33</b>

\*\* As per Indian Accounting Standard issued by MCA (Please see footnote 3)

**8. Other Information**

₹ in million

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Gross Non-Performing Assets	-	-
(a) Related parties	-	-
(b) Other than related parties	-	-
(ii) Net Non-Performing Assets	-	-
(a) Related parties	-	-
(b) Other than related parties	-	-
(iii) Assets acquired in satisfaction of debt (Gross)	-	-

**Footnotes:**

- As defined in point xxvii of paragraph 3 of Chapter -II of the RBI Master Directions.
- Provisioning norms shall be applicable as prescribed in Indian Accounting Standards by MCA.
- All Indian Accounting Standards issued by MCA are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt.

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**Note: 50 A** The disclosure on the following matters required under Schedule III as amended not being relevant or applicable in case of the Company, same are not covered such as

- a. The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- b. There are no transaction which have not been recorded in the books.
- c. The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- d. No Registration or satisfaction of charges are pending to be filed with ROC.

**Note: 50 B** a) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**Note : 51 Standards issued but not yet effective**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 01 April, 2022, as below:

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after 01 April, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after 01 April, 2022, although early adoption is permitted. The Company has evaluated the amendment there is no impact on its financial statements.

**Note : 52** Previous year figures have been regrouped/reclassified whenever necessary, to make them comparable with the current year figures.

In terms of our report attached

**For Singhi & Co.**

Chartered Accountants

Firm Registration Number: 302049E

**For and on behalf of the board of directors of**

**Shweta Singhal**

Partner

Membership No: 414420

**Himanshu Jain**

Whole Time Director  
and Chief Executive Officer

(DIN: 02052409)

**Yatin Shah**

Whole Time Director

(DIN: 03231090)

**Sanjay Wadhwa**

Chief Financial Officer

**Amit Bhandari**

Company Secretary

Place : Mumbai

Date : May 03, 2022

Place : Mumbai

Date : May 03, 2022

**Form AOC-I (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)**

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures.

**Part "A": Subsidiaries**

Particular	Reporting Currency	Share Capital	Reserves & Surplus	Exchange Rate	Total Assets	Total Liabilities	Investments	Total Turn over / Income	Profit/(Loss) before taxation	Provision for taxation (including deferred tax)	Profit after taxation	Proposed Dividend	% of shareholding
IIFL Wealth Capital Market Ltd	INR	52.31	17.50	1.00	72.52	5.71	55.03	32.33	(0.20)	(0.04)	(0.16)	-	100.00%

## Independent Auditor's Report

To  
The Members of  
**IIFL Wealth Prime Limited**

### REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

#### Opinion

We have audited the accompanying consolidated financial statements of IIFL Wealth Prime Limited (the "Holding Company") and its subsidiary, (Holding Company and its subsidiary together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at March 31, 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditor on separate financial statements of the subsidiary referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the 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 consolidated state of affairs of the Group as at March 31, 2022, and their consolidated profit and other comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibility for the Audit* of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with these ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made 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 obtained by us and other auditors in terms of their reports referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### Emphasis of Matter

We draw attention to Note 38 of the Consolidated Financial Statements, which elaborates about the Composite Scheme of Arrangement filed to demerge the distribution business from the Group w.e.f. April 1, 2021, wherein necessary statutory and regulatory approvals are yet to be received. Post receipt of regulatory approvals and on completion of the related procedural aspects towards the scheme, effect of such scheme will be given in the books of accounts

Our opinion is not modified in respect of this matter.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be key audit matters to be communicated in our report.

### Key Audit Matters of Holding Company

Sr. No.	Key audit matters	How our audit addressed the key audit matter
1.	<p><b>Information Technology (IT) Systems and Controls</b></p> <p>The Holding Company's key financial accounting and reporting processes are highly dependent on the automated controls over the Company's information systems, such that there exists a risk that gaps in the IT general control environment could result in a misstatement of the financial accounting and reporting records. Accordingly, we have considered user access management, segregation of duties and controls over system change over key financial accounting and reporting systems, as a key audit matter.</p>	<p><b>Our Audit Approach:</b></p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following</p> <p><b>General IT controls design, observation and operation:</b></p> <ul style="list-style-type: none"> <li>➤ Tested key controls operating over the information technology in relation to financial accounting and reporting systems, including system access and system change management, program development and computer operations.</li> </ul> <p><b>User access controls operation:</b></p> <ul style="list-style-type: none"> <li>➤ Obtained management's evaluation of the access rights granted to applications relevant to financial accounting and reporting systems and tested resolution of a sample of expectations.</li> <li>➤ Further, we assessed the operating effectiveness of controls over granting, removal and appropriateness of access rights.</li> </ul> <p><b>Application controls:</b></p> <ul style="list-style-type: none"> <li>➤ We tested the design and operating effectiveness of automated controls critical to financial accounting and reporting.</li> <li>➤ For any identified deficiencies, tested the design and operating effectiveness of compensating controls and, where necessary, extended the scope of our substantive audit procedures</li> </ul>
2.	<p><b>Expected Credit Loss (ECL) on Loans and Advances</b></p> <p>Ind AS 109: Financial Instruments ("Ind AS 109") requires the Holding Company's to provide for impairment of its Loan &amp; Advances and Investments ("Financial Instruments") using the Expected Credit Losses ("ECL") approach. ECL involves an estimation of probability-weighted loss on Financial Instruments over their life, considering reasonable and</p>	<p><b>Our Audit Approach:</b></p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> <li>a) Evaluating the Holding Company's accounting policies for impairment of Financial Instruments and assessing compliance with the policies in terms of Ind AS 109: Financial Instruments.</li> <li>b) Enquired with the management with respect to implementation of any resolution plan under Reserve Bank of India circular</li> </ul>



Sr. No.	Key audit matters	How our audit addressed the key audit matter
	<p>supportable information about past events, current conditions, and forecasts of future economic conditions which could impact the credit quality of the Holding Company's loans and advances and Investments.</p> <p>In the process, a significant degree of judgement has been applied by the management for:</p> <p>a) Defining qualitative/ quantitative thresholds for 'significant increase in credit risk' ("SICR") and 'default'</p> <p>b) Determining effect of less frequent past events on future probability of default</p> <p>c) Determining macro-economic factors impacting credit quality of receivables</p> <p>d) Data inputs - The application of ECL model requires inputs from several data sources.</p>	<p>for Resolution framework for COVID-19 related Stress.</p> <p>c) Evaluated the reasonableness of the management estimates by analyzing the underlying assumptions and testing of controls around data extraction / validation.</p> <p>d) Assessed the criteria for staging of loans based on their past-due status to check compliance with requirement of Ind AS 109. Tested samples of performing (stage 1) loans to assess whether any SICR or loss indicators were present requiring them to be classified under stage 2 or 3.</p> <p>e) Assessed the additional considerations applied by the management to conclude that there is "Significant increase in credit risk" or that event of "Default" has occurred.</p> <p>f) Tested the ECL model, including assumptions and underlying computation.</p> <p>g) Tested the arithmetical accuracy of computation of ECL provision performed by the Holding Company.</p> <p>h) Read and assessed the disclosures included in the Ind AS financial statements in respect of expected credit losses with the requirements of Ind AS 107 Financial Instruments: Disclosure ("Ind AS 107") and Ind AS 109.</p>

### Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises of the information included in the Directors Report but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed and based on the work/audit report of others auditors, 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.

### Managements and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Indian Accounting Standards (Ind AS)

specified under section 133 of the Act and other accounting principles generally accepted in India. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

#### **Auditor's Responsibility for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary 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 the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.

However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditor's. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditor's 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**

- a) We did not audit the financial statements of a subsidiary whose financial statements reflect total assets (before consolidation adjustments) of Rs. 755.15 million as at March 31, 2022, total revenues (before consolidation adjustments) of Rs. 323.27 million, total net loss after tax of Rs. 1.56 million for the year, total comprehensive loss of Rs. 0.19 million for the year and net cash outflow (before consolidation adjustments) amounting to Rs. 484.72 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the audit reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors referred to above paragraph.

- b) The Consolidated Financial Statements of the Holding for the year ended March 31, 2021 have neither been reviewed nor audited by the predecessor auditor.

Our opinion is not modified in respect of the above matter.

## Report on Other Legal and Regulatory Requirements

1.

- A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiary as was audited by other auditor, as noted in the other 'other matters' paragraph, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Holding Company so far as it appears from our examination of those books and the reports of the other auditors.
  - c) The consolidated balance sheet, the consolidated statement of profit and loss (including Other Comprehensive Income), the consolidated statement of cash flows and consolidated statement of changes in equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors of the holding company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of subsidiary company, none of the directors of the Holding Company and its subsidiary is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiary company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- B. 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, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements of the subsidiary as noted in 'other matters' paragraph:
- a. The Group has disclosed the impact of pending litigations as at March 31, 2022 on its financial position in its consolidated financial statements – Refer Note 35 to the consolidated financial statements.
  - b. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary during the year ended March 31, 2022.
  - d. (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its Subsidiary Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Holding Company, or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company or its Subsidiary Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its Subsidiary Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.

- e. The Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable. The Subsidiary Company has not proposed or paid any dividend for the year.

C. 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 according to the information and explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197 (16) which are required to be commented upon by us. The Subsidiary Company has not paid or provided for any remuneration to the directors during the year.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor’s Report) Order, 2020 (the “Order”/ “CARO”) issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor’s report, according to the information and explanations given to us, and based on the CARO reports for the companies included in the consolidated financial statements, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For Singhi & Co.  
Chartered Accountants  
ICAI Firm Registration Number: 302049E

**Shweta Singhal**  
Partner  
Membership Number: 414420

Place: Mumbai  
Date: May 03, 2022  
UDIN No: 22414420ALYHTK4782

## **Annexure “A” to the Independent Auditor’s Report on the Consolidated Financial Statements of IIFL Wealth Prime Limited for the year ended March 31, 2022**

### **Report on the Internal Financial Controls over financial reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)**

(Referred to in paragraph (A) (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

#### **Opinion**

We have audited the internal financial controls over financial reporting of IIFL Wealth Prime Limited (the “Company”) as of March 31, 2022 in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date.

In our opinion, the Holding company and its subsidiary, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial controls over financial reporting established by respective companies 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 (the “ICAI”).

#### **Other Matters**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to subsidiary company, is based on the corresponding reports of the auditors of such company.

#### **Management’s Responsibility for Internal Financial Controls**

The respective Boards of Directors of the Company and its subsidiary companies, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI. 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 the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal financial controls over financial reporting (“Guidance Note”) issued by the ICAI and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the

assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary companies.

**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.

For Singhi & Co.  
Chartered Accountants  
ICAI Firm Registration Number: 302049E

**Shweta Singhal**  
Partner  
Membership Number: 414420

Place: Mumbai  
Date: May 03, 2022  
UDIN No: 22414420ALYHTK4782

IIFL WEALTH PRIME LIMITED  
(FORMERLY IIFL WEALTH FINANCE LIMITED)  
CIN: U65990MH1994PLC080646  
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2022

(₹ in Mn)

Sr. No.	Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
	<b>ASSETS</b>			
<b>1</b>	<b>Financial Assets</b>			
(a)	Cash and cash equivalents	3	3,563.70	1,920.19
(b)	Bank balance other than cash and cash equivalents	4	-	450.26
(c)	Derivative financial instruments	5	1.29	1,518.97
(d)	Receivables	6		
	(I) Trade receivables		915.80	672.45
	(II) Other receivables		130.53	370.26
(e)	Loans	7	39,164.83	36,694.31
(f)	Investments	8	25,416.39	22,026.57
(g)	Other financial assets	9	515.65	919.19
<b>2</b>	<b>Non-Financial Assets</b>			
(a)	Current tax assets (net)		784.52	338.24
(b)	Property, plant and equipment	10	89.71	117.27
(c)	Capital work-in-progress	11	-	10.16
(d)	Goodwill	12A	3,701.83	3,701.83
(e)	Other intangible assets	12	1,174.33	1,266.96
(f)	Right to use asset	13	128.94	206.42
(g)	Other non-financial assets	14	72.89	566.38
	<b>Total Assets</b>		<b>75,660.41</b>	<b>70,779.46</b>
	<b>LIABILITIES AND EQUITY</b>			
	<b>LIABILITIES</b>			
<b>1</b>	<b>Financial Liabilities</b>			
(a)	Derivative financial instruments	5	1,405.70	2,207.00
(b)	Payables	15		
	(I) Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,043.87	365.45
	(II) Other payables			
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(c)	Debt securities	16	48,008.08	44,916.89
(d)	Borrowings (other than debt securities)	17	1,000.54	1,043.89
(e)	Subordinated liabilities	18	3,956.54	3,971.87
(f)	Finance lease obligation	13	152.75	230.56
(g)	Other financial liabilities	19	225.05	359.54
<b>2</b>	<b>Non-Financial Liabilities</b>			
(a)	Current tax liabilities (net)		78.68	253.17
(b)	Provisions	20	48.69	49.60
(c)	Deferred tax liabilities (net)	21	570.12	296.67
(d)	Other non-financial liabilities	22	188.63	128.77
<b>3</b>	<b>Equity</b>			
(a)	Equity share capital	23	3,054.94	3,054.94
(b)	Other equity	23A	15,926.82	13,901.11
<b>4</b>	<b>Non-controlling Interest</b>			
			-	-
	<b>Total Liabilities and Equity</b>		<b>75,660.41</b>	<b>70,779.46</b>

The accompanying summary of significant accounting policies and notes forms an integral part of the Consolidated Financial Statements.

As per our attached report of even date

For Singhi & Co.  
Chartered Accountants  
Firm Registration Number: 302049E

For and on behalf of Board of Directors  
of IIFL Wealth Prime Limited

Shweta Singhal  
Partner  
Membership No: 414420

Himanshu Jain  
Whole Time Director  
and Chief Executive Officer  
(DIN: 02052409)

Yatin Shah  
Whole Time Director  
(DIN: 03231090)

Sanjay Wadhwa  
Chief Financial Officer

Amit Bhandari  
Company Secretary  
Membership no. A25871

Place : Mumbai  
Date: May 03, 2022

Place : Mumbai  
Date: May 03, 2022



**IIFL WEALTH PRIME LIMITED**  
**(FORMERLY IIFL WEALTH FINANCE LIMITED)**  
**CIN: U65900MH1994PLC080646**  
**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022**

(₹ in Mn)

Sr. No.	Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>1</b>	<b>Revenue from operations</b>			
(a)	Interest income	24	5,108.00	6,437.49
(b)	Dividend & Distribution income on investments	25	66.67	62.31
(c)	Fees and commission income	26	4,313.66	2,134.07
(d)	Net gain on fair value changes	27	2,419.53	1,352.35
	<b>Total revenue from operations</b>		<b>11,907.86</b>	<b>9,986.22</b>
<b>2</b>	<b>Other income</b>	28	2.28	1.57
<b>3</b>	<b>Total income (1+2)</b>		<b>11,910.14</b>	<b>9,987.79</b>
	<b>Expenses</b>			
(a)	Finance costs	29	3,572.50	4,148.71
(b)	Fees and commission expenses		963.57	252.72
(c)	Net loss on derecognition of financial instruments under amortised cost category		36.22	-
(d)	Impairment on financial instruments	30	(143.75)	172.59
(e)	Employee benefits expenses	31	3,233.46	2,434.61
(f)	Depreciation, amortization and impairment	10,12,13	232.70	249.82
(g)	Other expenses	32	1,084.38	784.52
<b>4</b>	<b>Total expenses</b>		<b>8,979.08</b>	<b>8,042.97</b>
<b>5</b>	<b>Profit before tax (3-4)</b>		<b>2,931.06</b>	<b>1,944.82</b>
<b>6</b>	<b>Tax expense:</b>			
(a)	Current tax	33	352.60	518.46
(b)	Deferred tax	33	270.69	(150.81)
<b>7</b>	<b>Profit for the year (5-6)</b>		<b>2,307.77</b>	<b>1,577.17</b>
<b>8</b>	<b>Profit for the year attributable to:</b>			
	Owners of the company		2,307.77	1,577.17
	Non-controlling interest		-	-
<b>9</b>	<b>Other comprehensive income</b>			
(a)	(i) Items that will not be reclassified to profit or loss			
	- Remeasurements of Employee Benefits		10.91	7.63
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(2.75)	(1.92)
	Subtotal (a)		<b>8.16</b>	<b>5.71</b>
(b)	(i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Subtotal (b)		-	-
	<b>Other comprehensive income/(loss) (a+b)</b>		<b>8.16</b>	<b>5.71</b>
<b>10</b>	<b>Other comprehensive income attributable to:</b>			
	Owners of the company		8.16	5.71
	Non-controlling interest		-	-
<b>11</b>	<b>Total comprehensive income for the year (7+9)</b> <b>(Comprising profit and other comprehensive income/(loss) for the year)</b>		<b>2,315.93</b>	<b>1,582.88</b>
<b>12</b>	<b>Total comprehensive income for the year attributable to:</b>			
	Owners of the company		2,315.93	1,582.88
	Non-controlling interest		-	-
<b>13</b>	<b>Earnings per equity share</b> (Face value of Rs. 10 per equity share)			
	Basic (Rs.)	34	7.55	5.16
	Diluted (Rs.)	34	7.55	5.16

The accompanying summary of significant accounting policies and notes forms an integral part of the Consolidated Financial Statements.

As per our attached report of even date

**For Singh & Co.**  
**Chartered Accountants**  
**Firm Registration Number: 302049E**

**For and on behalf of Board of Directors**  
**of IIFL Wealth Prime Limited**

**Shweta Singhal**  
Partner  
Membership No: 414420

**Himanshu Jain**  
Whole Time Director  
and Chief Executive Officer  
(DIN: 02052409)

**Yatin Shah**  
Whole Time Director  
(DIN: 03231090)

**Sanjay Wadhwa**  
Chief Financial Officer

**Amit Bhandari**  
Company Secretary

Place : Mumbai  
Date: May 03, 2022

Place : Mumbai  
Date: May 03, 2022

**IIFL WEALTH PRIME LIMITED**  
**(FORMERLY IIFL WEALTH FINANCE LIMITED)**  
**CIN: U65990MH1994PLC080646**  
**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022**

(₹ in Mn)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A. Cash flows from operating activities</b>		
<b>Net profit before taxation</b>	2,931.06	1,944.82
<b>Adjustments for:</b>		
Depreciation & amortisation	232.70	249.82
Provisions for gratuity	16.36	20.54
Provisions for leave encashment	1.47	-
Net gain/(loss) on fair value changes in Financial Instrument : Investments	(3,179.09)	(3,585.07)
Impairment on Financial Instrument	(144.09)	172.43
Mark to Market on Derivative Financial Instrument	500.41	(295.59)
Mark to Market on Borrowings	724.05	1,142.40
Interest income	(5,108.00)	(6,439.11)
Interest expenses	3,572.42	4,150.21
Loss on sale of fixed assets	-	1.38
Dividend/distribution Income from investments	(66.67)	(62.30)
Gain on Termination of Lease	(1.47)	-
Interest received	5,308.39	7,260.69
Interest paid	(3,280.50)	(3,437.15)
Dividend received	66.67	62.30
<b>Operating profit before working capital changes</b>	<b>1,573.71</b>	<b>1,185.37</b>
<b>Changes in working Capital :</b>		
(Increase)/ Decrease in Financial/Non-financial Assets (refer footnote)	2,348.33	707.41
Increase/ (Decrease) in Financial/Non-financial Liabilities (refer footnote)	(284.79)	(691.85)
<b>Cash (used in )/generated from operations</b>	<b>3,637.25</b>	<b>1,200.93</b>
Decrease/(Increase) in Loans	(2,417.78)	998.35
<b>Cash generated from/ (used in) operating activities</b>	<b>1,219.47</b>	<b>2,199.28</b>
Net income tax (paid) / refunds	(973.37)	(366.57)
<b>Net cash generated from /(used in) operating activities (A)</b>	<b>246.10</b>	<b>1,832.71</b>
<b>B. Cash flows from investing activities</b>		
Purchase of Investments	(1,23,188.20)	(1,24,771.06)
Proceeds on Sale of investments	1,22,868.39	1,65,466.52
(Purchase)/sale of Property, plant and equipment (includes intangible assets)-Net	(9.04)	(57.11)
<b>Net cash generated from/(used in) investing activities (B)</b>	<b>(328.85)</b>	<b>40,638.35</b>
<b>C. Cash flows from financing activities</b>		
Dividend Paid	(290.22)	(3,207.68)
Debt Securities and Subordinated Liabilities - proceeds	21,015.52	15,063.34
Debt Securities and Subordinated Liabilities - repayment	(18,955.70)	(30,874.12)
Borrowings - proceeds	-	500.00
Borrowings - repayment	(43.34)	(27,958.24)
<b>Net cash (used in)/generated from financing activities (C)</b>	<b>1,726.26</b>	<b>(46,476.70)</b>
<b>Net (decrease)/increase in cash and cash equivalents (A+B+C)</b>	<b>1,643.51</b>	<b>(4,005.64)</b>
Opening Cash & cash equivalents	1,920.19	5,925.83
<b>Closing Cash &amp; cash equivalents</b>	<b>3,563.70</b>	<b>1,920.19</b>
<b>Reconciliation of Cash &amp; cash equivalents with the Balance Sheet:</b>		
Cash and Cash Equivalents as per Ind AS 7	3,563.70	1,920.19
Add: In Fixed deposits with maturity more than 3 months	-	-
<b>Cash &amp; cash equivalents (Refer Note 3)</b>	<b>3,563.70</b>	<b>1,920.19</b>

The above cash flow statement has been prepared under Indirect method as set out in IndAS 7 prescribed under the Companies (Indian Accounting Standards) Rules 2015 under the Companies Act, 2015.

**IIFL WEALTH PRIME LIMITED**  
(FORMERLY IIFL WEALTH FINANCE LIMITED)  
CIN: U65990MH1994PLC080646

**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022**

**Footnote:**

**Change in Working Capital**

**(Increase)/ decrease in financial/non-financial assets**

(₹ in Mn)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Financial assets</b>		
Bank Balance other than cash and cash equivalents	450.26	760.70
Derivative financial instruments	1,017.27	75.81
Receivables		
(I) Trade Receivables	(263.98)	53.90
(II) Other Receivables	239.73	128.03
Other Financial and non-financial assets	919.46	(287.29)
Right to use	(14.41)	(23.74)
<b>(Increase)/ Decrease in Financial/Non-financial Assets</b>	<b>2,348.33</b>	<b>707.41</b>

**(Increase)/ Decrease in Financial/Non-financial liabilities**

(₹ in Mn)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Financial liabilities</b>		
Derivative financial instruments	(801.30)	(264.69)
Payables		
(I) Trade Payables	661.29	203.63
(II) Other Payables	-	-
Finance Lease Obligation	(76.12)	(100.20)
Other financial liabilities	(59.54)	(494.46)
Provisions	(9.12)	(36.13)
<b>(Increase)/ Decrease in Financial/Non-financial liabilities</b>	<b>(284.79)</b>	<b>(691.85)</b>

**Additional disclosures pursuant to Ind AS 7**

(₹ in Mn)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening balance of Debt securities, borrowings (other than debt securities) and subordinated liabilities	49,932.65	91,369.98
Cash flows	2,016.48	(43,269.02)
Fair value adjustment	724.05	1,142.40
Interest accrued on borrowings	292.01	689.29
Acquisition		
<b>Closing balance of Debt securities, borrowings (other than debt securities) and subordinated liabilities</b>	<b>52,965.19</b>	<b>49,932.65</b>

The accompanying summary of significant accounting policies and notes forms an integral part of the Consolidated Financial Statements.

As per our attached report of even date

**For Singhi & Co.**

Chartered Accountants

Firm Registration Number: 302049E

**For and on behalf of Board of Directors  
of IIFL Wealth Prime Limited**

**Shweta Singhal**

Partner

Membership No: 414420

**Himanshu Jain**

Whole Time Director  
and Chief Executive Officer  
(DIN: 02052409)

**Yatin Shah**

Whole Time Director  
(DIN: 03231090)

**Sanjay Wadhwa**  
Chief Financial Officer

**Amit Bhandari**  
Company Secretary

Place : Mumbai  
Date: May 03, 2022

Place : Mumbai  
Date: May 03, 2022

**IIFL WEALTH PRIME LIMITED**  
(FORMERLY IIFL WEALTH FINANCE LIMITED)  
CIN: U65990MH1994PLC080646  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022**

Particular	(₹ in Mn)			
	2021-22		2020-21	
	Number of Shares	Equity Share Capital	Number of Shares	Equity Share Capital
Issued, subscribed and fully paid up equity share outstanding at the beginning of the year	30,54,93,803	3,054.94	30,54,93,803	3,054.94
Change in equity share capital due to prior period error	-	-	-	-
Restated balance at the beginning of the year	30,54,93,803	3,054.94	30,54,93,803	3,054.94
<b>Changes in equity share capital during the year</b>				
Issue of equity shares	-	-	-	-
<b>Issued, subscribed and fully paid up equity shares outstanding at the end of the year</b>	<b>30,54,93,803</b>	<b>3,054.94</b>	<b>30,54,93,803</b>	<b>3,054.94</b>

Particulars	Other Equity						Total Other Equity	Non-Controlling Interest	Total
	Securities Premium	General Reserve	Reserve u/s 45-1C of Reserve Bank of India Act, 1934	Capital Reserve	Capital Redemption Reserve	Retained Earnings			
<b>Balance as at 1st April 2021</b>	11,558.34	1.43	1,432.11	(4.98)	2.30	911.91	13,901.11	-	13,901.11
Profit for the year	-	-	-	-	-	2,307.77	2,307.77	-	2,307.77
Other Comprehensive income - Actuarial gain/(loss) on defined benefit plan (net of tax)	-	-	-	-	-	8.16	8.16	-	8.16
Dividends including dividend distribution tax	-	-	-	-	-	(290.22)	(290.22)	-	(290.22)
Transfer (to)/from other reserves	-	-	467.64	-	-	(467.64)	-	-	-
<b>Balance as at 31st March 2022</b>	<b>11,558.34</b>	<b>1.43</b>	<b>1,899.75</b>	<b>(4.98)</b>	<b>2.30</b>	<b>2,469.98</b>	<b>15,926.82</b>	<b>-</b>	<b>15,926.82</b>

Particulars	Other Equity						Total Other Equity	Non-Controlling Interest	Total
	Securities Premium	General Reserve	Reserve u/s 45-1C of Reserve Bank of India Act, 1934	Capital Reserve	Capital Redemption Reserve	Retained Earnings			
<b>Balance as at 1st April 2020</b>	11,558.34	1.43	1,118.74	(4.98)	2.30	2,850.08	15,525.91	-	15,525.91
Profit for the year	-	-	-	-	-	1,577.17	1,577.17	-	1,577.17
Other Comprehensive income - Actuarial gain/(loss) on defined benefit plan (net of tax)	-	-	-	-	-	5.71	5.71	-	5.71
Dividends including dividend distribution tax	-	-	-	-	-	(3,207.68)	(3,207.68)	-	(3,207.68)
Transfer (to)/from other reserves	-	-	313.37	-	-	(313.37)	-	-	-
<b>Balance as at 31st March 2021</b>	<b>11,558.34</b>	<b>1.43</b>	<b>1,432.11</b>	<b>(4.98)</b>	<b>2.30</b>	<b>911.91</b>	<b>13,901.11</b>	<b>-</b>	<b>13,901.11</b>

The accompanying summary of significant accounting policies and notes forms an integral part of the Consolidated Financial Statements.

As per our attached report of even date

For Singh & Co.  
Chartered Accountants  
Firm Registration Number: 302049E

For and on behalf of Board of Directors  
of IIFL Wealth Prime Limited

Shweta Singhal  
Partner  
Membership No: 414420

Himanshu Jain  
Whole Time Director  
and Chief Executive Officer  
(DIN: 02052409)

Yatin Shah  
Whole Time Director  
(DIN: 03231090)

Sanjay Wadhwa  
Chief Financial Officer

Amit Bhandari  
Company Secretary

Place : Mumbai  
Date: May 03, 2022

Place : Mumbai  
Date: May 03, 2022

**IIFL WEALTH PRIME LIMITED**  
**(FORMERLY IIFL WEALTH FINANCE LIMITED)**  
**Notes forming part of Consolidated Financial Statements for the Year ended March 31, 2022**

**Note 3. Cash and Cash Equivalents**

(₹ in Mn)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Cash and Cash Equivalents</b>		
Cash on hand	0.11	0.10
Balance with banks		
-In current accounts	2,184.01	1,420.14
Collateralized Borrowing and Lending Obligation	1,379.58	499.95
<b>Cash and cash equivalents</b>	<b>3,563.70</b>	<b>1,920.19</b>

**Note 4. Bank Balance other than cash and cash Equivalents:**

(₹ in Mn)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Other Bank Balances</b>		
In Earmarked Accounts	-	5.27
In Deposit accounts (with original maturity of more than 3 months)	-	444.99
<b>Total</b>	<b>-</b>	<b>450.26</b>

**IIFL WEALTH PRIME LIMITED  
(FORMERLY IIFL WEALTH FINANCE LIMITED)**

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

**Note 1. Corporate Information:**

The Consolidated financial statement of IIFL Wealth Prime Limited (the “Parent Company”) consist of IIFL Wealth Capital Markets Limited (w.e.f. April 24, 2021) (Formerly L&T Capital Markets Limited), (the Parent Company including its subsidiaries, collectively referred to as “the Group”). The group is primarily engaged in the financing and investing activities. The group offers broad suite of financial products that includes loan against securities, capital market / IPO financing, loan against property, etc. catering to the financing needs of corporate and high net worth customers. The group also acts as wealth manager and provides services relating to financial products distribution by mobilizing funds and assets of various classes of investors including High Net worth Individuals.

The Consolidated Financial Statements for the year ended March 31, 2022 were authorized for issue by the Board of directors of the Parent Company at its meeting held on May 3, 2022.

**Note 2 – Statement of Compliance, Basis of preparation and presentation of financial statements and Significant Accounting Policies**

**a. Statement of Compliance:**

The Group financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and amendments thereof issued by Ministry of Corporate Affairs in exercise of the powers conferred by section 133 of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment.

**b. Functional and presentation currency**

The consolidated financial statements are presented in Indian Rupees, which is the functional currency of the group and the currency of the primary economic environment in which the group operates. Except as otherwise indicated, financial information presented in Indian rupees has been rounded to the nearest millions.

**c. Presentation of financial statements**

The group presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note 42.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognized amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Group and/or its counterparties

**d. Use of Estimates and judgements**

The preparation of consolidated financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities) and disclosures as of the date of the consolidated financial statements and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from these estimates. Accounting estimates and underlying assumptions are reviewed on an ongoing basis and could change from period to period. Appropriate changes in estimates are recognized in the periods in which the Company

**IIFL WEALTH PRIME LIMITED  
(FORMERLY IIFL WEALTH FINANCE LIMITED)**

becomes aware of the changes in circumstances surrounding the estimates. Any revisions to accounting estimates are recognized prospectively in the period in which the estimate is revised and future periods

**e. Basis of Consolidation and preparation**

The Consolidated Financial Statements comprise the financial statements of the Parent Company and its subsidiaries. Control is achieved when the company has:

- Power over the investee
- Is exposed or has rights to variable returns from its involvement with the investee, and
- Has the ability to use its power over investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Parent Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Parent Company's voting rights and potential voting rights
- The size of the Company's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Parent Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Parent Company obtains control over the subsidiary and ceases when the Parent Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated financial statements from the date the Parent Company gains control until the date the Parent Company ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the Consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent Company, i.e., year ended on March 31. When the end of the reporting period of the Parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial statements as of the same date as the financial statements of the Parent to enable the Parent to Consolidated the financial statements of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the Consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the Parent's investment in each subsidiary and the Parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full.

**IIFL WEALTH PRIME LIMITED  
(FORMERLY IIFL WEALTH FINANCE LIMITED)**

- Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Parent Company and to the non-controlling interests, if any.

**f. Business Combinations**

Business combinations are accounted for using the acquisition method. At the acquisition date, identifiable assets acquired and liabilities assumed are measured at fair value. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. The consideration transferred is measured at fair value at acquisition date and includes the fair value of any contingent consideration. However, deferred tax asset or liability and any liability or asset relating to employee benefit arrangements arising from a business combination are measured and recognised in accordance with the requirements of Ind AS 12, Income Taxes and Ind AS 19, Employee Benefits, respectively. Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of a bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets acquired and liabilities assumed, the difference is recorded as a gain in other comprehensive income and accumulated in equity as capital reserve. The costs of acquisition excluding those relating to issue of equity or debt securities are charged to the Statement of Profit and Loss in the period in which they are incurred. Business combinations involving entities under common control are accounted for using the pooling of interests method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonise accounting policies. Any excess or shortfall of the consideration paid over the share capital of transferor entity or business is recognised as capital reserve under equity.

**g. Significant Accounting Policies**

**i. Revenue recognition**

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind AS.

The Group recognizes revenue from contracts with customers based on a five-step model as set out in Ind 115:

**Step 1:** Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

**Step 2:** Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

**Step 3:** Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

**Step 4:** Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

**Step 5:** Recognize revenue when (or as) the Group satisfies a performance obligation

• **Lending / Investments related Income**

- 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. For credit impaired financial assets, the interest income is



**IIFL WEALTH PRIME LIMITED  
(FORMERLY IIFL WEALTH FINANCE LIMITED)**

calculated by applying the EIR to the amortised cost of the credit impaired financial assets (Gross carrying value less the allowance for expected credit loss). Interest receivable 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.

- Dividend income is accounted in the period in which the right to receive the same is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably.
- **Fees and commission relating to Distribution Services:** Fees on distribution services are recognized at a point in time when the service obligations are completed and when the terms of contracts are fulfilled.
- Other items of income including fees and commissions are accounted as and when the service obligations are completed and right to receive such income arises and it is probable that the economic benefits will flow and the amount of income can be measured reliably.
- **Net gain on Fair value changes**  
Any differences between the fair values of financial assets classified as fair value through the profit or loss held by the Group on the balance sheet date is recognized as an unrealized gain / loss. In cases there is a net gain/loss in the aggregate, the same is recognized in “Net gains on fair value changes” under Revenue from operations in the statement of Profit and Loss. Similarly, any realized gain or loss on sale of financial instruments measured at FVTPL is recognized in net gain / loss on fair value changes. Similarly, any differences between the fair values of financial assets classified as fair value through other comprehensive income are disclosed in the OCI. However, net gain / loss on derecognition of financial instruments classified as amortized cost is presented separately under the respective head in the Statement of Profit and Loss.

**ii. Goodwill on acquisition**

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. Goodwill is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed, measured in accordance with Ind AS 103 – Business Combinations.

Goodwill is considered to have indefinite useful life and hence is not subject to amortization but tested for impairment at least annually. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination, is from the acquisition date, allocated to each of the Group’s cash generating units (CGUs) that are expected to be benefited from the combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Each CGU or a combination of CGUs to which goodwill is so allocated represents the lowest level at which goodwill is monitored for internal management purpose and it is not larger than an operating segment of the Group.

A CGU to which goodwill is allocated is tested for impairment annually, and whenever there is an indication that the CGU may be impaired, by comparing the carrying amount of the CGU, including the goodwill, with the recoverable amount of the CGU. If the recoverable amount of the CGU exceeds the carrying amount of the CGU, the CGU and the goodwill allocated to that CGU is regarded as not impaired. If the carrying amount of the CGU exceeds the recoverable amount of the CGU, the Group recognizes an impairment loss by first reducing the carrying amount of any goodwill allocated to the CGU and then to other assets of the CGU pro-rata based on the carrying amount of each asset in the CGU. Any impairment loss on goodwill is recognized in the Statement of Profit and Loss. An impairment loss recognized on goodwill is not reversed in subsequent periods.

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On disposal of a CGU to which goodwill is allocated, the goodwill associated with the disposed CGU is included in the carrying amount of the CGU when determining the gain or loss on disposal.

**iii. Property, Plant and Equipment (“PPE”)**

**Measurement at recognition:**

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

The Group identifies and determines cost of each part of an item of 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 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.

Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate only if it is probable that the future economic benefits associated with the item will flow to the Group and that the cost of the item can be reliably measured. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repair and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

**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-Financial Assets.

**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. Significant components of assets identified separately pursuant to the requirements under Schedule II of the Companies Act, 2013 are depreciated separately over their useful life.

Freehold land is not depreciated. Leasehold improvements are amortized over the period of lease. Individual assets / group of similar assets costing up to Rs. 5,000 has been depreciated in full in the year of purchase.

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

Class of assets	Estimated Useful Life (in years) as per Companies Act, 2013	Estimated Useful Life (in years) as per Management
Computers	3	3
Electrical Equipment	5	5
Office equipment	5	5
Furniture and fixtures*	10	5 or less
Air conditioners	5	5
Leasehold Improvements		straight-line basis over the period of lease

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

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 derecognition 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.

**iv. Other Intangible assets and Amortization**

**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. 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.

**Amortization:**

Intangible Assets with finite lives are amortized on a Straight-Line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss. The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

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

Class of assets	Useful life in years
Software	3-5
Customer Relationships	20

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**Derecognition:**

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition 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.

**v. Impairment of Assets**

Assets that have an indefinite useful life, such as 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.

Impairment losses are reversed in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

**vi. 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 and financial liabilities are recognized when Group becomes party to the contractual provisions of the instruments.

• **Date of recognition and initial measurement**

Financial assets and liabilities are recognized in the Group's Balance Sheet when the Group becomes a party to the contractual provisions of the instrument. All financial instruments are recognized initially at fair value. However, in the case of financial instruments not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial instruments are added to the fair value. Purchases or sales of financial instruments that require delivery of assets / liabilities within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the group commits to purchase or sell the asset / liabilities.

• **Initial recognition, classification and subsequent measurement of Financial Assets**

Financial assets are classified into one of the three categories for measurement and income recognition:

- Amortized Cost (AC)
- Fair value through other comprehensive income (FVOCI)
- Fair value through profit and loss (FVTPL)

Classification of financial assets is based on the assessment of business model and contractual cash flow test.

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**i. Financial assets measured at amortized cost:**

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

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

This category applies to Cash and Bank balances, Trade receivables, Loans and Other financial assets of the Group. Such financial assets are subsequently measured at amortized cost using the effective interest method.

**ii. Financial assets measured at FVTOCI:**

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

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

For the above category, income by way of interest and dividend, provision for impairment are recognized in the statement of profit and loss and changes in fair value (other than on account of above income or expense) are recognized in other comprehensive income and accumulated in other equity. On disposal of such debt instruments at FVTOCI financial assets, the cumulative gain or loss previously accumulated in other equity is reclassified to Statement of Profit and Loss.

**iii. Financial assets measured at FVTPL:**

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as mentioned above. This is a residual category applied to all other investments of the Group excluding investments in associate. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

**Derecognition:**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Group's Balance Sheet) when any of the following occurs:

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

Where the group has transferred an asset, the group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the group has not retained control of the

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financial asset. Where the group retains the control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset

On Derecognition of a financial asset, (except as mentioned in ii above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

**Impairment of financial assets:**

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not measured at FVTPL. Expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

The expected credit loss is a product of Exposure at Default (EAD), Probability of Default (PD) and Loss given default (LGD). The Group has devised an internal model to evaluate the PD and LGD based on the parameters set out in Ind AS 109. Accordingly, the financial assets have been segmented into three stages based on their risk profiles. The three stages reflect the general pattern of credit deterioration of a financial asset.

The Group categorizes financial assets at the reporting date into stages based on the days past due (DPD) status as under:

- Stage 1: 0 to 30 days past due
- Stage 2: 31 to 90 days past due
- Stage 3: more than 90 days past due

- **Probability of Default (PD):** It is an estimate of the likelihood of default over a given time horizon. In order to estimate the PDs, studies on defaults available in public domain and experience of the Group have been taken into account.
- Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.
- The Group measures the loss allowance on financial assets at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Group measures the loss allowance for that financial asset at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the lifetime expected credit losses and represent cash shortfalls that will result if default occurs within the 12 months weighted by the probability of default after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.
- When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

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- **Loss Given Default (LGD):** LGD is an estimate of the loss arising in case where a default occurs. It is based on the difference between the contractual cash flows due and those that the Group would expect to receive, including from the realization of any security.

Based on the above, the Group categorises its loans into Stage 1, Stage 2 and Stage 3 as under:

**Stage 1:** When loans are first recognised, the Group recognises an allowance based on 12 months' expected credit loss.

**Stage 2:** When a loan has shown significant increase in credit risk since origination, the Group records an allowance for the life time expected credit loss.

**Stage 3:** When a loan is credit impaired, the Group records an allowance for the life time expected credit loss.

- **Credit – impaired Financial Assets**

A financial asset is 'credit-impaired' when one or more events, that have a detrimental impact on the estimated future cash flows of the financial asset, have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or past due event;
- The lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- The disappearance of an active market for a security because of financial difficulties; or
- The purchase of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event, instead, the combined effect of several events may have caused financial assets to become credit-impaired. The Group assesses whether debt instruments which are financial assets measured at amortised cost or FVTOCI, are credit-impaired at each reporting date. To assess if corporate debt instruments are credit impaired, the Group considers factors, such as bond yields, credit ratings and the ability of the borrower to raise funding.

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower's financial condition, unless there is evidence that, as a result of granting the concession, the risk of not receiving the contractual cash flows has reduced significantly and there are no other indicators of impairment. For financial assets, where concessions are contemplated but not granted, the asset is deemed credit-impaired when there is observable evidence of credit-impairment, including meeting the definition of default. The definition of default (see below) includes unlikelihood to pay indicators and a back-stop, if amounts are overdue for 90 days or more

- **Significant Increase in Credit Risk**

The Group monitors all financial assets, issued irrevocable loan commitments and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk, since initial recognition. If there has been a significant increase in credit risk the Group will measure the loss allowance based on lifetime rather than 12-month ECL. The Group's accounting policy is not to use the practical expedient that the financial assets with 'low' credit risk at the reporting date are deemed not to have had a significant increase in credit risk. As a result, the Group monitors all financial assets, issued irrevocable loan commitments and financial guarantee contracts that are subject to

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impairment for significant increase in credit risk. In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable, and supportable, including historical experience and forward-looking information, that is available without undue cost or effort, based on the Group's historical experience and expert credit assessment.

Given that a significant increase in credit risk since initial recognition is a relative measure, a given change, in absolute terms, in the probability of default (PD) will be more significant for a financial instrument with a lower initial PD than compared to a financial instrument with a higher PD.

- For trade receivables and financial assets arising from transactions with in the scope of Ind AS 115 the Group measures the loss allowance at an amount equal to lifetime expected credit losses.

**Subsequent measurement:**

For subsequent measurement, the Group classifies a financial asset in accordance with the Group's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset. Based on the above criteria, the Group classifies its financial assets into the following categories:

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

• **Initial measurement, classification and subsequent measurement of Financial Liabilities**

**Initial recognition and measurement:**

The Group recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. Having regards to the terms and structure of issuance, Financial Liabilities are categorized as follows:

- (i) recognized at amortised costs
- (ii) recognized at fair value through profit and loss (FVTPL) including the embedded derivative component if any, which is not separated.
- (iii) where there is an embedded derivative as part of the financial liability, such embedded derivative is separated and recorded at fair value and the remaining component is categorized as on amortised costs.

**Subsequent measurement:**

- (i) All financial liabilities of the Group are categorized as subsequently measured at amortized cost are subsequently measured using the effective interest method.
- (ii) All financial liabilities of the Group are categorized at fair value are subsequently measured at fair value through profit and loss statement.
- (iii) For derivatives embedded in the liability, the embedded derivative is subsequently measured at fair value through profit and loss and the liability is subsequently measured at amortised cost using the effective interest method.

**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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss



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- **Reclassification of Financial Assets and Financial Liabilities**

Financial assets are not reclassified subsequent to their initial recognition, apart from the exceptional circumstances in which the Group acquires, disposes of, or terminates a business line or in the period the Group changes its business model for managing financial assets.

Reclassifications are expected to be very infrequent. Such changes must be determined by the Group's senior management as a result of external or internal changes and must be significant to the Group's operations and demonstrable to external parties.

Further re-classification is not allowed in following cases;

- Investments in equity instruments irrevocably designated as at FVOCI cannot be reclassified.
- Reclassification of financial liabilities

- **Offsetting of Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

- **Write Off**

Loans and Debt Securities are written off when the Group has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts, subject to the write-off. A write-off constitutes a derecognition event. The Group may apply enforcement activities to the financial assets written off. Recoveries resulting from the Group's enforcement activities will result in impairment gains

**vii. Derivative financial instruments**

The Group enters into derivative financial contracts, which are initially recognized at fair value at the date the contracts are entered into and subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in the statement of profit and loss unless the derivative is designated and effective as a hedging instrument

In a financial instrument involving embedded derivative, which is separated from the host contract, such embedded derivative component is accounted separately from the underlying host contract and is initially recognized at fair value and is subsequently remeasured at fair value at each reporting period and the resulting gain or loss is recognized in the statement of profit and loss unless the derivative is designated and effective as a hedging instrument.

**viii. Fair Value Measurement**

The Group measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

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**Fair value hierarchy**

Ind AS 107, 'Financial Instrument - Disclosure' requires classification of the valuation method of financial instruments measured at fair value in the Balance Sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). 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). The three levels of the fair-value-hierarchy under Ind AS 107 are described below:

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 — If one or more of the significant inputs is not based on observable market data, the instrument is included in level

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

**ix. Measurement of foreign currency items at reporting date**

Transactions in foreign currencies are recorded at the rate of exchange prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency at the rates of exchange on the reporting date.

Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss.

**x. Taxes**

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

**Current tax:**

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible in accordance with applicable tax laws. Current tax is measured using tax rates that have been enacted or substantively enacted by the end of reporting period.

**Deferred tax:**

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. 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

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liabilities are not recognized. Also, for temporary differences that arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

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

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

**Presentation of current and deferred tax:**

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income.

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Group has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Group. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

**xi. Provisions and Contingencies**

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

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 not recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

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**xii. Cash and Cash Equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand, short-term deposits with an original maturity of three months or less and highly liquid investments, which are subject to an insignificant risk of changes in value.

**xiii. Employee Benefits**

**Short Term Employee Benefits:**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Group recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.  
Post-Employment Benefits:

**Defined contribution plans:**

**(I) Provident Fund**

Retirement benefit in the form of provident fund is defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to provident fund scheme as expenditure, when an employee renders the related service.

**Defined benefit plans:**

**(II) Gratuity**

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into state managed retirement benefit schemes and will have no legal or constructive obligation to pay further contributions, if any, if the state managed funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. The Group's contributions to defined contribution plans are recognised in the Statement of Profit and Loss in the financial year to which they relate. The Group operates defined contribution plans pertaining to Employee State Insurance Scheme and Government administered Pension Fund Scheme for all applicable employees and the Group also operates Defined Contribution Plans pertaining to Provident Fund Scheme.  
Recognition and measurement of defined contribution plans: The Group recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Group during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

Gratuity is post-employment benefit and is in the nature of defined benefit plan. The liability recognized in the Balance Sheet in respect of gratuity is the present value of defined benefit obligation at the Balance Sheet date together with the adjustments for unrecognized actuarial gain or losses and the past service costs. The defined benefit obligation is calculated at or near the Balance Sheet date by an independent actuary using the projected unit credit method.

The Group has provided for "Compensated Absences" on the basis of actuarial valuation.

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**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. Remeasurements 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 remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

**(III) Share Based Payments**

The stock options granted to employees by the holding Group's (i.e. IIFL Wealth Management Limited) Stock Options Schemes, are measured at the fair value of the options at the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. The cost incurred by the holding company, in respect of options granted to employees of the Group, is being recovered by holding company and it is charged to the Statement of Profit and Loss of the Group over the period of vesting.

**xiv. Lease accounting**

The Group assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group considers whether (i) the contract involves the use of identified asset; (ii) the Group has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Group has right to direct the use of the asset.

**As a lessee**

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. Where appropriate, the right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

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The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease liability and the right of use asset have been separately presented in the balance sheet and lease payments have been classified as financing activities.

The Group has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Group recognises the lease payments associated with these leases as an expense in statement of profit and loss over the lease term. The related cash flows are classified as operating activities.

**As a lessor**

Leases for which the Group is a lessor is classified as finance or operating leases. When the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. The Group recognizes income on operating leases based on the contractual arrangements.

**xv. Borrowing Cost**

Borrowing cost includes interest, amortization of transaction 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.

**xvi. Other Income & Expenses**

All Other income and expense are recognized in the period they occur.

**xvii. Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) of the Group. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group.

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**xviii. Earnings Per Share:**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

**xix. Statement of Cash Flows**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

**xx. Events after the reporting period**

Events after the reporting period are those events, both favorable and unfavorable that occur between end of the reporting period and the date on which the financial statements are approved for issue.

**Adjusting Events**

Events which provide further evidence of conditions that existed at the end of the reporting period are adjusting events. Financials have been adjusted for those events.

**Non-adjusting Events**

Events which are of indicative of conditions that arise after the end of the reporting period are non-adjusting events. Disclosure of the nature of event and estimate of its financial effect have been made in the financial statements

**xxi. KEY ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of the Group's consolidated 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:

**- Property, Plant and Equipment and Intangible assets**

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The lives are based on historical experience with similar assets and are based on changes in technical or commercial obsolescence.

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- **Defined Benefit Obligation**

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.

- **Fair value measurement of Financial Instruments**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

- **Expected Credit Loss**

The provision for expected credit loss involves estimating the probability of default and loss given default based on the past experience and other factors.

- **Determination of lease term**

Ind AS 116 Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The group makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised

- **Discount rate**

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.



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Note 5. Derivative Financial Instruments (Refer note 41)

(₹ in Mn)

Part I	As at March 31, 2022			As at March 31, 2021		
	Notional amounts	Fair value - Assets	Fair value - Liabilities	Notional amounts	Fair value - Assets	Fair value - Liabilities
<b>(i) Interest rate derivatives</b>						
Interest rate swaps	-	-	-	-	-	-
<b>Subtotal(i)</b>	-	-	-	-	-	-
<b>(ii) Equity linked derivatives (Nifty Linked)</b>						
Option premium paid	126.02	0.30	-	4,904.08	1,492.58	-
Option premium received	259.94	-	1.19	2,678.91	-	47.99
Derivative component of debt securities	-	0.99	1,404.51	-	26.39	2,159.01
<b>Subtotal(ii)</b>	<b>385.96</b>	<b>1.29</b>	<b>1,405.70</b>	<b>7,582.99</b>	<b>1,518.97</b>	<b>2,207.00</b>
<b>Total Derivative Financial Instruments</b>	<b>385.96</b>	<b>1.29</b>	<b>1,405.70</b>	<b>7,582.99</b>	<b>1,518.97</b>	<b>2,207.00</b>

(₹ in Mn)

Part II	As at March 31, 2022			As at March 31, 2021		
	Notional amounts	Fair value - Assets	Fair value - Liabilities	Notional amounts	Fair value - Assets	Fair value - Liabilities
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:						
(i) Fair value hedging	-	-	-	-	-	-
(ii) Cash flow hedging	-	-	-	-	-	-
(iii) Net investment hedging	-	-	-	-	-	-
(iv) Undesignated derivatives	385.96	1.29	1,405.70	7,582.99	1,518.97	2,207.00
<b>Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)</b>	<b>385.96</b>	<b>1.29</b>	<b>1,405.70</b>	<b>7,582.99</b>	<b>1,518.97</b>	<b>2,207.00</b>

Note 6. Receivables

(₹ in Mn)

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<b>(i) Trade receivables</b>		
Receivables considered good - Secured	-	-
Receivables considered good - Unsecured	918.42	674.40
Receivables which have significant increase in credit risk	-	-
Receivables - credit impaired	0.16	0.50
<b>Total (i)- Gross</b>	<b>918.58</b>	<b>674.90</b>
Less: Impairment loss allowance	(2.78)	(2.45)
<b>Total (i)- Net</b>	<b>915.80</b>	<b>672.45</b>
<b>(ii) Other receivables</b>		
Receivables considered good - Secured	-	-
Receivables considered good - Unsecured	130.53	370.26
Receivables which have significant increase in credit risk	-	-
Receivables - credit impaired	-	-
<b>Total (ii)- Gross</b>	<b>130.53</b>	<b>370.26</b>
Less: Impairment loss allowance	-	-
<b>Total (ii)- Net</b>	<b>130.53</b>	<b>370.26</b>

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**Note 6.1. Receivables ageing schedule**  
as at 31st March, 2022

(₹ in Mn)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	818.23	155.42	56.57	18.39	-	1,048.61
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	0.50	-	-	0.50
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
Less: Impairment loss allowance	-	(0.27)	(2.50)	(0.01)	-	(2.78)
<b>Total</b>	<b>818.23</b>	<b>155.15</b>	<b>54.57</b>	<b>18.38</b>	<b>-</b>	<b>1,046.33</b>

**As at 31st March, 2021**

(₹ in Mn)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	879.84	109.49	50.67	5.00	-	1,045.00
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	0.14	0.02	-	-	0.16
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
Less: Impairment loss allowance	-	(0.97)	(0.33)	(1.15)	-	(2.45)
<b>Total</b>	<b>879.84</b>	<b>108.66</b>	<b>50.36</b>	<b>3.85</b>	<b>-</b>	<b>1,042.71</b>

**Footnote:**

(A) No trade or other receivables are due from directors or from other officers of the group either severally or jointly with any other person nor any trade or other receivables are due from firms or private companies respectively in which any directors is a partner, director or a member as at March 31, 2022 and March 31, 2021.

(B) Other receivables include receivables on sale of Investments aggregating to ₹ 141.29 million (P.Y ₹ 259.12 million )

(C) No trade or other receivables are interest bearing.

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Note 7. Loans

(₹ in Mn)

Loans	As at March 31, 2022						As at March 31, 2021					
	Amortised cost	At Fair value			Subtotal	Total	Amortised cost	At Fair value			Subtotal	Total
		Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss				Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss		
(A)	1	2	3	4	(5)=(2+3+4)	(6)=(1)+(5)	7	8	9	10	(11)=(8+9+10)	(12)=(7)+(11)
(i) Loans repayable on demand *	39,355.42	-	-	-	-	39,355.42	37,030.08	-	-	-	-	37,030.08
(ii) Others-Staff Loan	3.27	-	-	-	-	3.27	2.39	-	-	-	-	2.39
<b>Total (A) -Gross</b>	<b>39,358.69</b>	-	-	-	-	<b>39,358.69</b>	<b>37,032.47</b>	-	-	-	-	<b>37,032.47</b>
Less: Impairment loss allowance	(193.86)	-	-	-	-	(193.86)	(338.16)	-	-	-	-	(338.16)
<b>Total (A) - Net</b>	<b>39,164.83</b>	-	-	-	-	<b>39,164.83</b>	<b>36,694.31</b>	-	-	-	-	<b>36,694.31</b>
(B)												
(i) Secured by tangible assets (refer footnote)	37,614.94	-	-	-	-	37,614.94	35,552.45	-	-	-	-	35,552.45
(ii) Secured by intangible assets	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Covered by Bank/Government Guarantees	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Unsecured	1,743.75	-	-	-	-	1,743.75	1,480.02	-	-	-	-	1,480.02
<b>Total (B)-Gross</b>	<b>39,358.69</b>	-	-	-	-	<b>39,358.69</b>	<b>37,032.47</b>	-	-	-	-	<b>37,032.47</b>
(C)												
(I) Loans in India	39,358.69	-	-	-	-	39,358.69	37,032.47	-	-	-	-	37,032.47
Less: Impairment loss allowance	(193.86)	-	-	-	-	(193.86)	(338.16)	-	-	-	-	(338.16)
<b>Total (C) (I)-Net</b>	<b>39,164.83</b>	-	-	-	-	<b>39,164.83</b>	<b>36,694.31</b>	-	-	-	-	<b>36,694.31</b>
(II) Loans outside India	-	-	-	-	-	-	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total (C) (II)- Net</b>	<b>-</b>	-	-	-	-	<b>-</b>	<b>-</b>	-	-	-	-	<b>-</b>
<b>Total C (I) and C (II)</b>	<b>39,164.83</b>	-	-	-	-	<b>39,164.83</b>	<b>36,694.31</b>	-	-	-	-	<b>36,694.31</b>

Details of loans given to Promoters, Directors, KMPs and Other related parties, which are repayable on demand:  
(₹ in Mn)

Type of Borrower	As at March 31, 2022		As at March 31, 2021	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans or advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans or advances in the nature of loans
Promoters	-	0.00%	-	0.00%
Directors	17.40	0.04%	-	0.00%
Key Managerial Persons (KMPs)	-	0.00%	-	0.00%
Other related parties	-	0.00%	42.37	0.11%
<b>Total</b>	<b>17.40</b>		<b>42.37</b>	

The product of the parent Company is to grant loan which are repayable on demand anytime during sanctioned period but all the terms including interest and term of repayment are stated in sanction letter.

Footnote:

Secured loan & Other Credit Facilities given to customer are secured by :-

- Pledge of Shares / Bonds / Mutual Fund & AIF Units
- Equitable/Registered Mortgage on Property
- Personal Guarantee

\* Includes Loan to related parties- Refer Note 36

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

**Note 8. Investments**

(₹ in Mn)

Investments	As at March 31, 2022						As at March 31, 2021					
	Amortised cost	At Fair value				Total	Amortised cost	At Fair value				Total
		Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss	Subtotal			Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Subtotal	
1	2	3	4	5=2+3+4	6=1+5	1	2	3	4	5=2+3+4	6=1+5	
<b>(A)</b>												
Mutual funds	-	-	3,884.58	-	3,884.58	3,884.58	-	-	1,228.43	-	1,228.43	1,228.43
Government securities	-	-	636.57	-	636.57	636.57	-	-	649.00	-	649.00	649.00
Debt securities	-	-	9,967.04	-	9,967.04	9,967.04	-	-	12,621.48	-	12,621.48	12,621.48
Alternate investment funds	-	-	10,894.19	-	10,894.19	10,894.19	-	-	6,909.60	-	6,909.60	6,909.60
Others	-	-	34.01	-	34.01	34.01	-	-	368.16	-	368.16	368.16
<b>Total (A)</b>	-	-	<b>25,416.39</b>	-	<b>25,416.39</b>	<b>25,416.39</b>	-	-	<b>22,026.57</b>	-	<b>22,026.57</b>	<b>22,026.57</b>
<b>(B)</b>												
i) Investments outside India	-	-	-	-	-	-	-	-	-	-	-	-
ii) Investments in India	-	-	25,416.39	-	25,416.39	25,416.39	-	-	22,026.57	-	22,026.57	22,026.57
<b>Total (B)</b>	-	-	<b>25,416.39</b>	-	<b>25,416.39</b>	<b>25,416.39</b>	-	-	<b>51,580.80</b>	-	<b>22,026.57</b>	<b>22,026.57</b>
<b>(C)</b>												
Less: Allowance for impairment loss	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total- Net (D) = A-C</b>	-	-	<b>25,416.39</b>	-	<b>25,416.39</b>	<b>25,416.39</b>	-	-	<b>22,026.57</b>	-	<b>22,026.57</b>	<b>22,026.57</b>

**Note**

Out of the above Investments, ₹ 6,723.58 million (P.Y ₹ 8,309.69 million) are kept as collateral against borrowings.







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**Note 8. Investments Listing**

(₹ in Mn)

Name of Investment	As at March 31, 2022			As at March 31, 2021		
	Face Value	No. of Units	Total Amount	Face Value	No. of Units	Total Amount
IIFL Special Opportunities Fund - Series 9 Sponsor S	10.00	17,49,912.50	17.54	-	-	-
IIFL Special Opportunities Fund - Series 10 Non-Sponsor A1	10.00	1,74,99,125.04	174.82	-	-	-
IIFL Special Opportunities Fund - Series 10 Sponsor S	10.00	24,99,875.01	25.11	-	-	-
IIFL Monopolistic Market Opportunities Fund Class A4	10.00	7,26,70,785.07	813.64	-	-	-
IIFL Yield Enhancer Fund - Class A	1.49	1,14,32,074.89	15.49	2.24	1,14,32,074.89	19.34
IIFL Yield Enhancer Fund - Class B	1.49	1,25,95,649.67	16.08	2.24	96,41,771.15	15.63
IIFL Yield Enhancer Fund - Class S	1.49	4,74,73,236.91	70.01	2.24	4,74,73,236.91	85.39
IIFL Commercial Yield Fund - Cat 2 Non-Sponsor A1	10.00	49,99,750.01	55.26	-	-	-
IIFL Commercial Yield Fund - Cat 2 Sponsor S	10.00	2,49,987.50	2.78	-	-	-
India Alternatives Private Equity Fund II	1,00,000.00	239.92	28.69	1,00,000.00	3,717.92	348.78
India Housing Fund	7.77	46,70,348.89	46.67	-	-	-
India Housing Fund - Class A	7.77	19,29,193.84	19.16	9.92	19,29,193.84	22.66
India Housing Fund - Class B	7.77	29,83,026.58	29.67	9.92	29,83,026.58	35.07
India Housing Fund - Class E	7.77	96,25,469.79	96.18	9.92	4,53,39,033.16	534.64
India Housing Fund - Class S	7.77	50,00,000.00	51.94	9.92	50,00,000.00	60.84
India Housing Fund - Class C	7.77	13,53,147.68	13.47	9.66	14,32,141.08	16.85
India Housing Fund - Series 2 - Class A	-	-	-	10.00	4,00,80,258.90	181.59
India Housing Fund - Series 2 - Class B	-	-	-	10.00	6,44,62,965.46	293.15
India Housing Fund - Series 2 - Class I	-	-	-	10.00	4,74,70,456.00	210.23
India Housing Fund - Series 2 - Class S	4.73	89,32,914.99	47.71	10.00	69,99,966.32	57.88
India Housing Fund - Series 2 - Class E	7.77	4,53,39,033.16	453.05	-	-	-
India Housing Fund - Series 3 - Class A	10.00	3,63,18,363.66	449.98	-	-	-
India Housing Fund - Series 3 - Class C	10.00	49,99,750.01	62.65	-	-	-
India Housing Fund - Series 3	10.00	3,07,43,487.11	382.08	-	-	-
Indiareit Apartment Fund - Class B	1,00,000.00	96.22	11.33	1,00,000.00	96.22	15.23
Iron Pillar India Fund1 - Class A	-	-	-	100.00	23,80,985.25	380.96
Kae Capital Fund II A - Class B	-	-	-	1,00,000.00	2,100.00	225.98
Pegasus India Evolving Opportunities Fund	1,00,000.00	500.00	48.45	1,00,000.00	500.00	49.46
White Oak India Equity Fund - Class A	-	-	-	10.00	29,00,564.69	50.07
White Oak India Equity Fund II - Class J	10.00	10,00,000.00	21.10	10.00	10,00,000.00	17.59
White Oak India Select Equity Fund - Class J1	10.00	20,00,000.00	30.20	10.00	10,00,000.00	17.40
Xponentia Opportunities Fund I - Class B2	1,00,000.00	1,740.00	167.53	1,00,000.00	970.00	114.73
Dallas Venture Capital (Dvc) India Fund I	10.00	750.00	7.50	-	-	-
Orios Venture Partners Fund II	1,00,000.00	300.00	30.00	-	-	-
			<b>10,894.19</b>			<b>6,909.60</b>
<b>Investment in Others (Gold PTC):</b>						
Liquid Gold Series 2 - Nov 2020	-	-	-	1,00,000.00	49.00	4.94
Liquid Gold Series 3 - Dec 2020	1,00,000.00	39.00	3.91	1,00,000.00	301.00	30.18
Liquid Gold Series 4 - Feb 2021	1,00,000.00	190.00	19.06	1,00,000.00	29.00	2.92
Liquid Gold Ptc Series I Oct 20	1,00,000.00	11.00	11.03	-	-	-
Embassy Office Parks Real Estate Inv Trust	-	-	-	10.00	10,14,400.00	330.13
			<b>34.01</b>			<b>368.16</b>
<b>Total Investment</b>			<b>25,416.39</b>			<b>22,026.57</b>



**IIFL WEALTH PRIME LIMITED**  
**(FORMERLY IIFL WEALTH FINANCE LIMITED)**  
**Notes forming part of Consolidated Financial Statements for the Year ended March 31, 2022**

**Note 9. Other financial assets**

(₹ in Mn)

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Unsecured, considered good</b>		
Deposit with Clearing Corporation of India Limited (CCIL)	64.10	64.10
Other deposits	67.19	71.32
Income accrued & not due	343.08	331.90
Receivables from Group/Holding company (Refer Note 36)	27.21	314.36
Advances recoverable in cash or in kind *	14.07	137.51
<b>Total</b>	<b>515.65</b>	<b>919.19</b>

\* Includes Broker balances

**IIFL WEALTH PRIME LIMITED**

(FORMERLY IIFL WEALTH FINANCE LIMITED)

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

**Note 10. Property Plant and Equipment**

(₹ in Mn)

Particulars	Furniture Fixture	Vehicles	Office Equipment	Air Conditioner	Computers	Electrical Equipment	Land	Leasehold improvements	Total
<b>Gross Block as on April 01, 2021</b>	<b>167.93</b>	<b>40.02</b>	<b>9.43</b>	<b>0.77</b>	<b>21.93</b>	<b>3.48</b>	<b>1.00</b>	-	<b>244.56</b>
Additions during the year	3.84	8.35	1.02	-	6.66	-	-	-	19.87
Deductions during the year	0.98	0.15	-	-	-	-	-	-	1.13
<b>As at March 31, 2022</b>	<b>170.79</b>	<b>48.22</b>	<b>10.45</b>	<b>0.77</b>	<b>28.59</b>	<b>3.48</b>	<b>1.00</b>	-	<b>263.30</b>
<b>Accumulated Depreciation</b>									
<b>Upto April 01, 2021</b>	<b>95.59</b>	<b>5.29</b>	<b>5.57</b>	<b>0.33</b>	<b>17.86</b>	<b>2.65</b>	-	-	<b>127.29</b>
Depreciation for the year	30.49	9.06	1.69	0.15	4.53	0.38	-	-	46.30
Deductions during the year	-	-	-	-	-	-	-	-	-
<b>Upto March 31, 2022</b>	<b>126.08</b>	<b>14.35</b>	<b>7.26</b>	<b>0.48</b>	<b>22.39</b>	<b>3.03</b>	-	-	<b>173.59</b>
<b>Net Block as at March 31, 2022</b>	<b>44.71</b>	<b>33.87</b>	<b>3.19</b>	<b>0.29</b>	<b>6.20</b>	<b>0.45</b>	<b>1.00</b>	-	<b>89.71</b>

**F.Y 2020-21**

(₹ in Mn)

Particulars	Furniture Fixture	Vehicles	Office Equipment	Air Conditioner	Computers	Electrical Equipment	Land	Leasehold improvements	Total
<b>Gross Carrying Value as on April 01, 2020</b>	<b>167.38</b>	-	<b>8.82</b>	<b>0.72</b>	<b>19.79</b>	<b>3.48</b>	<b>1.00</b>	-	<b>201.19</b>
Additions during the year	5.35	36.06	0.81	0.05	2.14	-	-	-	44.41
Additions on acquisitions	0.13	3.96	0.86	-	0.97	-	-	1.25	7.17
Deductions during the year	4.93	-	1.06	-	0.97	-	-	1.25	8.21
<b>As at March 31, 2021</b>	<b>167.93</b>	<b>40.02</b>	<b>9.43</b>	<b>0.77</b>	<b>21.93</b>	<b>3.48</b>	<b>1.00</b>	-	<b>244.56</b>
<b>Accumulated Depreciation</b>									
<b>Upto April 01, 2020</b>	<b>63.13</b>	-	<b>3.78</b>	<b>0.18</b>	<b>12.49</b>	<b>2.16</b>	-	-	<b>81.74</b>
Opening Depreciation on acquisition	0.02	2.59	2.59	-	0.86	-	-	0.59	6.65
Depreciation for the year	35.80	2.70	1.82	0.15	5.37	0.49	-	-	46.33
Deductions during the year	3.36	-	2.62	-	0.86	-	-	0.59	7.43
<b>Upto March 31, 2021</b>	<b>95.59</b>	<b>5.29</b>	<b>5.57</b>	<b>0.33</b>	<b>17.86</b>	<b>2.65</b>	-	-	<b>127.29</b>
<b>Net Block as at March 31, 2021</b>	<b>72.34</b>	<b>34.73</b>	<b>3.86</b>	<b>0.44</b>	<b>4.07</b>	<b>0.83</b>	<b>1.00</b>	-	<b>117.27</b>

**Notes:**

a) The above land of 1 million (P.Y 1 million) is kept as collateral against borrowings.

b) No proceedings have been initiated or are pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

c) the Group has not revalued any of its Property Plant and Equipment (including Right of use assets).

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Note 11. Capital work in Progress

(₹ in Mn)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	10.16	0.69
Additions	-	10.16
Deductions	10.16	0.69
Closing Balance	-	10.16

As on March 31, 2021

(₹ in Mn)

Particular	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Advance for purchase of motor vehicle (incl. taxes)	10.16	-	-	-	10.16
	10.16	-	-	-	10.16

Note 12. Other Intangible Assets

(₹ in Mn)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Software	Customer relationship	Total	Software	Customer relationship	Total
Software/Intangible assets- Acquired						
Opening Gross Carrying Value	139.53	1,317.20	1,456.73	131.32	728.20	859.52
Additions during the year	0.45	-	0.45	3.50	-	3.50
Additions on acquisition	-	-	-	11.89	589.00	600.89
Deductions during the year	-	-	-	7.18	-	7.18
Closing Gross Block	139.98	1,317.20	1,457.18	139.53	1,317.20	1,456.73
Amortisation						
Opening Accumulated Depreciation	76.29	113.48	189.77	41.48	49.48	90.96
Opening Depreciation on acquisition	-	-	-	11.12	-	11.12
Amortisation for the year	27.22	65.86	93.08	30.87	64.00	94.87
Deductions during the year	-	-	-	7.18	-	7.18
Closing Accumulated Depreciation	103.51	179.34	282.85	76.29	113.48	189.77
Net Block	36.47	1,137.86	1,174.33	63.24	1,203.72	1,266.96

Footnote: a) the Group has not revalued any of its Intangible Assets during the year.

Note 12A. Goodwill

(₹ in Mn)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	3,701.83	1,846.40
Additions on acquisition of subsidiary	-	1,855.43
Deductions/Impairment during the year	-	-
Closing Balance	3,701.83	3,701.83

Note 13. Disclosure Pursuant to Ind AS 116 "Leases"

(₹ in Mn)

Following are the changes in the carrying value of right of use assets for the period ended March 31, 2022:

Particulars	Premises	Vehicles	Total
Balance as at 01 April, 2021	188.24	18.18	206.42
Additions during the year	24.09	23.34	47.43
Depreciation charge for the year	(80.38)	(12.93)	(93.31)
Deletions during the year	(24.18)	(7.42)	(31.60)
Balance as at March 31, 2022	107.77	21.17	128.94

Following are the changes in the carrying value of right of use assets for the period ended March 31, 2021:

Particulars	Premises	Vehicles	Total
Balance as at 01 April, 2020	254.59	36.69	291.28
Additions during the year	25.74	4.03	29.77
Depreciation charge for the year	(92.04)	(17.49)	(109.53)
Deletions during the year	(0.05)	(5.05)	(5.10)
Balance as at March 31, 2021	188.24	18.18	206.42

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

(₹ in Mn)

Particulars	Premises	Vehicles	Total
Balance as at 01 April, 2021	210.23	20.33	230.56
Additions	24.09	23.34	47.43
Deletion	(25.65)	(7.61)	(33.26)
Finance cost accrued during the period	14.63	1.79	16.42
Payment of lease liabilities	(93.06)	(15.34)	(108.40)
Balance as at March 31, 2022	130.24	22.51	152.75

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

(₹ in Mn)

Particulars	Premises	Vehicles	Total
Balance as at 01 April, 2020	267.97	38.93	306.90
Additions	25.75	4.04	29.79
Deletion	(0.07)	(5.53)	(5.60)
Finance cost accrued during the period	21.49	2.64	24.13
Payment of lease liabilities	(104.91)	(19.75)	(124.66)
Balance as at March 31, 2021	210.23	20.33	230.56

Following is the break up value of the Current and Non - Current Lease Liabilities for the year ended March 31, 2022:

(` in Mn)

Particulars	Premises	Vehicles	Total
Current lease liabilities	67.44	10.23	77.67
Non-current lease liabilities	62.79	12.29	75.08
Total	130.23	22.52	152.75

Following is the break up value of the Current and Non - Current Lease Liabilities for the year ended March 31, 2021:

(` in Mn)

Particulars	Premises	Vehicles	Total
Current lease liabilities	84.18	12.35	96.53
Non-current lease liabilities	126.05	7.98	134.03
Total	210.23	20.33	230.56

Maturity analysis – contractual undiscounted cash flows as at 31st March '22

(` in Mn)

Particulars	Premises	Vehicles	Total
Less than one year	75.07	12.40	87.47
One to five years	65.83	13.56	79.39
More than five years	3.35	-	3.35
Total undiscounted lease liabilities at 31 March 2022	144.25	25.96	170.21
Lease liabilities included in the statement of financial position at 31 March 2022	130.24	22.51	152.75

Maturity analysis – contractual undiscounted cash flows as at 31st March '21

(` in Mn)

Particulars	Premises	Vehicles	Total
Less than one year	98.40	13.58	111.98
One to five years	133.42	8.60	142.02
More than five years	5.30	-	5.30
Total undiscounted lease liabilities at 31 March 2021	237.12	22.18	259.30
Lease liabilities included in the statement of financial position at 31 March 2021	210.23	20.33	230.56

Amounts recognised in profit or loss

(` in Mn)

Particulars	As at March 31, 2022	As at March 31, 2021
Interest on lease liabilities	16.39	24.13
Expenses relating to short-term leases	67.68	78.67
Depreciation relating to leases	93.31	109.53
Total	177.38	212.33

Amounts recognised in the statement of cash flows

(` in Mn)

Particulars	As at March 31, 2022	As at March 31, 2021
Total cash outflow for leases	108.27	125.85

While measuring the lease liabilities, the Group has discounted lease payments using its incremental borrowing rate which ranges from 9.28% to 9.78% p.a.

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**Note 14. Other Non Financial Assets**

(₹ in Mn)

Particulars	As at March 31, 2022	As at March 31, 2021
Prepaid expenses-Unsecured considered good	30.29	551.72
Advances recoverable in cash or in kind or for value to be received – Unsecured, considered good	42.44	14.66
Others	0.16	-
<b>Total</b>	<b>72.89</b>	<b>566.38</b>

**Note 15. Payables**

(₹ in Mn)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Trade payables</b>		
- (i) Total outstanding dues of micro enterprises and small enterprises (Refer note 15.1)	-	-
- (ii) Total outstanding dues of creditors other than micro enterprises and small enterprises :	-	-
- Sundry creditors for expenses	124.66	87.20
- Accrued salaries and benefits	620.57	207.41
- Provision for expenses	298.64	70.84
<b>Total</b>	<b>1,043.87</b>	<b>365.45</b>
<b>Other payables</b>		
- (i) Total outstanding dues of micro enterprises and small enterprises (Refer note 15.1)	-	-
- (ii) Total outstanding dues of creditors other than micro enterprises and small enterprises :	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Total Payables</b>	<b>1,043.87</b>	<b>365.45</b>

**15.1. Disclosure under The Micro, Small and Medium Enterprises Development Act, 2006**

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

Particulars	As at March 31, 2022	As at March 31, 2021
(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	-	-

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Note 15.1. Payables ageing schedule  
as at 31st March, 2022

(₹ in Mn)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	124.48	-	0.18	-	124.66
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
(v) Unbilled and provision	919.21	-	-	-	919.21
<b>Total</b>	<b>1,043.69</b>	<b>-</b>	<b>0.18</b>	<b>-</b>	<b>1,043.87</b>

as at 31st March, 2021

(₹ in Mn)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	87.02	0.18	-	-	87.20
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
(v) Unbilled and provision	278.25	-	-	-	278.25
<b>Total</b>	<b>365.27</b>	<b>0.18</b>	<b>-</b>	<b>-</b>	<b>365.45</b>

IIFL WEALTH PRIME LIMITED  
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Notes forming part of Consolidated Financial Statements for the Year ended March 31, 2022

Note 16. Debt Securities

(₹ in Mn)

Particulars	As at March 31, 2022				As at March 31, 2021			
	At Amortised cost	At Fair value Through profit or loss	Designated at fair value through profit or loss	Total	At Amortised cost	At Fair value Through profit or loss	Designated at fair value through profit or loss	Total
	1	2	3	4=1+2+3	1	2	3	4=1+2+3
Liability component of compound financial instruments (Secured)	4,675.03	-	-	4,675.03	9,271.89	-	-	9,271.89
Bonds/ Debentures (Secured)	25,583.67	5,495.33	-	31,079.00	25,893.19	7,776.84	-	33,670.03
Commercial papers (Unsecured)	12,389.00	-	-	12,389.00	2,000.00	-	-	2,000.00
Less: Prepaid Discount	(134.95)	-	-	(134.95)	(25.03)	-	-	(25.03)
<b>Total</b>	<b>42,512.75</b>	<b>5,495.33</b>	<b>-</b>	<b>48,008.08</b>	<b>37,140.05</b>	<b>7,776.84</b>	<b>-</b>	<b>44,916.89</b>
Debt securities in India	42,512.75	5,495.33	-	48,008.08	37,140.05	7,776.84	-	44,916.89
Debt securities outside India	-	-	-	-	-	-	-	-
<b>Total</b>	<b>42,512.75</b>	<b>5,495.33</b>	<b>-</b>	<b>48,008.08</b>	<b>37,140.05</b>	<b>7,776.84</b>	<b>-</b>	<b>44,916.89</b>

Residual maturity	As at March 31, 2022		As at March 31, 2021	
	Balance outstanding	Interest rate % (p.a)*	Balance outstanding	Interest rate % (p.a)*
At Amortised cost				
Above 5 years	2,045.82	9.16% - 10.00%	4,242.23	9.16% - 10.00%
1-5 years	10,267.76	6.50% - 9.00%	16,502.20	6.75% - 10.25%
Less than 1 year	30,199.17	4.95% - 10.25%	16,395.61	6.10% - 9.25%
At Fair value through profit or loss				
Above 5 years	254.98	Market Linked	3,461.78	Market linked
1-5 years	5,240.35	Market Linked	4,315.07	Market linked
Less than 1 year	-	Market Linked	-	Market linked

\* Indicates Effective Interest Rate

(a) The Listed Non-Convertible Debentures of the Parent Company are Secured by pari passu mortgage and charge over the Parent Company's identified immovable property, charge on present and future receivables to the extent equal to the principal and interest amount of the secured non-convertible debentures outstanding at any point of time and first exclusive charge by way of pledge on specific identified liquid or debt fund/ identified bonds/ perpetual bonds issued by bank/ marketable debt securities (being non-capital market investments of the Parent Company) for each tranche in accordance with the respective tranche private placement offer document/ information memorandum.

(b) Security Coverage available as on March 31, 2022 in case of Secured non-convertible debentures issued by the Parent Company is 1.29 times. (PY: 1.51 times).

(c) Commercial papers are unsecured short term papers issued at discount. The cost on outstanding commercial papers is 4.95% to 6.60% p.a. (P.Y. 6.10% p.a)

(d) There have been no delay or default during the year as on March 31, 2022 and March 31, 2021 in repayment of Principal and Interest.

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(₹ in Mn)

<b>Debentures :</b>	<b>As at March 31, 2022</b>
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 05-05-2022	709.89
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 27-05-2022	916.41
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 11-07-2022	1,322.24
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 02-08-2022	10,027.85
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 27-09-2022	145.25
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 20-10-2022	378.68
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 10-11-2022	478.98
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 30-03-2023	3,965.83
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 12-07-2023	41.36
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 08-08-2023	923.52
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 14-02-2024	784.12
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 28-02-2024	2,830.15
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 10-04-2024	2,614.10
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 15-05-2024	2,856.01
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 01-01-2025	1,002.62
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 12-03-2026	1,956.76
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 12-04-2026	1,458.96
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 27-04-2026	1,040.51
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 11-12-2028	108.76
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 22-01-2029	481.03
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 05-04-2029	254.98
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 15-03-2030	1,273.79
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 29-03-2030	182.24
	<b>35,754.03</b>

(₹ in Mn)

<b>Commercial Papers</b>	<b>As at March 31, 2022</b>
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 29-04-2022 (Interest 4.95% p.a.)	250.00
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 03-05-2022 (Interest 6.25% p.a to 6.60% p.a.)	1,160.00
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 20-05-2022 (Interest 4.95% p.a.)	750.00
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 30-05-2022 (Interest 4.95% p.a.)	1,500.00
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 01-06-2022 (Interest 4.95% to 5.15% p.a.)	2,750.00
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 08-06-2022 (Interest 5.15% p.a.)	2,500.00
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 14-06-2022 (Interest 5.10% p.a.)	1,250.00
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 04-07-2022 (Interest 5.40% p.a.)	80.00
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 14-07-2022 (Interest 5.40% p.a.)	50.00
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 29-07-2022 (Interest 5.30% p.a. to 5.40% p.a.)	499.00
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 01-09-2022 (Interest 5.65% p.a.)	1,100.00
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 05-09-2022 (Interest 5.65% p.a.)	250.00
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 02-01-2023 (Interest 5.75% p.a.)	250.00
	<b>12,389.00</b>



**IIFL WEALTH PRIME LIMITED**

**(FORMERLY IIFL WEALTH FINANCE LIMITED)**

**Notes forming part of Consolidated Financial Statements for the Year ended March 31, 2022**

(₹ in Mn)

<b>Debentures :</b>	<b>As at March 31, 2021</b>
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 14-05-2021	6,469.69
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 15-06-2021	4,741.52
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 09-08-2021	477.50
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 06-09-2021	303.00
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 25-10-2021	242.97
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 10-01-2022	327.58
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 14-02-2022	1,858.37
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 05-05-2022	1,296.26
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 27-05-2022	1,534.46
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 02-08-2022	9,292.99
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 20-10-2022	356.61
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 10-11-2022	491.26
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 30-03-2023	493.07
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 12-07-2023	37.94
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 14-02-2024	1,159.35
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 10-04-2024	1,595.88
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 15-05-2024	1,403.73
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 12-03-2026	3,155.71
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 12-04-2026	1,779.46
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 27-04-2026	1,253.65
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 11-12-2028	502.83
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 22-01-2029	871.40
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 22-03-2029	1,167.82
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 27-03-2029	387.88
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 05-04-2029	428.66
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 15-03-2030	1,148.54
Market Linked Non Convertible Debenture of Face Value Rs. 1,00,000 Each Redeemable on 29-03-2030	163.78
	<b>42,941.92</b>

(₹ in Mn)

<b>Commercial Papers :</b>	<b>As at March 31, 2021</b>
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 16-06-2021 (Interest 6.10% p.a.)	1,000.00
Commercial Paper of Face Value Rs. 5,00,000 Each Redeemable on 16-06-2021 (Interest 6.10% p.a.)	1,000.00
	<b>2,000.00</b>

IIFL WEALTH PRIME LIMITED  
(FORMERLY IIFL WEALTH FINANCE LIMITED)  
Notes forming part of Consolidated Financial Statements for the Year ended March 31, 2022

Note 17. Borrowings (other than Debt securities)

(₹ in Mn)

Particulars	As at March 31, 2022				As at March 31, 2021			
	At Amortised Cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total
	1	2	3	4=1+2+3	1	2	3	4=1+2+3
(A)								
(a) Loans repayable on demand								
- (i) from banks (Secured)	500.68	-	-	500.68	502.34	-	-	502.34
(b) Borrowings from Collateralized Borrowing and Lending Obligation (CBLO) (Secured)	500.00	-	-	500.00	541.76	-	-	541.76
Less: Unamortised Discount	(0.14)	-	-	(0.14)	(0.21)	-	-	(0.21)
<b>Total</b>	<b>1,000.54</b>	<b>-</b>	<b>-</b>	<b>1,000.54</b>	<b>1,043.89</b>	<b>-</b>	<b>-</b>	<b>1,043.89</b>
(B)								
Borrowings in India	1,000.54	-	-	1,000.54	1,043.89	-	-	1,043.89
Borrowings outside India	-	-	-	-	-	-	-	-
<b>Total (B)</b>	<b>1,000.54</b>	<b>-</b>	<b>-</b>	<b>1,000.54</b>	<b>1,043.89</b>	<b>-</b>	<b>-</b>	<b>1,043.89</b>

Residual maturity	As at March 31, 2022		As at March 31, 2021	
	Balance outstanding	Interest rate % (p.a)	Balance outstanding	Interest rate % (p.a)
At Amortised cost				
Above 5 years	-	-	-	-
1-5 years	-	-	-	-
Less than 1 year	1,000.54	3.37% to 5.50%	1,043.89	3.50% to 5.9%

Footnote:

- Loans repayable on demand from banks- As at 31st March 2022, the loans are secured by way of pari passu charge on receivables. The interest rates on these loans are linked to Marginal Cost of funds based Lending Rate (MCLR) of the lending bank + Spread. Further, the Company has filed Statement of Asset Cover with Security Trustee and banks, which are reconciling with the books of accounts.
- Borrowings from CBLO are secured against Investments in Government Securities.
- None of the borrowings have been guaranteed by Directors or Others.
- There have been no delay or default during the year as on March 31, 2022 and March 31, 2021 in repayment of Principal and Interest.

Explanatory Notes	(₹ in Mn)	
	Particulars	As at March 31, 2022
Collateralized Borrowing and Lending Obligation Repayable on 05/04/2022		499.86
Working Capital Demand Loan Repayable on 19/09/2022		500.68
		<b>1,000.54</b>

Particulars	As at March 31, 2021	
	Collateralized Borrowing and Lending Obligation Repayable on 05/04/2021	
Working Capital Demand Loan Repayable on 02/06/2021		502.34
		<b>1,043.89</b>

IIFL WEALTH PRIME LIMITED  
(FORMERLY IIFL WEALTH FINANCE LIMITED)  
Notes forming part of Consolidated Financial Statements for the Year ended March 31, 2022

Note 18. Subordinated Liabilities:

Particulars	As at March 31, 2022				As at March 31, 2021			
	At Amortised cost	At Fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised cost	At Fair value through profit or loss	Designated at fair value through profit or loss	Total
	1	2	3	4=1+2+3	1	2	3	4=1+2+3
(A)								
Perpetual Debt Instruments to the extent that do not qualify as equity	1,514.86	-	-	1,514.86	1,514.88	-	-	1,514.88
Subordinated debt	2,441.68	-	-	2,441.68	2,456.99	-	-	2,456.99
<b>Total (A)</b>	<b>3,956.54</b>	<b>-</b>	<b>-</b>	<b>3,956.54</b>	<b>3,971.87</b>	<b>-</b>	<b>-</b>	<b>3,971.87</b>
(B)								
Subordinated liabilities in India	3,956.54	-	-	3,956.54	3,971.87	-	-	3,971.87
Subordinated liabilities outside India	-	-	-	-	-	-	-	-
<b>Total (B)</b>	<b>3,956.54</b>	<b>-</b>	<b>-</b>	<b>3,956.54</b>	<b>3,971.87</b>	<b>-</b>	<b>-</b>	<b>3,971.87</b>

Residual maturity	As at March 31, 2022		As at March 31, 2021	
	Balance outstanding	Interest rate % (p.a) *	Balance outstanding	Interest rate % (p.a) *
At Amortised cost				
Above 5 years	-	-	1,514.88	10.00%
1-5 years	2,161.54	8.80% -10.00%	2,456.99	8.80% -9.36%
Less than 1 year	1,795.00	9.10% -9.36%	-	-

\* Indicates Effective Interest Rate

- Note-
- The above subordinated liabilities are fully paid up, unsecured, free of any restrictive clauses and are subordinate to the claims of other creditors.
  - None of the borrowings have been guaranteed by Directors or Others.
  - There have been no delay or default during the year as on March 31, 2022 and March 31, 2021 in repayment of Principal and Interest.

Particulars	(₹ in Mn)	
	As at March 31, 2022	As at March 31, 2021
<b>Perpetual Debt Instruments:</b>		
10.00% Subordinated Perpetual Debt of Face Value Rs. 5,00,000 Each Redeemable on 22/02/2027	1,010.68	1,010.68
10.00% Subordinated Perpetual Debt of Face Value Rs. 5,00,000 Each Redeemable on 02/03/2027	504.18	504.20
	<b>1,514.86</b>	<b>1,514.88</b>
<b>Subordinated debt:</b>		
8.80% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 02-05-2023	133.84	123.02
9.00% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 02-05-2023	473.22	498.13
9.00% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 10-01-2024	13.98	12.83
9.00% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 19-07-2023	25.41	25.41
9.10% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 12-07-2022	10.00	10.00
9.10% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 22-07-2022	130.00	130.00
9.10% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 24-06-2022	100.02	100.02
9.15% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 02-05-2023	-	92.32
9.36% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 06-06-2022	961.60	922.47
9.36% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 13-06-2022	504.33	461.16
9.36% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 24-06-2022	42.32	38.69
9.36% Subordinated Debt of Face Value Rs. 10,00,000 Each Redeemable on 30-06-2022	46.95	42.93
	<b>2,441.68</b>	<b>2,456.99</b>

**IIFL WEALTH PRIME LIMITED**  
**(FORMERLY IIFL WEALTH FINANCE LIMITED)**  
**Notes forming part of Consolidated Financial Statements for the Year ended March 31, 2022**

**Note 19. Other Financial Liabilities**

(₹ in Mn)

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Payable on account of purchase of investments	-	10.82
Payable to holding company / group companies (Refer Note 36)	32.48	31.23
Others	192.57	317.49
<b>Total</b>	<b>225.05</b>	<b>359.54</b>

**Footnote:** No amount was required to be transferred in Investor Education and Protection fund account as per Section 125 of Companies Act, 2013 on account of Unclaimed Dividend and Unclaimed dues on account of NCD.

**Note 20. Provisions:**

(₹ in Mn)

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Provision on gratuity (refer note 31)	47.24	49.60
Provision on leave encashment	1.45	-
<b>Total</b>	<b>48.69</b>	<b>49.60</b>

**IIFL WEALTH PRIME LIMITED**  
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**Notes forming part of Consolidated Financial Statements for the Year ended March 31, 2022**

**Note 21. Deferred Taxes**

Significant components of deferred tax assets and liabilities for the year ended March 31, 2022 are as follows:

(₹ in Mn)

	Opening balance	Recognised in profit or loss	Recognised in/reclassified from OCI	Closing balance
<b>Deferred tax assets:</b>				
Difference between book base and tax base of property, plant & equipment, investment property and intangible assets	5.33	7.62	-	12.95
Impairment of financial assets	85.73	(36.23)	-	49.50
Retirement benefits for employees	12.48	2.12	(2.75)	11.85
Lease & deposit fair value	2.31	(21.71)	-	(19.40)
<b>Total deferred tax assets (A)</b>	<b>105.85</b>	<b>(48.20)</b>	<b>(2.75)</b>	<b>54.90</b>
Offsetting of deferred tax (assets) with deferred tax liabilities	-	-	-	-
<b>Net Deferred tax (assets)</b>	<b>105.85</b>	<b>(48.20)</b>	<b>(2.75)</b>	<b>54.90</b>
<b>Deferred tax liabilities:</b>				
Unrealised profit on investments	99.59	239.08	-	338.67
Intangible assets	302.93	(16.58)	-	286.35
<b>Total deferred tax liabilities (B)</b>	<b>402.52</b>	<b>222.50</b>	<b>-</b>	<b>625.02</b>
Offsetting of deferred tax liabilities with deferred tax (assets)	(105.85)	48.20	2.75	(54.90)
<b>Net Deferred tax liabilities</b>	<b>296.67</b>	<b>270.70</b>	<b>2.75</b>	<b>570.12</b>
<b>Deferred tax assets (A - B)</b>	<b>296.67</b>	<b>270.70</b>	<b>2.75</b>	<b>570.12</b>

Significant components of deferred tax assets and liabilities for the year ended March 31, 2021 are as follows:

(₹ in Mn)

	Opening balance	Recognised in profit or loss	Recognised in/reclassified from OCI	Closing balance
<b>Deferred tax assets:</b>				
Difference between book base and tax base of property, plant & equipment and intangible assets	2.32	3.01	-	5.33
Carried forward tax losses	-	-	-	-
Expenses deductible in future years	0.70	(0.70)	-	-
Impairment of Financial Assets	42.29	43.44	-	85.73
Retirement benefits for employees	16.28	(1.88)	(1.92)	12.48
Impact of IndAS 116	0.46	1.85	-	2.31
Others	1.43	(1.43)	-	-
<b>Total deferred tax assets (A)</b>	<b>63.48</b>	<b>44.29</b>	<b>(1.92)</b>	<b>105.85</b>
Offsetting of deferred tax (assets) with deferred tax liabilities	-	-	-	-
<b>Net Deferred tax (assets)</b>	<b>63.48</b>	<b>44.29</b>	<b>(1.92)</b>	<b>105.85</b>
<b>Deferred tax liabilities:</b>				
Unrealised profit on investments etc.	188.82	(89.23)	-	99.59
Intangible assets	319.06	(16.13)	-	302.93
<b>Total deferred tax liabilities (B)</b>	<b>507.88</b>	<b>(105.36)</b>	<b>-</b>	<b>402.52</b>
Offsetting of deferred tax liabilities with deferred tax (assets)	(63.48)	(44.29)	1.92	(105.85)
<b>Net Deferred tax liabilities</b>	<b>444.40</b>	<b>(149.65)</b>	<b>1.92</b>	<b>296.67</b>
<b>Deferred tax liabilities (B - A)</b>	<b>444.40</b>	<b>(149.65)</b>	<b>1.92</b>	<b>296.67</b>

IIFL WEALTH PRIME LIMITED  
(FORMERLY IIFL WEALTH FINANCE LIMITED)  
Notes forming part of Consolidated Financial Statements for the Year ended March 31, 2022

Note 22. Other Non Financial Liabilities:

(₹ in Mn)

Particulars	As at March 31, 2022	As at March 31, 2021
Revenue received in advance	2.93	0.88
Undisputed statutory dues	121.43	127.89
Others	64.27	-
<b>Total</b>	<b>188.63</b>	<b>128.77</b>

IIFL WEALTH PRIME LIMITED  
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Notes forming part of Consolidated Financial Statements for the Year ended March 31, 2022

Note 23. 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:

Authorised :	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount (₹ in Mn)	No. of shares	Amount (₹ in Mn)
Equity shares of ₹ 10/- each with voting rights	35,00,00,000	3,500.00	35,00,00,000	3,500.00
<b>Issued, Subscribed and Paid Up:</b>				
Equity shares of ₹ 10/- each fully paidup with voting rights (₹ in Mn)	30,54,93,803	3,054.94	30,54,93,803	3,054.94
<b>Total</b>		<b>3,054.94</b>		<b>3,054.94</b>

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

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount (₹ in Mn)	No. of shares	Amount (₹ in Mn)
At the beginning of the year	30,54,93,803	3,054.94	30,54,93,803	3,054.94
Add: Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>30,54,93,803</b>	<b>3,054.94</b>	<b>30,54,93,803</b>	<b>3,054.94</b>

(c) Terms/rights attached to equity shares:

The Parent 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 dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend. In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive remaining assets of the Parent Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) Details of shares held by Holding Company:

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% holding	No. of shares	% holding
IIFL Wealth Management Limited and its nominees	30,54,93,803	100.0%	30,54,93,803	100%

(e) Details of shareholders holding more than 5% shares in the Holding Company:

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% holding	No. of shares	% holding
IIFL Wealth Management Limited and its nominees	30,54,93,803	100%	30,54,93,803	100%

(f) During the period of 5 years immediately preceding the Balance Sheet date, the Parent Company has not issued any equity shares without payment being received in cash, bonus shares and has not bought back any equity shares.

(g) Shares held by promoters at the end of the year

Particulars	As at March 31, 2022		
	No. of shares	% holding	% of holding change
IIFL Wealth Management Limited and its nominees	30,54,93,803	100%	0%

  

Particulars	As at March 31, 2021		
	No. of shares	% holding	% of holding change
IIFL Wealth Management Limited and its nominees	30,54,93,803	100%	0%

(h) NBFC's objectives, policies and processes for managing capital:

For above disclosures Refer Note 41.F

(i) Details of dividend declared during the financial year

The Board of the Parent Company has proposed a final dividend of Rs. 3.60 per equity share for financial year ended March 31, 2022 in the Board of Directors meeting held on May 03, 2022.

Accounting period	Net profit for the year (₹ in Mn)	Rate of Dividend (%)	Amount of Dividend (₹ in Mn)	Dividend Payout ratio (%)
FY 2021-22	2,331.37	36.00%	1,099.78	47.17%

In FY 2020-21, The Parent Company has declared final dividend of Rs.0.95 Per equity share, total amounting to Rs. 290.22 million.

**IIFL WEALTH PRIME LIMITED**  
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**Note 23A. Other Equity:**

(₹ in Mn)

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Securities premium	11,558.34	11,558.34
General reserve	1.43	1.43
Reserve u/s 45-IC of Reserve Bank of India Act , 1934	1,899.75	1,432.11
Capital Reserve	(4.98)	(4.98)
Capital Redemption Reserve	2.30	2.30
Retained earnings	2,469.98	911.91
<b>Total</b>	<b>15,926.82</b>	<b>13,901.11</b>

**Notes:**

**(i) Securities Premium**

Securities Premium includes the difference between face value of equity shares and consideration in respect of shares issued. The issue expenses of securities which qualify as equity instruments are written off against securities premium account.

**(ii) General Reserve**

The Parent Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

**(iii) Reserve u/s 45-IC of Reserve Bank of India Act , 1934**

The Parent Company created a reserve pursuant to section 45 IC the Reserve Bank of India Act, 1934 by transferring amount not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and Loss and before any dividend is declared

**(iv) Capital Redemption Reserve**

Capital Redemption Reserve (CRR) can be used only for issue of fully paid bonus shares as per Companies Act, 2013.

**(v) Capital Reserves**

It represents the gains of capital nature which mainly include the excess of value of net assets acquired over consideration paid by the Company for business amalgamation transactions in earlier years.

**(vi) Retained Earnings**

Retained earnings is the profits that the Group has earned till date, less any transfers to general/special reserves, dividends or other distributions paid to shareholders.



IIFL WEALTH PRIME LIMITED  
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Notes forming part of Consolidated Financial Statements for the Year ended March 31, 2022

Note 24. Interest Income

(₹ in Mn)

Particulars	For the year ended March 31, 2022				For the year ended March 31, 2021			
	On Financial assets measured at amortised cost	On financial assets classified at fair value through profit or loss	On financial assets measured at fair value through OCI	Total	On financial assets measured at amortised cost	On financial assets classified at fair value through profit or loss	On financial assets measured at fair value through OCI	Total
Interest on loans	4,112.41	-	-	4,112.41	3,701.10	-	-	3,701.10
Interest income from investments	-	915.18	-	915.18	-	2,607.92	-	2,607.92
Interest on deposits with banks	55.57	-	-	55.57	101.31	-	-	101.31
Other interest income	24.84	-	-	24.84	27.16	-	-	27.16
<b>Total</b>	<b>4,192.82</b>	<b>915.18</b>	<b>-</b>	<b>5,108.00</b>	<b>3,829.57</b>	<b>2,607.92</b>	<b>-</b>	<b>6,437.49</b>

Note 25. Dividend & Distribution income on investments

(₹ in Mn)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Dividend Income	5.27	12.67
Distribution income on investments	61.40	49.64
<b>Total</b>	<b>66.67</b>	<b>62.31</b>

Note 26. Fee and Commission Income

(₹ in Mn)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Distribution fees and other fees	4,238.87	2,101.04
Commission Income	74.79	33.03
<b>Total</b>	<b>4,313.66</b>	<b>2,134.07</b>

Note 27. Net Gain/Loss On Fair Value Change:-

(₹ in Mn)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(A) Net gain/ (loss) on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments	3,179.09	3,585.08
- Derivatives	(35.51)	(1,090.33)
- Borrowings in form of Debt securities- Measured at fair value	(724.05)	(1,142.40)
<b>Total net gain/(loss) on fair value changes (B)</b>	<b>2,419.53</b>	<b>1,352.35</b>
(C) Fair value changes:		
-Realised	2,640.34	(265.33)
-Unrealised	(220.81)	1,617.68
<b>Total net gain/(loss) on fair value changes(C) to tally with (B)</b>	<b>2,419.53</b>	<b>1,352.35</b>

Note 28. Other Income

(₹ in Mn)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Miscellaneous income	2.28	1.57
<b>Total</b>	<b>2.28</b>	<b>1.57</b>

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**Note 29. Finance Cost**

(₹ in Mn)

Particulars	For the year ended March 31, 2022			For the year ended March 31, 2021		
	On financial liabilities measured at amortised cost	On financial liabilities measured at fair value through profit or loss	Total	On financial liabilities measured at amortised cost	On financial liabilities measured at fair value through profit or loss	Total
Interest on borrowings	152.65	-	152.65	915.87	-	915.87
Interest on debt securities	2,904.63	56.09	2,960.72	2,675.32	-	2,675.32
Interest on subordinated liabilities	418.79	-	418.79	477.95	-	477.95
Other Finance Costs	40.34	-	40.34	79.57	-	79.57
<b>Total</b>	<b>3,516.41</b>	<b>56.09</b>	<b>3,572.50</b>	<b>4,148.71</b>	<b>-</b>	<b>4,148.71</b>

**Note 30. Impairment on Financial Instruments**

(₹ in Mn)

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	On financial instruments measured at fair value through OCI	On financial instruments measured at amortised cost	On financial instruments measured at fair value through OCI	On financial instruments measured at amortised cost
On loans	-	(144.30)	-	170.96
On receivables	-	0.55	-	1.63
<b>Total</b>	<b>-</b>	<b>(143.75)</b>	<b>-</b>	<b>172.59</b>

**Note 31. Employee Benefit Expenses**

(₹ in Mn)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries and wages	2,976.89	2,180.62
Contribution to provident and other funds	59.09	59.25
Share based payments to employees	133.16	133.74
Staff welfare expenses	42.80	41.93
Gratuity expense (Refer Note 31.1)	20.05	19.07
Leave encashment	1.47	-
<b>Total</b>	<b>3,233.46</b>	<b>2,434.61</b>

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**31.1. Gratuity Abridged Disclosure Statement as Per Indian Accounting Standard 19 (Ind AS 19) For the year ended 31st March 2022**  
**Defined benefit Plan**

Particulars	2021-2022	2020-2021
Type of benefit	Gratuity	Gratuity
Country	India	India
Reporting currency	INR	INR
Reporting standard	Indian Accounting Standard 19 (Ind AS 19)	Indian Accounting Standard 19 (Ind AS 19)
Funding status	Funded	Funded
Starting period	01-Apr-21	01-Apr-20
Date of reporting	31-Mar-22	31-Mar-21
year of reporting	12 Months	12 Months

Assumptions	2021-2022	2020-2021
Expected return on plan assets	6.96%	6.33%
Rate of discounting	6.96%	6.33%
Rate of salary increase	7.50%	7.50%
Rate of employee turnover	For service 4 years and below 15.00% p.a. For service 5 years and above 7.50% p.a.	For service 4 years and below 15.00% p.a. For service 5 years and above 7.50% p.a.
Mortality rate during employment	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2006-08) Ultimate

(₹ in Mn)

Change in the defined benefit obligation	2021-2022	2020-2021
Present value of benefit obligation at the beginning of the year	155.49	158.31
Interest cost	9.84	9.64
Current service cost	16.91	20.49
Past service cost	-	(4.32)
Liability transferred in/ acquisitions	0.94	3.14
Liability transferred out/ divestments	(1.87)	(5.58)
Benefit paid directly by the employer	(10.59)	(15.72)
Benefits paid from the fund	(6.45)	(3.70)
Actuarial (gains)/losses on obligations - due to change in demographic assumptions	(0.11)	0.75
Actuarial (gains)/losses on obligations - due to change in financial assumptions	(7.29)	(4.48)
Actuarial (gains)/losses on obligations - due to experience	(6.67)	(3.04)
Present value of benefit obligation at the end of the year	<b>150.20</b>	<b>155.49</b>

(₹ in Mn)

Change in the fair value of plan assets	2021-2022	2020-2021
Fair value of plan assets at the beginning of the year	105.88	102.54
Interest income	6.70	6.19
Contributions by the employer	-	-
Benefit paid from the fund	(6.45)	(3.71)
Return on plan assets, excluding interest income	(3.17)	0.86
Fair value of plan assets at the end of the year	<b>102.96</b>	<b>105.88</b>

(₹ in Mn)

Amount recognized in the balance sheet	2021-2022	2020-2021
Present value of benefit obligation at the end of the year	(150.20)	(155.49)
Fair value of plan assets at the end of the year	102.96	105.88
Funded status (surplus/ (deficit))	(47.24)	(49.61)
Net (liability)/asset recognized in the balance sheet	<b>(47.24)</b>	<b>(49.61)</b>

(₹ in Mn)

Net interest cost for current year	2021-2022	2020-2021
Present value of benefit obligation at the beginning of the year	155.49	158.31
Fair value of plan assets at the beginning of the year	(105.88)	(102.53)
Net liability/(asset) at the beginning	<b>49.61</b>	<b>55.78</b>
Interest cost	9.84	9.64
Interest income	(6.70)	(6.19)
Net interest cost for current year	<b>3.14</b>	<b>3.45</b>

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(₹ in Mn)		
Expenses recognized in the statement of profit or loss	2021-2022	2020-2021
Current service cost	16.91	16.17
Net interest cost	3.14	3.45
<b>Expenses recognized</b>	<b>20.05</b>	<b>19.62</b>

(₹ in Mn)		
Expenses recognized in the other comprehensive income (OCI)	2021-2022	2020-2021
Actuarial (gains)/losses on obligation for the year	(14.07)	(6.77)
Return on plan assets, excluding interest income	3.17	(0.86)
<b>Net (income)/expense for the year recognized in OCI</b>	<b>(10.90)</b>	<b>(7.63)</b>

(₹ in Mn)		
Balance sheet reconciliation	2021-2022	2020-2021
Opening net liability	49.61	55.77
Expenses recognized in statement of profit or loss	20.05	19.62
Expenses recognized in OCI	(10.91)	(7.63)
Net liability/(asset) transfer in	0.94	3.14
Net (liability)/asset transfer out	(1.87)	(5.58)
Benefit paid directly by the employer	(10.60)	(15.71)
Employer's contribution	-	-
<b>Net liability/(asset) recognized in the balance sheet</b>	<b>47.22</b>	<b>49.61</b>

(₹ in Mn)		
Category of assets	2021-2022	2020-2021
Insurance fund	102.96	105.88
<b>Total</b>	<b>102.96</b>	<b>105.88</b>

(₹ in Mn)		
Other assumptions	2021-2022	2020-2021
No of active members	471	457
Per month salary for active members	51.40	49.50
Weighted average duration of pbo	8.94	9.21
Average expected future service	9.00	9.00
Projected benefit obligation (pbo)	150.17	155.48
Prescribed contribution for next year (12 months)	43.47	45.06

(₹ in Mn)		
Expected cash flow for following year	2021-2022	2020-2021
Present Value of Benefit Obligation at the End of the year	150.20	155.49
Fair Value of Plan Assets at the End of the year	(102.96)	(105.88)
Net Liability/(Asset) at the End of the year	47.24	49.61
Interest Cost	10.45	9.84
Interest Income	(7.17)	(6.70)
<b>Net Interest Cost for Next Year</b>	<b>3.28</b>	<b>3.14</b>

(₹ in Mn)		
Expenses Recognized in the Statement of Profit or Loss for Next Year	2021-2022	2020-2021
Current Service Cost	14.40	16.90
Net Interest Cost	3.29	3.14
<b>Expenses Recognized</b>	<b>17.69</b>	<b>20.04</b>

(₹ in Mn)		
Maturity analysis of the benefit payments	2021-2022	2020-2021
1st following year	13.54	15.40
2nd following year	12.97	12.17
3rd following year	12.98	13.04
4th following year	13.32	12.29
5th following year	12.75	12.55
Sum of years 6 to 10	54.26	58.18
Sum of years 11 and above	141.94	158.46

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	(₹ in Mn)	
Sensitivity analysis	2021-2022	2020-2021
PBO on current assumptions	150.20	155.49
Delta effect of +1% change in rate of discounting	(10.41)	(11.27)
Delta effect of -1% change in rate of discounting	11.87	12.94
Delta effect of +1% change in rate of salary increase	5.55	6.39
Delta effect of -1% change in rate of salary increase	(5.68)	(6.47)
Delta effect of +1% change in rate of employee turnover	2.05	1.31
Delta effect of -1% change in rate of employee turnover	(2.33)	(1.52)

The above mentioned plans are valued by independent actuaries using the projected unit credit method.

The Group's gratuity plan obligation is determined by actuarial valuation and is funded by investments in Insurance fund. As such, the valuation and the funding are exposed to certain risks, including mainly salary increments, attrition levels, interest rates and investment yields. If salaries and interest rates rise faster than assumed or if the attrition rates are lower than assumed, then the Group's gratuity obligation would rise faster in future periods and an increase in market yields of government securities would reduce the value of the plan's investments, leading to higher future funding requirements. The Group monitors plan obligations and investments regularly with a view to ensuring that there is adequate funding on an ongoing basis, thus mitigating any potential adverse consequences of the risks described.

**Leave Encashment:**

The Group has provided for ₹ 1.47 million (PY: NIL) basis the actuarial valuation report obtained by the group. The mentioned plan is valued by independent actuaries using the projected unit credit method.

**31.2 Defined Contribution Plans:**

The Group has recognised the following amounts as an expense and included in the Employee Benefit Expenses.

	(₹ in Mn)	
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Contribution to provident fund	59.09	59.25
Contribution to ESIC	-	-
Contribution to labour welfare fund	-	-
<b>Total</b>	<b>59.09</b>	<b>59.25</b>

The Group contributes to recognised provident fund for qualifying employees. Under the scheme, the Group is required to contribute specified percentage of payroll costs to fund the benefits.

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Note 32. Other Expenses:-

(₹ in Mn)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Operation and fund management expenses	105.79	91.79
Rent and energy cost	86.70	90.10
Insurance	3.34	2.95
Repairs & maintenance	28.36	23.68
Marketing, advertisement and business promotion expenses	301.69	102.44
Travelling & conveyance	63.58	52.40
Legal & professional fees	91.92	73.03
Communication	13.83	15.45
Software charges / Technology cost	111.47	106.76
Office & other expenses	222.12	173.57
Loss on sale of assets (net)	-	1.38
Donation	4.49	0.35
Directors' fees and commission	4.04	2.47
Remuneration to Auditors :		
Audit fees and Limited review fee (net of GST input credit)*	3.58	2.77
Certification expenses	0.84	0.80
Out Of pocket expenses	0.10	0.10
Corporate social responsibility expenses & donation	42.42	43.38
Miscellaneous expenses	0.11	1.10
<b>Total</b>	<b>1,084.38</b>	<b>784.52</b>

\* This includes fees for limited review and Internal control financial reporting.

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**Note 33. Income taxes**

Disclosure pursuant to Ind AS 12 "Income Taxes"

(a) Major components of tax expense/ (income)

(₹ in Mn)

Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
	Statement of Profit and Loss:		
(a)	Profit and Loss section:		
	(i) Current Income tax :		
	Current income tax expense	352.60	518.46
	(ii) Deferred Tax:		
	Tax expense on origination and reversal of temporary differences	270.69	(150.81)
	<b>Income tax expense reported in the statement of profit or loss [(i)+(ii)]</b>	<b>623.29</b>	<b>367.65</b>
(b)	Other Comprehensive Income (OCI) Section:		
	(i) Items not to be reclassified to profit or loss in subsequent periods:		
	(A) Current tax expense/(income):		
	On re-measurement of defined benefit plans	-	-
	(B) Deferred tax expense/(income):		
	On re-measurement of defined benefit plans	(2.75)	(1.92)
	(ii) Items to be reclassified to profit or loss in subsequent periods:	-	-
	<b>Income tax expense reported in the other comprehensive income [(i)+(ii)]</b>	<b>(2.75)</b>	<b>(1.92)</b>

(b) Reconciliation of tax expense and accounting profit multiplied by domestic tax rate applicable in India:

(₹ in Mn)

Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a)	Profit/(loss) before tax	2,931.06	1,944.82
(b)	Applicable tax rate	25.168%	25.168%
(c)	Income tax expense at tax rates applicable including deferred tax	737.69	489.47
(d)	(i) Tax on income subject to lower tax rate		
	(A) Gains on investments (including fair valuation)	(108.68)	(125.99)
(e)	(ii) Tax on Income exempt from Tax		
	(A) Income from Investments (Including tax suffered income on investment in AIF)	(28.31)	(13.44)
	(iii) Tax on expense not tax deductible		
	(A) Expenses not allowable as tax deductible as per tax laws	14.36	10.95
	(iv) Tax effect on various other items	8.23	6.66
	<b>Total effect of tax adjustments [(i) to (iv)]</b>	<b>(114.40)</b>	<b>(121.82)</b>
(f)	Tax expense recognised during the year	<b>623.29</b>	<b>367.65</b>
	Effective tax rate	21.26%	18.90%

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**Note 34. Earnings Per Share:**

Basic and diluted earnings per share ["EPS"] computed in accordance with INDAS 33 'Earnings per share'.

(₹ in Mn)

Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
Face value of equity shares in ₹ fully paid up		10.00	10.00
<b>BASIC</b>			
Profit after tax as per Statement of Profit and Loss	A	2,307.77	1,577.17
Weighted average number of shares subscribed	B	30,54,93,803	30,54,93,803
Face value of equity shares (in ₹) fully paid		10.00	10.00
Basic EPS (₹)	A/B	7.55	5.16
<b>DILUTED</b>			
Profit after tax as per Statement of Profit and Loss	A	2,307.77	1,577.17
Weighted average number of shares subscribed	B	30,54,93,803	30,54,93,803
Add: Potential equity shares on account of conversion of employee stock option	C	-	-
Weighted average number of shares outstanding	D=B+C	30,54,93,803	30,54,93,803
Diluted EPS (₹)	A/D	7.55	5.16

**Note 35. Capital, Other Commitments and Contingent Liabilities at Balance Sheet date:**

**Capital and Other Commitments (except undisbursed amount of loans)**

(₹ in Mn)

Particulars	As at March 31, 2022	As at March 31, 2021
Commitments on investments	1,669.71	1,762.98
<b>Total</b>	<b>1,669.71</b>	<b>1,762.98</b>

**Contingent Liabilities**

(₹ in Mn)

Particulars	As at March 31, 2022	As at March 31, 2021
In respect of Income tax demand *	140.92	139.49
In respect of service tax matter in dispute	67.48	67.48
<b>Total</b>	<b>208.40</b>	<b>206.97</b>

\* Out of above demand, ₹ 27.16 million (P.Y ₹27.16 million) has been deposited under under protest.

The management believes that the ultimate outcome of above matters will not have a material adverse impact on its financial position, results of operations and cash flows. In respect of above matters, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgements pending at various authorities.



**Note 36. Related Party Disclosures:**

Related party disclosures for the year ended 31st March, 2022

**a) List of Related Parties:**

Nature of relationship	Name of party
Director/ Key Managerial Personnel	Mr. Himanshu Jain, CEO and Whole time Director
	Mr. Yatin Shah, Whole Time Director
	Mr. Shantanu Rastogi, Non-executive Director
	Mr. Karan Bhagat, Non-executive Director
	Dr. S. Narayan, Non-executive Director (Independent Director)
	Ms. Rekha Warriar, Non-executive Director (Independent Director)
	Mr. Mihir Nanavati(Upto September 3, 2021)
	Mr. Sanjay Wadhwa
Holding Company	IIFL Wealth Management Limited
Fellow Subsidiaries	IIFL Asset Management Limited
	IIFL Investment Adviser and Trustee Services Limited
	IIFL Trustee Limited
	IIFL Wealth Portfolio Managers Limited (Formerly known as IIFL Portfolio Managers Limited)
	IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services Limited)
	IIFL Wealth Securities IFSC Limited (w.e.f June 22, 2018)
	IIFL Wealth Altiore Limited (Formerly known as IIFL Altiore Advisors Limited)
	IIFL Wealth Employee Welfare benefit Trust (w.e.f August 01, 2018)
	IIFL Private Wealth Management (Dubai) Limited
	IIFL Inc.
	IIFL Asset Management (Mauritius) Limited (Formerly Known as IIFL Private Wealth (Mauritius) Ltd)
	IIFL (Asia) Pte. Limited
	IIFL Capital Pte. Limited
	IIFL Securities Pte. Limited
	IIFL Capital (Canada) Limited
	IIFLW CSR Foundation (w.e.f Jan 20, 2020)
	Other Related Parties
IIFL Securities Limited	
IIFL Commodities Limited (Formerly known as India Infoline Commodities Limited)	
Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited w.e.f. February 22, 2022)	
IIFL Management Services Limited (Formerly known as India Infoline Insurance Services Limited)	
IIFL Wealth (UK) Limited	
IIFL Capital Inc.	
IIFL Facilities Services Limited (Formerly known as IIFL Real Estate Limited)	
IIFL Securities Services IFSC Limited	
Livlong Protection & Wellness Services Limited (Formerly known as IIFL Corporate Services Limited w.e.f. October 6, 2021)	
IIFL Home Finance Limited	
Samasta Microfinance Limited (w.e.f March 01, 2017)	
Meenakshi Tower LLP (Joint Venture of IIFL Management Services Limited)	
Shreyans Foundation LLP	
India Infoline Foundation	
Spaisa Capital Limited	
Spaisa Trading Limited	
IIFL Sales Limited	
Giskard Datatech Private Limited (Associate Company w.e.f. November 06, 2020 and Ceased to be Associate Company w.e.f. December 30, 2021)	
General Atlantic Singapore Fund Pte Limited	
Mr. Venkataraman Rajamani	
Mr. Nirmal Jain	
Mr. Sandeep Achyut Naik	
Mr. Gopalakrishnan Soundarajan	
Mr. Rohit Bhase	
Mrs. Shilpa Bhagat (Spouse of Mr. Karan Bhagat)	
Late Mr. Om Prakash Bhagat (Father of Mr. Karan Bhagat)	
Ms. Madhu Bhagat (Mother of Mr. Karan Bhagat)	
Mr. Kush Bhagat (Son of Mr. Karan Bhagat)	
Ms. Kyra Bhagat (Daughter of Mr. Karan Bhagat)	
Mr. Varun Bhagat (Brother of Mr. Karan Bhagat)	
Mrs. Ami Yatin Shah (Spouse of Mr. Yatin Shah)	
Yatin Prakash Shah HUF	

**Note 36. Related Party Disclosures:**

Related party disclosures for the year ended 31st March, 2022

Nature of relationship	Name of party
	Prakashchandra Chunilal Shah HUF
	Mr. Prakashchandra Shah (Father of Mr. Yatin Shah)
	Mrs. Hansadevi Shah (Mother of Mr. Yatin Shah)
	Kiaan Shah (Son of Mr. Yatin Shah)
	Naysa Shah (Daughter of Mr. Yatin Shah)
	Ms. Yasmita Sarju Vakil (Sister of Mr. Yatin Shah)
	Ms. Shefali Devani (Sister of Mr. Yatin Shah)
	Mrs. Shanthi Narayan (Spouse of Mr. Subbaraman Narayan)
	Mr. Sumant (Son of Mr. Subbaraman Narayan)
	Ms. Sweta (Son's wife of of Mr. Subbaraman Narayan)
	Ms. Suchitra (Daughter of Mr. Subbaraman Narayan)
	Mr. Sridhar (Daughter's husband of Mr. Subbaraman Narayan)
	Mrs. Jaya (Sister of Mr. Subbaraman Narayan)
	Mrs. Madhu Jain (Spouse of Mr. Nirmal Jain)
	Mr. Bhanwarlal Jain (Father of Mr. Nirmal Jain)
	Ms. Sunderben Jain (Mother of Mr. Nirmal Jain)
	Mr. Bhavya Jain (Son of Mr. Nirmal Jain)
	Ms. Kalpita Jain (Daughter of Mr. Nirmal Jain)
	Ms. Harshita Jain (Daughter of Mr. Nirmal Jain)
	Mr. Mansukh Jain and Mr. Ramesh Jain (Brother of Mr. Nirmal Jain)
	Ms. Pushpa Khokhawat (Sister of Mr. Nirmal Jain)
	Ms. Aditi Athavankar (Spouse of Mr. Venkataraman Rajamani)
	Mr. Rajamani (Father of Mr. Venkataraman Rajamani)
	Ms. Syamala (Mother of Mr. Venkataraman Rajamani)
	Mr. Vihaan Venkataraman (Son of Mr. Venkataraman Rajamani)
	Mr. Varun Venkataraman (Son of Mr. Venkataraman Rajamani)
	Ms. Nandini (Sister of Mr. Venkataraman Rajamani)
	Mrs. Anchal Rastogi (Spouse of Mr. Shantanu Rastogi)
	Mr. Girish Kumar Rastogi (Father of Mr. Shantanu Rastogi)
	Mrs. Nisha Rastogi (Mother of Mr. Shantanu Rastogi)
	Mr. Vir Rastogi (Son of Mr. Shantanu Rastogi)
	Mr. Shivam Rastogi (Brother of Mr. Shantanu Rastogi)
	Ms. Piyusha Jain (Spouse of Mr. Himanshu Jain)
	Prof. S.P.Jain (Father of Mr. Himanshu Jain)
	Mrs. Shakuntala Jain (Mother of Mr. Himanshu Jain)
	Ms. Srishti Jain, (Daughter of Mr. Himanshu Jain)
	Ms. Snigdha Jain, (Daughter of Mr. Himanshu Jain)
	Dr. Alok Jain (Brother of Mr. Himanshu Jain)
	Dr. Chetna Jain (Sister of Mr. Himanshu Jain)
	Mr. Subramanian Gopalakrishnan (Spouse of Mrs. Rekha Warriar)
	Late Shri Eswara Warriar (Father of Mrs. Rekha Warriar)
	Mrs. Santha Warriar (Mother of Mrs. Rekha Warriar)
	Mr. Sarang Gopalakrishnan (Son of Mrs. Rekha Warriar)
	Mrs. Calista McRae (Son's wife of Mrs. Rekha Warriar)
	Mr. Venugopal Easwar (Brother of Mrs. Rekha Warriar)
	Dr. Geetha Raghukumar (Sister of Mrs. Rekha Warriar)
	Ms. Bhakti Prabhu Naik (Spouse of Mr. Sandeep Naik)
	Mr. Achyut Madhushiva Naik (Father of Mr. Sandeep Naik)
	Ms. Suman Achyut Naik (Mother of Mr. Sandeep Naik)
	Mr. Naman Naik (Son of Mr. Sandeep Naik)
	Mr. Kian Naik (Son of Mr. Sandeep Naik)
	Deepak Achyut Naik (Brother of Mr. Sandeep Naik)
	Sunil Achyut Naik (Brother of Mr. Sandeep Naik)
	Ms. Prajakta Thakur (Sister of Mr. Sandeep Naik)
	Ms. Shalini Gopalakrishnan (Spouse of Mr. Gopalakrishnan Soundarajan)
	Mr. Govindarajan Soundarajan (Father of Mr. Gopalakrishnan Soundarajan)
	Ms. Sakunthla Soundarajan (Mother of Mr. Gopalakrishnan Soundarajan)
	Mr. Adidev Gopalakrishnan (Son of Mr. Gopalakrishnan Soundarajan)
	Ms. Srimathi Basra (Sister of Mr. Gopalakrishnan Soundarajan)
	Mrs. Bhavya Wadhwa (Spouse of Mr. Sanjay Wadhwa)
	Mr. Tulsio Wadhwa (Father of Mr. Sanjay Wadhwa)
	Mrs. Chandra Wadhwa (Mother of Mr. Sanjay Wadhwa)
	Shail Wadhwa (Son of Mr. Sanjay Wadhwa)
	Drishti Wadhwa (Daughter of Mr. Sanjay Wadhwa)
	Mr. Girish Wadhwa (Brother of Mr. Sanjay Wadhwa)
	Mamta Wadhwa (Sister of Mr. Sanjay Wadhwa)
	Dr. Akanksha Rohit Bhave (Spouse of Mr. Rohit Bhave)

Other Related Parties

**IIFL WEALTH PRIME LIMITED**  
**(FORMERLY IIFL WEALTH FINANCE LIMITED)**  
**Notes forming part of Consolidated Financial Statements for the Year ended March 31, 2022**

**Note 36. Related Party Disclosures:**

Related party disclosures for the year ended 31st March, 2022

Nature of relationship	Name of party
<b>Other Related Parties</b>	Mr. Shrinivas Raghunath Bhave (Father of Mr. Rohit Bhave)
	Mrs. Anjali Shrinivas Bhave (Mother of Mr. Rohit Bhave)
	Ms. Uma Rohit Bhave (Daughter of Mr. Rohit Bhave)
	Ms. Namrata Bhandari (Spouse of Mr. Amit Bhandari)
	Mr. Tejmal Bhandari (Father of Mr. Amit Bhandari)
	Late Ms Pushpa Bhandari (Mother of Mr. Amit Bhandari)
	Ms. Charvi and Tanvi (Daughter of Mr. Amit Bhandari)
	Ms. Ankita Mehta (Sister of Mr. Amit Bhandari)
	Vare Precast & Construction Private Limited
	Unique Vacation Homes Private Limited
	M/s. Prasanna Shenoy & Associates
	Yatin Investments
	Kyrush Investments
	Naykia Realty Private Limited
	Trend Analytics (India) Private Limited (Formerly known as Financial advisors (India) Private Limited)
	Kyrush Trading & Investments Private Limited (Formerly known as Kyrush Realty Private Limited)
	Orpheous Trading Private Limited
	MNJ Consultants Private Limited
	Ardent Impex Private Limited
	Sunder Bhawar Ventures Private Limited
	Chintamani Properties Private Limited
	5 Paisa P2P Limited
	5 Paisa Insurance Brokers Limited
	Kush Family Private Trust
	Kyra Family Private Trust
Kalki Family Private Trust	
Nirmal Madhu Family Private Trust	
Naykia Family Private Trust	
Prakash Shah Family Private Trust	
Bhagat Family Private Trust	
Kyrush Family Private Trust	
Naysa Shah Family Private Trust	
Kiaan Shah Family Private Trust	
FIH Mauritius Investments Limited	
Capital Foods Private Limited	
Rubicon Research Private Limited	
No Broker Technologies Solutions Private Limited	
House of Anita Dongre Private Limited	
Sorting Hat Technologies Private Limited	
Castlewood Trading Private Limited	
Rudransh Trading Private Limited	

**IIFL WEALTH PRIME LIMITED**  
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**Notes forming part of Consolidated Financial Statements for the Year ended March 31, 2022**

**Note 36. Related Party Disclosures:**

Related party disclosures for the year ended 31st March, 2022

**b) Significant Transactions with Related Parties**

(₹ in Mn)

Nature of Transaction	Director/Key Managerial Person	Holding Company	Fellow Subsidiaries	Other Related Parties	Total
<b>Amount paid/payable on account of reimbursement of Expenses for transition period and creditors paid</b>					
IIFL Wealth Management Limited	-	-	-	-	-
	-	(5.16)	-	-	(5.16)
<b>Amount received/ receivable on account of Transfer of Revenue for transition period &amp; realisation of debtors</b>					
IIFL Wealth Management Limited	-	161.61	-	-	161.61
	-	(335.83)	-	-	(335.83)
<b>Dividend Paid</b>					
IIFL Wealth Management Limited	-	290.22	-	-	290.22
	-	(3,207.68)	-	-	(3,207.68)
<b>Loans Given</b>					
Mr. Yatin Shah	33.00	-	-	-	33.00
	(499.95)	-	-	-	(499.95)
Mr. Nirmal Jain	-	-	-	5,894.95	5,894.95
	-	-	-	(1,499.99)	(1,499.99)
Mrs. Madhu Jain	-	-	-	999.99	999.99
	-	-	-	(3,896.83)	(3,896.83)
Yatin Investments	-	-	-	1,349.98	1,349.98
	-	-	-	-	-
Kyrush Investments	-	-	-	184.00	184.00
	-	-	-	(327.22)	(327.22)
<b>Loan Received Back</b>					
Mr. Yatin Shah	15.60	-	-	-	15.60
	(499.95)	-	-	-	(499.95)
Mr. Nirmal Jain	-	-	-	5,894.95	5,894.95
	-	-	-	(1,499.99)	(1,499.99)
Mrs. Madhu Jain	-	-	-	999.99	999.99
	-	-	-	(3,896.83)	(3,896.83)
Yatin Investments	-	-	-	1,349.98	1,349.98
	-	-	-	-	-
Kyrush Investments	-	-	-	226.37	226.37
	-	-	-	(284.85)	(284.85)
<b>ICD Given</b>					
IIFL Investment Adviser & Trustee Services Limited	-	-	2,000.00	-	2,000.00
	-	-	(1,210.00)	-	(1,210.00)
IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services Limited)	-	-	5,030.00	-	5,030.00
	-	-	(1,420.00)	-	(1,420.00)
IIFL Wealth Portfolio Managers Limited ( Formerly known as IIFL Portfolio Managers Limited)	-	-	17,800.00	-	17,800.00
	-	-	(39,178.00)	-	(39,178.00)
IIFL Asset Manangement Limited	-	-	1,340.00	-	1,340.00
	-	-	(1,820.00)	-	(1,820.00)
IIFL Wealth Management Limited	-	34,070.00	-	-	34,070.00
	-	(35,236.10)	-	-	(35,236.10)

**IIFL WEALTH PRIME LIMITED**  
**(FORMERLY IIFL WEALTH FINANCE LIMITED)**  
**Notes forming part of Consolidated Financial Statements for the Year ended March 31, 2022**

**Note 36. Related Party Disclosures:**

Related party disclosures for the year ended 31st March, 2022

(₹ in Mn)					
Nature of Transaction	Director/Key Managerial Person	Holding Company	Fellow Subsidiaries	Other Related Parties	Total
<b>ICD Received Back</b>					
IIFL Investment Adviser & Trustee Services Limited	-	-	2,000.00	-	2,000.00
	-	-	(1,210.00)	-	(1,210.00)
IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services Limited)	-	-	5,030.00	-	5,030.00
	-	-	(1,420.00)	-	(1,420.00)
IIFL Wealth Portfolio Managers Limited ( Formerly known as IIFL Portfolio Managers Limited)	-	-	17,800.00	-	17,800.00
	-	-	(39,178.00)	-	(39,178.00)
IIFL Asset Management Limited	-	-	1,340.00	-	1,340.00
	-	-	(1,820.00)	-	(1,820.00)
IIFL Wealth Management Limited	-	34,070.00	-	-	34,070.00
	-	(37,067.00)	-	-	(37,067.00)
<b>ICD Taken</b>					
IIFL Investment Adviser & Trustee Services Limited	-	-	-	-	-
	-	-	(290.00)	-	(290.00)
IIFL Wealth Portfolio Managers Limited ( Formerly known as IIFL Portfolio Managers Limited)	-	-	10.00	-	10.00
	-	-	(1,520.00)	-	(1,520.00)
IIFL Asset Management Limited	-	-	60.00	-	60.00
	-	-	(2,790.00)	-	(2,790.00)
IIFL Wealth Management Limited	-	1,00,630.00	-	-	1,00,630.00
	-	(47,315.00)	-	-	(47,315.00)
IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services Limited)	-	-	-	-	-
	-	-	(680.00)	-	(680.00)
<b>ICD Repaid</b>					
IIFL Investment Adviser & Trustee Services Limited	-	-	-	-	-
	-	-	(290.00)	-	(290.00)
IIFL Wealth Portfolio Managers Limited ( Formerly known as IIFL Portfolio Managers Limited)	-	-	10.00	-	10.00
	-	-	(1,520.00)	-	(1,520.00)
IIFL Asset Management Limited	-	-	60.00	-	60.00
	-	-	(2,790.00)	-	(2,790.00)
IIFL Wealth Management Limited	-	1,00,630.00	-	-	1,00,630.00
	-	(47,315.00)	-	-	(47,315.00)
IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services Limited)	-	-	-	-	-
	-	-	(680.00)	-	(680.00)
<b>Interest Income on Loans</b>					
Kyrush Investments	-	-	-	1.12	1.12
	-	-	-	(2.01)	(2.01)
Yatin Investments	-	-	-	2.78	2.78
	-	-	-	-	-
Mr. Yatin Shah	2.55	-	-	-	2.55
	(1.34)	-	-	-	(1.34)
Mr. Nirmal Jain	-	-	-	9.61	9.61
	-	-	-	(2.19)	(2.19)
Mrs. Madhu Jain	-	-	-	2.04	2.04
	-	-	-	(5.46)	(5.46)
<b>Interest Income on ICD</b>					
IIFL Investment Adviser & Trustee Services Limited	-	-	3.38	-	3.38
	-	-	(2.09)	-	(2.09)
IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services Limited)	-	-	8.68	-	8.68
	-	-	(2.29)	-	(2.29)
IIFL Wealth Portfolio Managers Limited ( Formerly known as IIFL Portfolio Managers Limited)	-	-	35.81	-	35.81
	-	-	(39.12)	-	(39.12)
IIFL Asset Management Limited	-	-	4.17	-	4.17
	-	-	(0.35)	-	(0.35)
IIFL Wealth Management Limited	-	30.09	-	-	30.09
	-	(61.07)	-	-	(61.07)

**IIFL WEALTH PRIME LIMITED**  
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**Notes forming part of Consolidated Financial Statements for the Year ended March 31, 2022**

**Note 36. Related Party Disclosures:**

Related party disclosures for the year ended 31st March, 2022

(₹ in Mn)

Nature of Transaction	Director/Key Managerial Person	Holding Company	Fellow Subsidiaries	Other Related Parties	Total
<b>Interest Expense on ICD</b>					
IIFL Investment Adviser & Trustee Services Limited	-	-	-	-	-
	-	-	(0.14)	-	(0.14)
IIFL Wealth Portfolio Managers Limited ( Formerly known as IIFL Portfolio Managers Limited)	-	-	0.00	-	-
	-	-	(0.11)	-	(0.11)
IIFL Asset Management Limited	-	-	-	-	-
	-	-	(1.90)	-	(1.90)
IIFL Wealth Management Limited	-	125.04	-	-	125.04
	-	(77.15)	-	-	(77.15)
IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services Limited)	-	-	-	-	-
	-	-	(0.19)	-	(0.19)
<b>Purchase of Investment</b>					
IIFL Finance Limited (Formerly known as IIFL Holdings Limited)	-	-	-	-	-
	-	-	-	(2,011.10)	(2,011.10)
IIFL Management Services Limited	-	-	-	439.15	439.15
	-	-	-	(79.08)	(79.08)
IIFL Wealth Management Limited	-	542.15	-	-	542.15
	-	(168.69)	-	-	(168.69)
IIFL Asset Management Limited	-	-	-	-	-
	-	-	(224.24)	-	(224.24)
KYRUSH INVESTMENTS	-	-	45.69	-	45.69
	-	-	-	-	-
IIFL Wealth Portfolio Managers Limited ( Formerly known as IIFL Portfolio Managers Limited)	-	-	249.10	-	249.10
	-	-	(1,248.88)	-	(1,248.88)
<b>Redemption/Buy Back of NCD</b>					
IIFL Wealth Portfolio Managers Limited ( Formerly known as IIFL Portfolio Managers Limited)	-	-	20,874.85	-	20,874.85
	-	-	(29,988.60)	-	(29,988.60)
IIFL Wealth Management Limited	-	376.63	-	-	376.63
	-	-	-	-	-
<b>Issue of NCD</b>					
IIFL Wealth Portfolio Managers Limited ( Formerly known as IIFL Portfolio Managers Limited)	-	-	876.77	-	876.77
	-	-	(2,492.26)	-	(2,492.26)
<b>Sale of Investment</b>					
IIFL Finance Limited (Formerly known as IIFL Holdings Limited)	-	-	-	-	-
	-	-	-	(813.46)	(813.46)
IIFL Home Finance Limited	-	-	-	-	-
	-	-	-	(224.97)	(224.97)
IIFL Facilities Services Limited	-	-	-	-	-
	-	-	-	(50.01)	(50.01)
IIFL Wealth Portfolio Managers Limited ( Formerly known as IIFL Portfolio Managers Limited)	-	-	437.56	-	437.56
	-	-	(1,356.34)	-	(1,356.34)
IIFL Wealth Management Limited	-	-	-	-	-
	-	(1,247.27)	-	-	(1,247.27)
<b>Remuneration to Director/KMP/Other related parties</b>					
Mr. Himanshu Jain	29.80	-	-	-	29.80
	(21.38)	-	-	-	(21.38)
Mr. Yatin Shah	64.82	-	-	-	64.82
	(28.80)	-	-	-	(28.80)
Mr. Varun Bhagat	-	-	-	4.87	4.87
	-	-	-	(4.53)	(4.53)
<b>Gratuity Expenses</b>					
Mr. Himanshu Jain	0.00	-	-	-	-
	(0.24)	-	-	-	(0.24)
Mr. Varun Bhagat	-	-	-	0.09	0.09
	-	-	-	(0.04)	(0.04)
<b>Sitting Fees/Commission To Directors</b>					
Rekha Warriier	2.30	-	-	-	2.30
	(1.54)	-	-	-	(1.54)
S Narayan	1.73	-	-	-	1.73
	(1.66)	-	-	-	(1.66)

**IIFL WEALTH PRIME LIMITED**  
**(FORMERLY IIFL WEALTH FINANCE LIMITED)**  
**Notes forming part of Consolidated Financial Statements for the Year ended March 31, 2022**

**Note 36. Related Party Disclosures:**

Related party disclosures for the year ended 31st March, 2022

(₹ in Mn)

Nature of Transaction	Director/Key Managerial Person	Holding Company	Fellow Subsidiaries	Other Related Parties	Total
<b>Fees Earned For Services rendered</b>					
IIFL Asset Management Limited	-	-	130.29	-	130.29
	-	-	(67.07)	-	(67.07)
IIFL Wealth Portfolio Managers Limited ( Formerly known as IIFL Portfolio Managers Limited)	-	-	165.74	-	165.74
	-	-	(118.24)	-	(118.24)
<b>Fees/Expenses incurred/Reimbursed For Services Procured</b>					
IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services Limited)	-	-	151.26	-	151.26
	-	-	(132.31)	-	(132.31)
IIFL Investment Adviser & Trustee Services Limited	-	-	34.70	-	34.70
	-	-	(15.34)	-	(15.34)
IIFL Wealth Management Limited	-	68.92	-	-	68.92
	-	(63.76)	-	-	(63.76)
IIFL Wealth Altiore Limited (Formerly known as IIFL Altiore Advisors Limited)	-	-	-	-	-
	-	-	(0.12)	-	(0.12)
IIFL INC	-	-	-	-	-
	-	-	(47.56)	-	(47.56)
<b>Corporate Social Responsibility (CSR)</b>					
IIFLW CSR Foundation	-	-	30.15	-	30.15
	-	-	(44.78)	-	(44.78)
<b>Allocation / Reimbursement of expenses Received</b>					
IIFLW CSR Foundation	-	-	-	-	-
	-	-	(0.43)	-	(0.43)
<b>Allocation / Reimbursement of expenses Paid</b>					
IIFL Management Services Limited	-	-	-	0.16	0.16
	-	-	-	(0.05)	(0.05)
IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services Limited)	-	-	1.31	-	1.31
	-	-	(0.75)	-	(0.75)
IIFL Wealth Management Limited	-	105.58	-	-	105.58
	-	(113.28)	-	-	(113.28)
<b>Other funds paid</b>					
IIFL Wealth Management Limited	-	137.18	-	-	137.18
	-	(143.73)	-	-	(143.73)
IIFL Asset Management Limited	-	-	0.07	-	0.07
	-	-	(0.01)	-	(0.01)
IIFL Wealth Portfolio Managers Limited ( Formerly known as IIFL Portfolio Managers Limited)	-	-	1.43	-	1.43
	-	-	(2.97)	-	(2.97)
<b>Other funds received</b>					
IIFL Wealth Management Limited	-	53.18	-	-	53.18
	-	(1.50)	-	-	(1.50)
IIFL Asset Management Limited	-	-	2.80	-	2.80
	-	-	(0.74)	-	(0.74)
IIFL Wealth Portfolio Managers Limited ( Formerly known as IIFL Portfolio Managers Limited)	-	-	0.25	-	0.25
	-	-	(1.73)	-	(1.73)
IIFL Investment Advisors And Trustee Services Limited	-	-	0.04	-	0.04
IIFL Securities Limited	-	-	-	-	-
	-	-	-	(0.07)	(0.07)

**IIFL WEALTH PRIME LIMITED**  
**(FORMERLY IIFL WEALTH FINANCE LIMITED)**  
**Notes forming part of Consolidated Financial Statements for the Year ended March 31, 2022**

**Note 36. Related Party Disclosures:**

Related party disclosures for the year ended 31st March, 2022

**(C) Amount due to / from related parties (Closing Balances):**

(₹ in Mn)					
Nature of Transaction	Director/Key Managerial Person	Holding Company	Fellow Subsidiaries	Other Related Parties	Total
<b>Sundry payables</b>					
IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services Limited)	-	-	52.63	-	52.63
	-	-	(28.82)	-	(28.82)
IIFL Wealth Management Limited	-	61.22	-	-	61.22
	-	-	-	-	-
IIFL Investment Adviser & Trustee Services Limited	-	-	17.55	-	17.55
	-	-	(16.95)	-	(16.95)
IIFL Management Services Limited	-	-	-	-	-
	-	-	-	(0.03)	(0.03)
<b>Sundry receivables</b>					
IIFL Wealth Management Limited	-	-	-	-	-
	-	(121.38)	-	-	(121.38)
IIFL Asset Management Limited	-	-	40.16	-	40.16
	-	-	(23.21)	-	(23.21)
IIFL Investment Adviser & Trustee Services Limited	-	-	0.20	-	0.20
	-	-	(0.20)	-	(0.20)
IIFL Wealth Securities IFSC Limited	-	-	0.24	-	0.24
	-	-	(0.24)	-	(0.24)
IIFL Wealth Portfolio Managers Limited (Formerly known as IIFL Portfolio Managers Limited)	-	-	57.64	-	57.64
	-	-	(39.78)	-	(39.78)
IIFLW CSR Foundation	-	-	-	-	-
	-	-	(0.50)	-	(0.50)
IIFL Securities Limited	-	-	-	-	-
	-	-	-	(0.07)	(0.07)
Mr. Yatin Shah	0.65	-	-	-	0.65
	-	-	-	-	-
Kyrush Investments	-	-	-	0.09	0.09
	-	-	-	(0.31)	(0.31)
<b>Gratuity Liability</b>					
Mr. Himanshu Jain	1.25	-	-	-	1.25
	(1.22)	-	-	-	(1.22)
Mr. Yatin Shah	1.24	-	-	-	1.24
	(1.28)	-	-	-	(1.28)
Mr. Varun Bhagat	-	-	-	0.60	0.60
	-	-	-	(0.50)	(0.50)
<b>Receivables from Broker</b>					
IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services Limited)	-	-	18.01	-	18.01
	-	-	(163.08)	-	(163.08)
<b>Investment in NCD</b>					
IIFL Home Finance Limited	-	-	-	-	-
	-	-	-	(265.07)	(265.07)
Samasta Microfinance Limited	-	-	-	-	-
	-	-	-	(8.94)	(8.94)
<b>Loans Given</b>					
Mr. Yatin Shah	17.40	-	-	-	17.40
Kyrush Investments	-	-	-	-	-
	-	-	-	(42.37)	(42.37)

**(D) Remunerations paid to Directors/Key Managerial Persons during the year ended March 31, 2022**

The table below describes the compensation to key managerial personnel which comprise directors and key managerial personnel

Particulars	(₹ in Mn)	
	2021-22 (Short term)	2020-21 (Short term)
Salaries and other employee benefits to whole time directors and other KMPs	99.48	56.76
Commission and other benefits to non-executive /independent directors	4.04	3.20

**footnotes:**

1. Related party relationships and transactions have been identified by the Management and relied upon by the Auditors.
2. The remuneration to the key managerial person does not include provisions towards bonus and gratuity and other benefits as they are determined on actuarial basis for the Company as a whole.
3. Figures in bracket pertain to previous year
4. Transactions shown above are excluding Goods & Services tax.



**IIFL WEALTH PRIME LIMITED**  
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**Notes forming part of Consolidated Financial Statements for the Year ended March 31, 2022**

**Note 37. Segment Reporting**

Products offered by IIFL Wealth Finance Limited (the Holding Company), i.e. lending, credit solutions etc. forms part of the Wealth Management segment. The distribution business acquired by the Company by way of slump sale also forms key part of the same Cash Generating Unit (CGU). The credit solutions and other products of IIFL Wealth Finance Limited are principally offered to the clients, who form part of the Wealth Management CGU.

In view of the above, in the opinion of the entity's Chief Operating Decision Maker (CoDM), there is only one reportable business segment as envisaged by Ind AS 108 'Operating Segments', as prescribed under section 133 of the Act. Accordingly, no separate disclosure for segment reporting is required to be made in the financial statements of the Company. Secondary segment information 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. Business Combination:**

With a view to consolidate the distribution businesses of IIFL Wealth Management Limited under a single wholly owned subsidiary, it is proposed to demerge the distribution business from IIFL Wealth Prime Limited ("IWPL") to IIFL Wealth Distribution Services Limited ("IWDSL"). In this regard, the Boards of Directors of IIFL Wealth Capital Market Limited (IWCML) and IWPL and IWDSL have approved the the Composite Scheme of Arrangement under Sections 230 to 232 of the Companies Act, 2013 ("Scheme"). In this Scheme, it is proposed to amalgamate IWCML with IWPL and transfer the distribution business from IWPL and IWCML to IWDSL. The appointed date for the Scheme is April 1, 2021 and the necessary accounting adjustments basis the scheme will be given effect to, upon receipt of necessary statutory and regulatory approvals.

**Note 39. Summary of Consolidation:**

The Consolidated Financial Statements represents consolidation of financial statements of the Holding Company with its subsidiary:

Subsidiary	Country of incorporation	As at March 31, 2022		As at March 31, 2021	
		Proportion of ownership interest	Proportion of voting power held	Proportion of ownership interest	Proportion of voting power held
IIFL Wealth Capital Market Limited	India	100%	100%	100%	100%

**Note 40. Additional Information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013**

(₹ in Mn)

Particulars	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in Total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated Other Comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
<b>Parent</b> IIFL Wealth Prime Limited (Formerly IIFL Wealth Finance Limited))	100.03%	18,987.96	101.02%	2,331.37	83.21%	6.79	100.96%	2,338.16
<b>Subsidiary</b> IIFL Wealth Capital Market Limited	3.68%	698.07	-0.07%	(1.56)	16.79%	1.37	-0.01%	(0.19)
<b>Total before consolidation adjustment and elimination</b>	<b>103.71%</b>	<b>19,686.03</b>	<b>100.96%</b>	<b>2,329.81</b>	<b>100.00%</b>	<b>8.16</b>	<b>100.95%</b>	<b>2,337.97</b>
Consolidation adjustment and elimination	-3.71%	(704.27)	-0.96%	(22.04)	0.00%	-	-0.95%	(22.04)
<b>Total</b>	<b>100.00%</b>	<b>18,981.76</b>	<b>100.00%</b>	<b>2,307.77</b>	<b>100.00%</b>	<b>8.16</b>	<b>100.00%</b>	<b>2,315.93</b>

**IIFL WEALTH PRIME LIMITED**  
**(FORMERLY IIFL WEALTH FINANCE LIMITED)**  
**Notes forming part of Consolidated Financial Statements for the Year ended March 31, 2022**

**Note 41. Disclosure Pursuant to Ind AS 107 "Financial Instruments: Disclosures"**

**Financial Risk Management**

While risk is inherent in the Company's activities, it is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls.

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.

The Risk Committee has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. The Risk Committee of respective company's are responsible for managing risk decisions and monitoring risk levels and reports to the Supervisory Board.

The Treasury of respective company's are responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the

**41A.1. Credit Risk**

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the group. The Credit risk assessment on various components is described below:

**1) Lending operations – Loans**

The Lending Operations of the Parent Company has a well-defined framework within which credit risk is assumed, managed and monitored. Credit risk management function closely oversees management and control of credit risks and associated operational risks. The credit proposals are evaluated having regard to specified prudent exposure limits and approved by the appropriate authority, approved by the Board of Directors (the Board) of the entity engaged in lending business. The risk management policies including exposure limits are defined and reviewed along with the Board.

The Parent Company sanctions and monitors the loan based on underlying security offered by borrower. The Parent Company has not implemented the system for credit grading of borrowers since most of its lendings are against liquid collaterals. In order to manage credit risk, Loan to Value (LTV) ratio is decided/re-adjusted at the time of sanction and on ongoing basis at the time of monitoring of loan.

(A) The carrying amount of Loans arising from lending business which may be subject to credit risk are as per table below:

(₹ in Mn)

Loans to customers		As on March 31, 2022			
Particulars	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	Purchased or originated credit-impaired financial assets (POCI)	Total
Loans	38,578.12	777.30	-	-	39,355.42
<b>Total gross carrying amount</b>	<b>38,578.12</b>	<b>777.30</b>	-	-	<b>39,355.42</b>
Loss allowance	(193.56)	(0.30)	-	-	(193.86)
<b>Net Carrying amount</b>	<b>38,384.56</b>	<b>777.00</b>	-	-	<b>39,161.56</b>

(₹ in Mn)

Loans to customers		As on March 31, 2021			
Particulars	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	Purchased or originated credit-impaired financial assets (POCI)	Total
Loans	36,228.02	802.06	-	-	37,030.08
<b>Total gross carrying amount</b>	<b>36,228.02</b>	<b>802.06</b>	-	-	<b>37,030.08</b>
Loss allowance	(176.86)	(161.30)	-	-	(338.16)
<b>Net Carrying amount</b>	<b>36,051.16</b>	<b>640.76</b>	-	-	<b>36,691.92</b>

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**(B) Reconciliation of Expected Credit Loss/ Impairment Loss allowance with regards to lending operations for F.Y 21-22 is as follows** (₹ in Mn)

Particulars	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	Purchased or originated credit-impaired financial assets (POCI)	Total
<b>Loss allowance as at 01.04.2021</b>	176.86	161.30	-	-	<b>338.16</b>
Provision on loans originated during the year	42.55	-	-	-	<b>42.55</b>
Net change in provision on continuing loans	(162.01)	0.30	-	-	<b>(161.71)</b>
Provision on loans repaid during the year	136.16	(161.30)	-	-	<b>(25.14)</b>
<b>Loss allowance as at 31.03.2022</b>	<b>193.56</b>	<b>0.30</b>	-	-	<b>193.86</b>

**Reconciliation of Expected Credit Loss/ Impairment Loss allowance with regards to lending operations for F.Y 20-21 is as follows** (₹ in Mn)

Particulars	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	Purchased or originated credit-impaired financial assets (POCI)	Total
<b>Loss allowance as at 01.04.2020</b>	160.24	6.96	-	-	<b>167.20</b>
Provision on loans originated during the year	79.55	-	-	-	<b>79.55</b>
Net change in provision on continuing loans	91.00	154.34	-	-	<b>245.34</b>
Provision on loans repaid during the year	(153.93)	-	-	-	<b>(153.93)</b>
<b>Loss allowance as at 31.03.2021</b>	<b>176.86</b>	<b>161.30</b>	-	-	<b>338.16</b>

**(C) For financial assets, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that the modification does not result in cash flows that are substantially different (thereby not resulting into derecognition), the modification gain /loss based on discounted cash flows on it is as below:**

(₹ in Mn)

Particulars	As at 31st March 2022	As at 31st March 2021
Value of modified assets at the time of modification	-	792.93
Value of modified assets outstanding at end of year	-	802.06
Modification gain/ loss	-	85.13

**Credit concentration and gradation**

The Parent Company provides loans mainly to High Net worth Individuals (HNIs) against securities/collaterals in the form of financial instruments (Loans against Securities - LAS). The Parent Company does not have a significant concentration with regard to single/group borrower and industry. The Parent Company sanctions and monitors these loans based on underlying securities. In order to manage credit risk Loan to Value (representing value of securities/collateral against the loans outstanding) is decided/re-adjusted at the time of sanction and on ongoing basis as a part of monitoring of loans.

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**2) Trade receivables, Other receivables and Other Financial Assets**

The Group's trade receivables primarily include receivables from mutual funds, alternative Investment funds on account of distribution business, customers under Portfolio Mnaagement scheme and Advisory services arrangements. The Group has made lifetime expected credit loss provision based on provision matrix which takes into account historical experience in collection and credit losses.

Credit Risk on Other Financial assets is considered insignificant considering the nature of such assets and absence of counterparty risk.

**3) Others**

In addition to the above, Balances and deposits with banks, Investments in bonds, debt securities and in units of funds and Derivative financial instruments also have exposure to credit risk.

Credit risk on Balances and deposits with banks is considered to be insignificant.

The credit risk in respect of Derivative Financial Instruments and investments in bonds, debt securities and in units of funds classified as Fair Value through Profit or Loss is priced in the fair value of the respective instruments. Derivative transactions are transacted on exchanges with central counterparties or entered into under International Swaps and Derivatives Association (ISDA) master netting agreements. Considering the above, the credit risk on such intruments is considered to be insignificant.

**41B. Liquidity Risk**

Liquidity risk refers to the risk that the Group may not be able to meet its short-term financial obligations. The Group manages liquidity risk by maintaining sufficient cash and marketable securities and by having access to funding through an adequate amount of credit lines. Further, The Group has well defined Asset Liability Management (ALM) Framework with an appropriate organizational structure to regularly monitor and manage maturity profiles of financial assets and financial liabilities including debt financing plans, cash and cash equivalent instruments to ensure liquidity. The Group seeks to maintain flexibility in funding mix by way of sourcing the funds through money markets, debt markets and banks to meet its business and liquidity requirements.

The following table shows the maturity profile of Financial liabilities:

(₹ in Mn)						
As at 31st March 2022						
Financial liabilities	Total	Less than 1 months	1 months to 6 months	6 months to 1 year	Between 1 to 5 years	5 years and above
Derivative financial instruments	1,405.70	-	1,026.81	170.17	-	208.72
Trade Payables	1,043.87	1,043.87	-	-	-	-
Debt Securities	48,008.08	249.05	24,886.91	5,063.20	15,508.11	2,300.81
Borrowings (Other than Debt Securities)	1,000.54	499.86	500.68	-	-	-
Subordinated Liabilities	3,956.54	-	1,795.00	-	2,161.54	-
Other financial liabilities	225.05	22.51	40.26	-	-	162.28
<b>Total</b>	<b>55,639.78</b>	<b>1,815.29</b>	<b>28,249.66</b>	<b>5,233.37</b>	<b>17,669.65</b>	<b>2,671.81</b>
As at 31st March 2021						
Financial liabilities	Total	Less than 1 months	1 months to 6 months	6 months to 1 year	Between 1 to 5 years	5 years and above
Derivative financial instruments	2,207.00	-	245.60	40.21	1,528.32	392.87
Trade Payables	365.45	365.45	-	-	-	-
Debt Securities	44,916.89	-	13,966.68	2,428.92	20,817.27	7,704.02
Borrowings (Other than Debt Securities)	1,043.89	541.55	502.34	-	-	-
Subordinated Liabilities	3,971.87	-	-	-	2,456.99	1,514.88
Other financial liabilities	359.54	31.23	17.83	-	-	310.48
<b>Total</b>	<b>52,864.64</b>	<b>938.23</b>	<b>14,732.45</b>	<b>2,469.13</b>	<b>24,802.58</b>	<b>9,922.25</b>

**Footnote:** liabilities under different maturity buckets is based on certain estimates and assumptions as used by the group, which has been relied upon by the auditors.

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**41C. 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 as explained below:

**41C.1 Currency Risk**

The Group does not have any exposure in foreign currency and hence it is not exposed to Foreign currency risk.

**41C.2 Interest rate risk**

The Group has considered interest rate risk on financial assets and liabilities accounted for on amortised cost basis.

The Group's exposure to changes in interest rates relates primarily to the Group's outstanding floating rate debt included in borrowings/debt securities.

The carrying amount of floating rate liabilities and related interest rate sensitivity is as below:

Particulars	(₹ in Mn)	
	As at 31st March 2022	As at 31st March 2021
Floating Rate Liabilities (Debt Securities and Borrowings)	2,943.24	6,450.25

A hypothetical 0.25% shift in underlying benchmark rates will have the below impact :

Impact on Profit and Loss after tax and equity	2021-22	2020-21
Increase of 0.25%	(5.51)	(12.07)
Decrease of 0.25% basis point	5.51	12.07

The loans arising from lending operations generally provide for reset of the interest rates based on its Prime lending Rate (PLR). The Group aims to reset PLR on its loan book on the basis of, inter-alia, actualized /expected change in its overall borrowing costs. This enables the Group to mitigate interest risk on revision/ repricing of interest bearing liabilities. As such the Group does not carry any interest rate risk on account of the above. As required under applicable accounting standard, impact of hypothetical change in PLR on its loan books by 0.25% would be as follows:

Particulars	(₹ in Mn)	
	As at 31st March 2022	As at 31st March 2021
Loans	39,355.42	37,030.08

Impact on Profit and Loss after tax and equity	2021-22	2020-21
Increase of 0.25%	73.63	69.28
Decrease of 0.25%	(73.63)	(69.28)

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**41C3. Other Price Risk**

Other price risk is related to the change in market reference price of the derivative financial instruments, investments and debt securities which are fair valued through statement of Profit and loss and exposes the Group to price risks.

The carrying amount of financial assets and liabilities subject to price risk is as below:

(₹ in Mn)		
Particulars	As at 31st March 2022	As at 31st March 2021
<b>Financial Assets</b>		
Derivative financial instruments	1.29	1,518.97
Investments	25,416.39	22,026.57
	<b>25,417.68</b>	<b>23,545.54</b>
<b>Financial Liabilities</b>		
Derivative financial instruments	1,405.70	2,207.00
Debt securities	5,495.33	7,776.84
	<b>6,901.03</b>	<b>9,983.84</b>

The sensitivity analysis is done on the basis of a hypothetical 1% change in value of investments in alternative investment funds, and other investments and derivatives assets and liabilities that are equity linked. In respect of investments and borrowings that are interest rate sensitive, the impact is computed on the basis of a hypothetical change 0.25% p.a in the interest rate over the duration of underlying instruments

Below is the sensitivity analysis for the year :

	2021-22	2020-21
<b>Increase</b>		
Impact on Profit and Loss after tax	77.21	62.14
Impact on Equity	77.21	62.14
<b>Decrease</b>		
Impact on Profit and Loss after tax	(77.21)	(62.14)
Impact on Equity	(77.21)	(62.14)

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Note 41. Disclosure Pursuant to Ind AS 107 "Financial Instruments: Disclosures"

41D. Category Wise Classification for applicable Financial Assets and Liabilities (₹ in Mn)

Sr No.	Particulars	As at 31st March 2022			Total
		Measure at amortised cost	Measured at fair value through profit or loss(P/L)	Measured at fair value through other comprehensive income (OCI)	
	<b>Financial Assets</b>				
(a)	Cash and cash equivalents	3,563.70	-	-	3,563.70
(b)	Bank balance other than (a) above	-	-	-	-
(c)	Derivative financial instruments	-	1.29	-	1.29
(d)	Receivables				
	(I) Trade receivables	915.80	-	-	915.80
	(II) Other receivables	130.53	-	-	130.53
(e)	Loans	39,164.83	-	-	39,164.83
(f)	Investments	-	25,416.39	-	25,416.39
(g)	Other financial assets	515.65	-	-	515.65
	<b>Total</b>	<b>44,290.51</b>	<b>25,417.68</b>	<b>-</b>	<b>69,708.19</b>
	<b>Financial Liabilities</b>				
(a)	Derivative financial instruments	-	1,405.70	-	1,405.70
(b)	Payables				
	(I) Trade payables				
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,043.87	-	-	1,043.87
(c)	Finance Lease Obligation	152.75	-	-	152.75
(d)	Debt securities	42,512.75	5,495.33	-	48,008.08
(e)	Borrowings (other than debt securities)	1,000.54	-	-	1,000.54
(f)	Subordinated liabilities	3,956.54	-	-	3,956.54
(g)	Other financial liabilities	225.05	-	-	225.05
	<b>Total</b>	<b>48,891.50</b>	<b>6,901.03</b>	<b>-</b>	<b>55,792.53</b>

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41D. Category Wise Classification for applicable Financial Assets and Liabilities (₹ in Mn)

Sr No.	Particulars	As at 31st March 2021			Total
		Measure at amortised cost	Measured at fair value through profit or loss(P/L)	Measured at fair value through other comprehensive income (OCI)	
	<b>Financial Assets</b>				
(a)	Cash and cash equivalents	1,920.19	-	-	1,920.19
(b)	Bank balance other than (a) above	450.26	-	-	450.26
(c)	Derivative financial instruments	-	1,518.97	-	1,518.97
(d)	Receivables				-
	(I) Trade receivables	672.45	-	-	672.45
	(II) Other receivables	370.26	-	-	370.26
(e)	Loans	36,694.31	-	-	36,694.31
(f)	Investments	-	22,026.57	-	22,026.57
(g)	Other financial assets	919.19	-	-	919.19
	<b>Total</b>	<b>41,026.66</b>	<b>23,545.54</b>	<b>-</b>	<b>64,572.20</b>
	<b>Financial Liabilities</b>				
(a)	Derivative financial instruments	-	2,207.00	-	2,207.00
(b)	Payables				-
	(I) Trade payables				-
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	365.45	-	-	365.45
(c)	Finance Lease Obligation	230.56	-	-	230.56
(d)	Debt securities	37,140.05	7,776.84	-	44,916.89
(e)	Borrowings (other than debt securities)	1,043.89	-	-	1,043.89
(f)	Subordinated liabilities	3,971.87	-	-	3,971.87
(g)	Other financial liabilities	359.54	-	-	359.54
	<b>Total</b>	<b>43,111.36</b>	<b>9,983.84</b>	<b>-</b>	<b>53,095.20</b>



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**Note 41. Disclosure Pursuant to Ind AS 107 "Financial Instruments: Disclosures"**

**41D.1. Fair values of financial instruments**

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

– Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments. This include NAVs of the schemes of mutual funds.

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

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

The Group uses widely recognised valuation methods to determine the fair value of common and simple financial instruments, such as interest rate swaps, options, which use only observable market data as far as practicable. Observable prices or model inputs are usually available in the market for listed debt and equity securities, exchange-traded derivatives and simple OTC derivatives such as interest rate swaps.

**41D. 1a. Financial instruments measured at fair value – Fair value hierarchy**

The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised.

The amounts are based on the values recognised in the statement of financial position. The fair values include any deferred differences between the transaction price and the fair value on initial recognition when the fair value is based on a valuation technique that uses unobservable inputs.

(₹ in Mn)

Financial instruments measured at fair value	Recurring fair value measurements at 31.03.2022			Total
	Level 1	Level 2	Level 3	
<b>Financial Assets</b>				
Investments in mutual funds	3,884.58	-	-	3,884.58
Investments in debt securities	-	9,967.04	-	9,967.04
Investments in Government Securities	-	636.57	-	636.57
Investments in alternate investment funds *	-	-	10,894.19	10,894.19
Investments in others	-	34.01	-	34.01
Derivatives financial assets	-	1.29	-	1.29
<b>Total Assets</b>	<b>3,884.58</b>	<b>10,638.91</b>	<b>10,894.19</b>	<b>25,417.68</b>
<b>Financial Liabilities</b>				
Bonds/ debentures	-	5,495.33	-	5,495.33
Derivative financial liabilities	-	1,405.70	-	1,405.70
<b>Total Liabilities</b>	<b>-</b>	<b>6,901.03</b>	<b>-</b>	<b>6,901.03</b>

\* The fair values of these investments are determined basis the NAV published by the funds.

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(₹ in Mn)

Financial instruments measured at fair value	Recurring fair value measurements at 31.03.2021			
	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investments in mutual funds	1,228.43	-	-	1,228.43
Investments in debt securities	-	12,621.48	-	12,621.48
Investments in Government Securities	-	649.00	-	649.00
Investments in alternate investment funds *	-	-	6,909.60	6,909.60
Investments in equity shares	-	-	249.90	249.90
Investments in Others	-	368.16	-	368.16
Derivatives financial assets	-	1,518.97	-	1,518.97
<b>Total Assets</b>	<b>1,228.43</b>	<b>15,157.61</b>	<b>7,159.50</b>	<b>23,545.54</b>
<b>Financial Liabilities</b>				
Bonds/ debentures	-	5,495.33	-	5,495.33
Derivative financial liabilities	-	2,207.00	-	2,207.00
<b>Total Liabilities</b>	<b>-</b>	<b>7,702.33</b>	<b>-</b>	<b>7,702.33</b>

\* The fair values of these investments are determined basis the NAV published by the funds.

Reconciliation of Level 3 fair value measurements

(₹ in Mn)

Particulars	As at 31st March 2022	As at 31st March 2021
Opening Balance	7,159.50	7,516.44
Total gains or losses	-	-
- in profit or loss incl Mark to Market	1,987.86	1,175.09
Purchases	13,308.44	4,189.06
Disposal/ Settlements	(11,561.60)	(5,721.09)
Closing Balance	<b>10,894.20</b>	<b>7,159.50</b>

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41D. 1b Fair value of financial assets and financial liabilities measured at amortised cost

(₹ in Mn)

Financial Assets and liabilities which are measured at amortised cost for which fair values are disclosed	As at 31st March 2022		As at 31st March 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets</b>				
Cash and cash equivalents	3,563.70	3,563.70	1,920.19	1,920.19
Bank balance other than above	-	-	450.26	450.26
Receivables				
(I) Trade receivables	915.80	915.80	672.45	672.45
(II) Other receivables	130.53	130.53	370.26	370.26
Loans	39,164.83	39,164.83	36,694.31	36,694.31
Investments	-	-	-	-
Other financial assets	515.65	515.65	919.19	919.19
<b>Financial Liabilities</b>				
(I) Trade payables				
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,043.87	1,043.87	365.45	365.45
Finance Lease Obligation	152.75	152.75	230.56	230.56
Debt securities	42,512.75	39,173.71	37,140.05	34,144.65
Borrowings (other than debt securities)	1,000.54	1,000.54	1,043.89	1,043.89
Subordinated liabilities	3,956.54	3,329.50	3,971.87	5,039.31
Other financial liabilities	225.05	225.05	359.54	359.54

**Financial assets measured at amortised cost:**

The carrying amounts of cash and cash equivalents and other bank balances ,trade and other receivables, loans and other financial assets are considered to be the same as their fair values due to their short term nature.

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**Financial liabilities measured at amortised cost:**

The carrying amounts of trade payables and other financial liabilities are considered to be the same as their fair values due to their short term nature. The carrying amounts of borrowings with floating rate of interest are considered to be close to the fair value.

(₹ in Mn)				
Financial Assets and liabilities which are measured at amortised cost for which fair	As at 31st March 2022			
	Level 1	Level 2	Level 3	Total
<b>Financial Liabilities</b>				
Debt securities	-	39,173.71	-	39,173.71
Subordinated liabilities	-	3,329.50	-	3,329.50

(₹ in Mn)				
Financial Assets and liabilities which are measured at amortised cost for which fair	As at 31st March 2021			
	Level 1	Level 2	Level 3	Total
<b>Financial Liabilities</b>				
Debt securities	-	34,144.65	-	34,144.65
Subordinated liabilities	-	5,039.31	-	5,039.31

**41E. Capital management**

The Parent Company's capital management is intended to create value for shareholders. The assessment of Capital level and requirements are assessed having regard to long and short term strategies of the Parent Company and regulatory capital requirements of its businesses and constituent entities.

(i) **Risk management**

The Parent Company's objectives when managing capital are to

- (a) safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and  
 (b) Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Parent Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Parent Company monitors capital on the basis of the following gearing ratio: Net debt (total borrowings net of cash and cash equivalents) divided by Total 'Equity' (as shown in the balance sheet).

The Parent Company's gearing ratios were as follows:

(₹ in Mn)		
Particulars	31-Mar-22	31-Mar-21
Net Debts	52,965.16	49,932.65
Total Equity	18,981.76	16,956.05
<b>Net debt to equity ratio</b>	2.79	2.94

- (ii) In order to achieve this overall objective, the Parent Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

- (iii) No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2022 and 31st March, 2021

**IIFL WEALTH PRIME LIMITED**
**(FORMERLY IIFL WEALTH FINANCE LIMITED)**
**Notes forming part of Consolidated Financial Statements for the Year ended March 31, 2022**
**Note 42.1. Maturity analysis of assets and liabilities as at March 31, 2022**

The table below show as analysis of assets and liabilities analysed according to when they expected to be recovered or settled.

(₹ in Mn)

Sr. No.	Particulars	Within 12 months	After 12 months	Total
	<b>ASSETS</b>			
<b>1</b>	<b>Financial Assets</b>			
(a)	Cash and cash equivalents	3,563.70	-	3,563.70
(b)	Bank balance other than (a) above	-	-	-
(c)	Derivative financial instruments	0.30	0.99	1.29
(d)	Receivables			
	(I) Trade receivables	915.80	-	915.80
	(II) Other receivables	130.53	-	130.53
(e)	Loans	34,147.05	5,017.78	39,164.83
(f)	Investments	20,879.11	4,537.28	25,416.39
(g)	Other financial assets	384.36	131.29	515.65
<b>2</b>	<b>Non-Financial Assets</b>			
(a)	Current tax assets (net)	-	784.52	784.52
(b)	Property, plant and equipment	-	89.71	89.71
(c)	Capital work-in-progress	-	-	-
(d)	Goodwill	-	3,701.83	3,701.83
(e)	Other intangible assets	-	1,174.33	1,174.33
(f)	Right to use asset	0.65	128.29	128.94
(g)	Other non-financial assets	64.81	8.08	72.89
	<b>Total Assets</b>	<b>60,086.31</b>	<b>15,574.10</b>	<b>75,660.41</b>
	<b>LIABILITIES AND EQUITY</b>			
	<b>LIABILITIES</b>			
<b>1</b>	<b>Financial Liabilities</b>			
(a)	Derivative financial instruments	1,196.98	208.72	1,405.70
(b)	Payables			
	Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,043.87	-	1,043.87
	(II) Other payables			
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-
(c)	Finance Lease Obligation	77.67	75.08	152.75
(d)	Debt securities	30,199.17	17,808.91	48,008.08
(e)	Borrowings (other than debt securities)	1,000.54	-	1,000.54
(f)	Subordinated liabilities	1,795.00	2,161.54	3,956.54
(g)	Other financial liabilities	62.77	162.28	225.05
<b>2</b>	<b>Non-Financial Liabilities</b>			
(a)	Current tax liabilities (net)	78.68	-	78.68
(b)	Provisions	48.69	-	48.69
(c)	Deferred tax liabilities (net)	-	570.12	570.12
(d)	Other non-financial liabilities	188.63	-	188.63
<b>3</b>	<b>EQUITY</b>			
(a)	Equity share capital	-	3,054.94	3,054.94
(b)	Other equity	-	15,926.82	15,926.82
	<b>Total Liabilities and Equity</b>	<b>35,692.00</b>	<b>39,968.41</b>	<b>75,660.41</b>

**IIFL WEALTH PRIME LIMITED**  
**(FORMERLY IIFL WEALTH FINANCE LIMITED)**  
Notes forming part of Consolidated Financial Statements for the Year ended March 31, 2022

**Note 42.2. Maturity analysis of assets and liabilities as at March 31, 2021**

(₹ in Mn)

Sr. No.	Particulars	Within 12 months	After 12 months	Total
	<b>ASSETS</b>			
<b>1</b>	<b>Financial Assets</b>			
(a)	Cash and cash equivalents	1,920.19	-	1,920.19
(b)	Bank balance other than (a) above	450.26	-	450.26
(c)	Derivative financial instruments	1,493.24	25.73	1,518.97
(d)	Receivables			
	(I) Trade receivables	672.45	-	672.45
	(II) Other receivables	370.26	-	370.26
(e)	Loans	33,193.54	3,500.77	36,694.31
(f)	Investments	12,538.19	9,488.38	22,026.57
(g)	Other financial assets	571.95	347.24	919.19
<b>2</b>	<b>Non-Financial Assets</b>			
(a)	Current tax assets (net)	-	338.24	338.24
(b)	Property, plant and equipment	-	117.27	117.27
(c)	Capital work-in-progress	-	10.16	10.16
(d)	Goodwill	-	3,701.83	3,701.83
(e)	Other intangible assets	-	1,266.96	1,266.96
(f)	Right to use asset	0.01	206.41	206.42
(g)	Other non-financial assets	449.45	116.93	566.38
	<b>Total Assets</b>	<b>51,659.54</b>	<b>19,119.92</b>	<b>70,779.46</b>
	<b>LIABILITIES AND EQUITY</b>			
	<b>LIABILITIES</b>			
<b>1</b>	<b>Financial Liabilities</b>			
(a)	Derivative financial instruments	285.81	1,921.19	2,207.00
(b)	Payables			
	Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	365.45	-	365.45
	(II) Other payables			
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-
(c)	Finance Lease Obligation	96.90	133.66	230.56
(d)	Debt securities	16,395.61	28,521.28	44,916.89
(e)	Borrowings (other than debt securities)	1,043.89	-	1,043.89
(f)	Subordinated liabilities	-	3,971.87	3,971.87
(g)	Other financial liabilities	49.06	310.48	359.54
<b>2</b>	<b>Non-Financial Liabilities</b>			
(a)	Current tax liabilities (net)	238.13	15.04	253.17
(b)	Provisions	49.60	-	49.60
(c)	Deferred tax liabilities (net)	-	296.67	296.67
(d)	Other non-financial liabilities	128.77	-	128.77
				-
<b>3</b>	<b>EQUITY</b>			
(a)	Equity share capital	-	3,054.94	3,054.94
(b)	Other equity	-	13,901.11	13,901.11
	<b>Total Liabilities and Equity</b>	<b>18,653.22</b>	<b>52,126.24</b>	<b>70,779.46</b>

**Footnote:**

- The amount has been bifurcated basis the residual tenure computed from the last due date specified in the sanction letter.
- Classification of assets and liabilities under different maturity buckets is based on certain estimates and assumptions as used by the group, which has been relied upon by the auditors.

**IIFL WEALTH PRIME LIMITED**

**(FORMERLY IIFL WEALTH FINANCE LIMITED)**

**Notes forming part of Consolidated Financial Statements for the Year ended March 31, 2022**

**Note : 43 A**

The disclosure on the following matters required under Schedule III as amended not being relevant or applicable in case of the group, same are not covered such as

- A. The group has not traded or invested in crypto currency or virtual currency during the financial year
- B. There are no transaction which have not been recorded in the books.
- C. The Parent Company and its subsidiary has not been declared wilful defaulter by any bank or financial institution or government or any government authority
- D. No Registration or satisfaction of charges are pending to be filed with ROC

**Note : 43 B**

a) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) No funds have been received by the parent Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company shall, whether, directly or indirectly, lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**Note 44: Standards issued but not yet effective**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 01 April, 2022, as below:

**Ind AS 16 – Property Plant and equipment** - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after 01 April, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

**Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets** – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after 01 April, 2022, although early adoption is permitted. The Company has evaluated the amendment there is no impact on its financial statements.

**Note 45. Relationship with struck off companies**

Basis the information available there are no relations and transactions with Struck off companies during the year ended March 31, 2022 (Previous year: Nil)

**Note 46. Subsequent Events**

There have been no significant events after the reporting date till the date of adoption of accounts that require disclosure in these financial statements.

**Note 47.** The figures for consolidated financial statement for the year ended March 31, 2021 were extracted from the special purpose audit of the consolidated financial statement and have not been audited by the erstwhile auditor of the Company.

**Note 48.** Previous year figures have been regrouped/reclassified whenever necessary, to make them comparable with the current year figures.

In terms of our report attached on even date

**For Singhi & Co.**

**Chartered Accountants**

**Firm Registration Number: 302049E**

**For and on behalf of Board of Directors  
of IIFL Wealth Prime Limited**

**Shweta Singhal**

Partner

Membership No: 414420

**Himanshu Jain**

Whole Time Director  
and Chief Executive Officer  
(DIN: 02052409)

**Yatin Shah**

Whole Time Director  
(DIN: 03231090)

Place : Mumbai

Date: May 03, 2022

**Sanjay Wadhwa**

Chief Financial Officer  
Date: May 03, 2022

**Amit Bhandari**

Company Secretary