



**IIFL Investment Advisors
and Trustee Services Limited**

Standalone Financial Statements

as on 31st March, 2015

Independent Auditor's Report

To the Members of IIFL Investment Advisor and Trustee Services Limited Formerly IIFL Trustee Services Limited)

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of IIFL Investment Advisor and Trustee Services Limited (Formerly IIFL Trustee Services Limited) ("the Company"), which comprise the Balance Sheet as at 31 March 2015, and the Statement of Profit and Loss, and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the 'Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

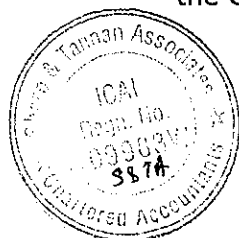
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its Loss and its cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the note no 11 in the financial statements which states about the explanation / justification for recognition of deferred tax assets on account of carry forward of losses, amounting to Rs. 1,01,55,694/-. Our Opinion is not qualified in respect of this matter.

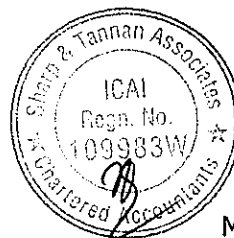
Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;



- (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position in its financial statements refer note no 24 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

For Sharp and Tannan Associates
Chartered Accountants
Firm's Registration No.:109983W
By the hand of



A handwritten signature in black ink, appearing to be "Tirtharaj Khot".

Tirtharaj Khot
Partner

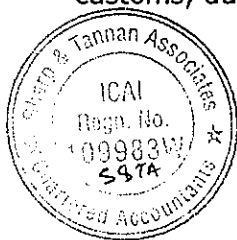
Membership No.: (F) 037457

Place: Mumbai
Date: 6th May, 2015

Annexure to the Auditors' Report

The Annexure referred to in our report to the members of IIFL Investment Advisor and Trustee Services Limited (Formerly IIFL Trustee Services Limited) ("the Company") for the year ended 31 March 2015. We report that:

1. The Company does not possess any fixed assets during the period, paragraph 3 (i) (a) (b) of the Order are not applicable to the Company.
2. The Company is not carrying on any manufacturing or trading activity. Therefore, the paragraph 3 (ii) (a), (b) and (c) of the Order are not applicable to the Company.
3. The Company has not granted any loan secured or Unsecured to Companies, Firm or Other Parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, paragraph 3 (iii) (a) and (b) of the order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and nature of its business, for sale of services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have we been informed of any continuing failure to correct major weaknesses in the aforesaid internal control systems.
5. The Company has not accepted any deposits during the year from the public to which the directives issued by Reserve Bank of India and the provisions of Section 73 to 76 and any other relevant provisions of the Act and the rules framed thereunder apply.
6. As per the information and explanations given to us, in respect of the class of industry the Company falls under, the maintenance of cost records has not been prescribed by the Central Government under Section 148 (1) of the Companies Act, 2013. Therefore, Paragraph 3 (vi) of the Order is not applicable to the Company.
7. (a) According to the information and explanations given to us and the records of the Company examined by us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues as applicable to the Company, with the appropriate authorities. There were no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues as



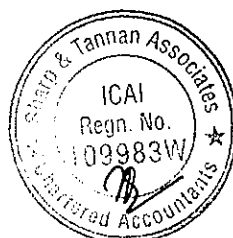
applicable to the Company outstanding as at 31st March 2015 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and records of the Company examined by us, there are no cases of non-deposit with the appropriate authorities of disputed dues income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess.

(c) According to the information and explanations given to us, there is no amount required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and the rules made thereunder.

8. At the end of the financial year, the Company has accumulated losses exceeding fifty percent of its net worth. It has incurred cash loss during the financial year covered by our audit, and it has incurred cash loss in the immediately preceding financial year .
9. As the Company has Not borrowed from Financial Institution or Bank or Debenture holders during the Year, paragraph 3 (ix) of the order is not applicable to the Company.
10. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions. Accordingly, paragraph 3 (x) of the Order is not applicable to the Company.
11. The Company has not availed any term loan during the period. Therefore, paragraph 3 (xi) of the Order is not applicable to the Company.
12. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instances of material fraud on or by the Company, noticed or reported during the year nor have we been informed of such case by management.

For Sharp and Tannan Associates
Chartered Accountants
Firm's Registration No.:109983W
By the hand of



A handwritten signature in black ink, appearing to be "Tirtharaj Khot".

Tirtharaj Khot
Partner

Membership No.: (F) 037457

Place: Mumbai
Date: 6th May, 2015

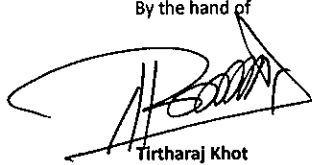
STANDALONE FINANCIALS OF IIFL INVESTMENT ADVISER AND TRUSTEE SERVICES LIMITED
(FORMERLY KNOWN AS IIFL TRUSTEE SERVICES LIMITED)
BALANCE SHEET AS AT MARCH 31, 2015

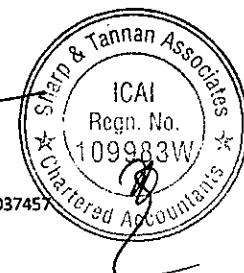
(Amount in ₹)

Particulars	Note No.	As at March 31, 2015	As at March 31, 2014
EQUITY AND LIABILITIES			
(1) Shareholder's funds			
(a) Share Capital	3	2,250,000	2,250,000
(b) Reserve and Surplus	4	(18,075,272)	(5,974,506)
(c) Money received against share warrants		-	-
Sub total		(15,825,272)	(3,724,506)
(2) Share application money pending allotment			
		-	-
(3) Non Current Liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long-term liabilities	5	300,000	300,000
(d) Long-term provisions	6	923,633	641,416
Sub total		1,223,633	941,416
(4) Current liabilities			
(a) Short-term borrowings	7	21,756,466	5,144,374
(b) Trade payables	8	6,600	6,600
(c) Other current liabilities	9	1,805,377	2,053,946
(d) Short-term provisions	10	5,185,918	3,128,409
Sub total		28,754,361	10,333,329
TOTAL		14,152,722	7,550,239
ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets		-	-
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
Sub total		-	-
(b) Non-current investments			
(c) Deferred tax assets (Net)	11	10,465,396	4,679,877
(d) Long-term loans & advances	12	684,633	225,610
(e) Other non-current assets		-	-
Sub total		11,150,029	4,905,487
(2) Current assets			
(a) Current investments		-	-
(b) Inventories		-	-
(c) Trade receivables	13	2,386,717	2,376,190
(d) Cash and Cash equivalents	14	615,976	268,562
(e) Short-term loans & advances		-	-
(f) Other current assets		-	-
Sub total		3,002,693	2,644,752
TOTAL		14,152,722	7,550,239
See accompanying notes forming part of the standalone financial statements	1-27		

As per our attached report of even date

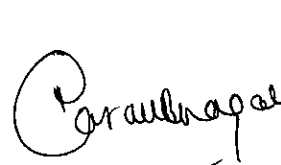
For Sharp & Tannan Associates
Chartered Accountants
Firm's Registration No. 109983W
By the hand of

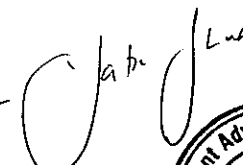

Tirtharaj Khot
Partner
Membership No.: (F) 037457




Place : Mumbai
Date : May 6, 2015

For and on behalf of Board of Directors


Karan Bhagat
Director
(DIN: 03247753)


Yatin Shah
Director
(DIN: 03231090)



**STANDALONE FINANCIALS OF IIFL INVESTMENT ADVISER AND TRUSTEE SERVICES LIMITED
(FORMERLY KNOWN AS IIFL TRUSTEE SERVICES LIMITED)
STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2015**

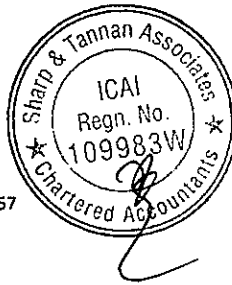
(Amount In ₹)

Particulars	Note No.	2014-2015	2013-2014
INCOME:			
Revenue From Operations	15	8,343,848	3,392,513
Other Income	16	2,883	32,098
Total Revenue		8,346,731	3,424,611
EXPENSES:			
Employee Benefit Expenses	17	15,879,373	13,646,910
Administration and other expenses	18	8,731,748	3,840,298
Finance cost	19	1,567,796	216,130
Depreciation		-	-
Provision & Write off		-	-
Total Expenditure		26,178,917	17,703,338
Profit before tax		(17,832,186)	(14,278,727)
Tax expenses :			
Current tax		-	-
Deferred tax expenses		(5,785,519)	(4,679,877)
Short / (excess) provision for Income tax		54,099	-
Total Tax Expenses		(5,731,420)	(4,679,877)
Profit (loss) for the period		(12,100,766)	(9,598,850)
Earnings Per Share - Basic	20	(53.78)	(92.99)
Earnings Per Share - Diluted	20	(53.78)	(92.99)
Face Value Per Share		10.00	10.00
See accompanying notes forming part of the standalone financial statements	1-27		

As per our attached report of even date

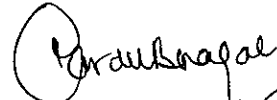
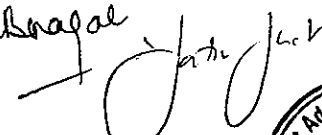
For Sharp & Tannan Associates
Chartered Accountants
Firm's Registration No. 109983W
By the hand of


Vintharaj Khot
Partner
Membership No.: (F) 037457



Place : Mumbai
Date : May 6, 2015

For and on behalf of Board of Directors



Karan Bhagat
Director
(DIN: 03247753)

Yatin Shah
Director
(DIN: 03231090)



STANDALONE FINANCIALS OF IIFL INVESTMENT ADVISER AND TRUSTEE SERVICES LIMITED
(FORMERLY KNOWN AS IIFL TRUSTEE SERVICES LIMITED)
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015


(Amount in ₹)

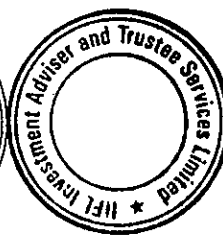
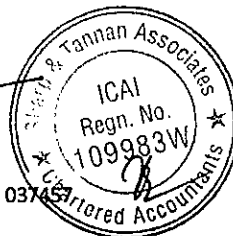
Particulars	2014-2015	2013-2014
A. Cash flows from operating activities		
Net profit before taxation and extraordinary item	(17,832,186)	(14,278,727)
Adjustments For:		
Provisions for Gratuity	260,888	574,990
Provisions for Leave Encashment	51,641	101,415
Dividend Received	-	(448)
Interest Expense	1,567,796	216,130
Operating Profit Before Working Capital Changes	(15,951,861)	(13,386,640)
Changes in working Capital :		
(Increase) / Decrease in Trade Receivables	(10,527)	(127,610)
(Increase) / Decrease in Long term loans & advances	(459,023)	(225,610)
Increase / (Decrease) in Trade Payables	-	6,600
Increase / (Decrease) in Other Liabilities	(248,569)	755,166
Increase / (Decrease) in Short term borrowings	16,612,092	5,144,374
Increase / (Decrease) in Long-term provisions	(30,312)	(153,350)
Increase / (Decrease) in Short term provisions	2,057,509	2,411,331
Cash Generated From Operations	1,969,309	(5,575,739)
Tax (Paid) / Refund	(54,099)	-
Net cash from operating activities (A)	1,915,210	(5,575,739)
B. Cash flows from investing activities		
Purchase/Sale of Investments (net)	-	2,559,983
Dividend Received	-	448
Net cash from investing activities (B)	-	2,560,431
C. Cash flows from financing activities		
Interest Expenses	(1,567,796)	(216,130)
Issuance of shares	-	1,750,000
Securities Premium	-	1,750,000
Net cash used in financing activities (C)	(1,567,796)	3,283,870
Net increase in cash and cash equivalents (A+B+C)	347,414	268,562
Reconciliation of Cash & cash equivalents with the Balance Sheet:		
Cash and Cash Equivalents		
Opening Cash on hand and balances with banks	268,562	-
Closing Cash on hand and balances with banks	615,976	268,562
Net Increase/(Decrease) in Cash and Cash Equivalents	347,414	268,562

See accompanying notes forming part of the standalone financial statements Note No. 1-27

As per our attached report of even date

For Sharp & Tannan Associates
Chartered Accountants
Firm's Registration No. 109983W
By the hand of


Tirtharaj Khot
Partner
Membership No.: (F) 037467



For and on behalf of Board of Directors


Karan Bhagat
Director
(DIN: 03247753)

Yatin Shah
Director
(DIN: 03231090)

Place : Mumbai
Date : May 6, 2015

**STANDALONE FINANCIALS OF IIFL INVESTMENT ADVISER AND TRUSTEE SERVICES LIMITED
(FORMERLY KNOWN AS IIFL TRUSTEE SERVICES LIMITED)**

Notes forming part of the financial statements for the year ended on March 31, 2015.

Note 1. Corporate Information:

IIFL Investment Adviser and Trustee Services Limited (Formerly known as IIFL Trustee Services Limited) (the Company) is a subsidiary of IIFL Wealth Management Limited. The Company is mainly engaged into undertaking and carrying on the office or offices and duties of Trustee, custodian trustee, executor, administrator, liquidator, receiver, attorney or nominee of, or for funds and assets of all holders including corporate bodies, high net worth individuals (HNIs), Hindu Undivided Family (HUFs), Private or Public Trusts, Mutual Funds, offshore funds, pension funds, superannuation funds, provident funds, venture capital funds, private equity funds and to hold the property in trust for the benefit of the beneficiaries of the Trust.

Note 2. Significant Accounting Policies:

2.1 Basis of preparation of financial statements:

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

2.2 Use of Estimates:

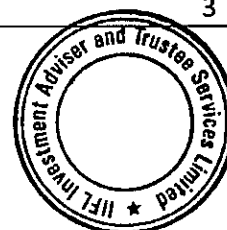
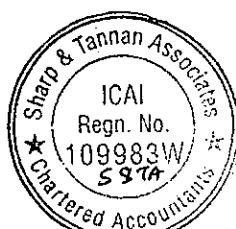
The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. The management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Difference between the actual result and estimates are recognized in the period in which the results are known / materialized.

2.3 Fixed Assets and Depreciation:

Fixed assets are stated at cost of acquisition less accumulated depreciation and impairment loss, if any thereon. Depreciation is charged using the straight line method based on the useful life of fixed assets as estimated by the management as specified below. Depreciation is charged from the month in which new assets are put to use. No depreciation is charged from the month in which assets are sold. Individual assets / group of similar assets costing up to ₹ 5,000 has been depreciated in full in the year of purchase. Lease hold land is depreciated on a straight line basis over the lease hold period. In the case of transfer of used fixed assets from group companies, depreciation is charged over the remaining useful life of the assets.

Estimated useful life of the assets is as under:

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



**STANDALONE FINANCIALS OF IIFL INVESTMENT ADVISER AND TRUSTEE SERVICES LIMITED
(FORMERLY KNOWN AS IIFL TRUSTEE SERVICES LIMITED)**

Notes forming part of the financial statement for the year ended March 31, 2015(Continued)

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

2.4 Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other Investments are classified as non – current investments.. Current investments are stated at lower of cost or market fair value. Non – current investments are carried at cost. Provision for diminution in value of non – current investments is made, if in the opinion of the management such diminution is other than temporary For investment in Mutual funds, the net Assets value (NAV) declare by the Mutual Funds at the balance sheet date is considered as the fair value.

2.5 Provisions, Contingent Liabilities and Contingent Assets:

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. 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. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent Assets are neither recognized nor disclosed in the financial statements.

2.6 Taxation:

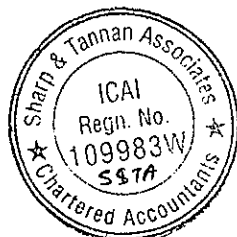
Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India.

Income Tax

Provision for current tax is computed based on estimated tax liability computed after adjusting for allowance, disallowance and exemptions in accordance with the applicable tax laws.

Deferred Tax

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rate and the tax laws enacted or substantively enacted at the Balance Sheet date. The deferred tax asset is recognised or unrecognised, to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available. At each reporting date, the Company re-assesses unrecognised deferred tax assets. Deferred tax liability is recognised as and when arises.



**STANDALONE FINANCIALS OF IIFL INVESTMENT ADVISER AND TRUSTEE SERVICES LIMITED
(FORMERLY KNOWN AS IIFL TRUSTEE SERVICES LIMITED)**

Notes forming part of the financial statement for the year ended March 31, 2015(Continued)

Minimum Alternate Tax (MAT)

MAT credit asset is recognized where there is convincing evidence that the asset can be realized in future. MAT credit assets are reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably certain to be realised.

2.7 Revenue Recognition:

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

- Advisory/Trustee fees are accounted on accrual basis.
- Distribution Fee/Commission is recognized on accrual basis in accordance with the terms agreed with the counter party Revenue is recognised on accrual basis.

2.8 Other Income Recognition:

- Interest Income is recognized on accrual basis
- Dividend income is recognized when the right to receive payment is established.
- Capital Gain/ Loss is recognized on the date of trade

2.9 Translation of foreign currency items :

Foreign currency transactions are recorded in the reporting currency at the rates of exchange prevailing on the date of the transaction. Exchange differences, if any, arising out of transactions settled during the year are recognized in the Statement of Profit and Loss. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rate on that date. The exchange differences, if any, are recognized in the Statement of Profit and Loss and related assets and liabilities are accordingly restated in the Balance Sheet.

2.10 Employee Benefits:

The company's contribution towards Provident Fund and Family Pension Fund, which are defined contribution, are accounted for on an accrual basis and recognised in the Statement of Profit and Loss.

The Company has provided "Compensated Absences" on the basis of actuarial valuation.

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.

2.11 Operating Leases:

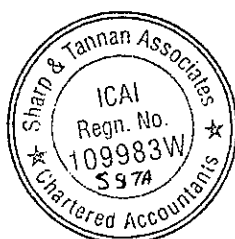
Lease rentals in respect of operating lease arrangements are charged to the Statement of Profit and loss in accordance with Accounting Standard 19 – Leases, issued by the Institute of Chartered Accountants of India.

2.12 Preliminary Expenses:

Preliminary Expenses are written off in same financial year in which they are incurred.

2.13 Earnings Per Share:

Basic earnings per share for equity shareholders have been calculated by dividing the Net Profit after Tax or loss by the weighted average number of equity shares outstanding during the period.



**STANDALONE FINANCIALS OF IIFL INVESTMENT ADVISER AND TRUSTEE SERVICES LIMITED
(FORMERLY KNOWN AS IIFL TRUSTEE SERVICES LIMITED)**

Notes forming part of the financial statement for the year ended March 31, 2015(Continued)

The diluted earnings per share for equity shareholders have been computed by dividing the Net Profit after Tax or loss by the weighted average number of shares after giving dilutive effect of all potential Equity shares.

Note 3. Share Capital:

(a) The Authorised, Issued, Subscribed and fully paid up share capital comprises of equity shares having a par value of Rs.10/- as follows: (Amount in ₹)

Authorised :	As at March 31, 2015	As at March 31,2014
500,000 (Previous Year 500,000) Equity Shares of ₹10/- each with voting Right	5,000,000	5,000,000
Issued, Subscribed and Paid Up:		
225,000 (Previous Year 225,000) Equity Share of ₹10/- each fully paid up with voting Right	2,250,000	2,250,000
Total	2,250,000	2,250,000

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

(Amount in ₹)

Particulars	As at March 31, 2015		As at March 31,2014	
	Number	Amount	Number	Amount
At the beginning of the year	225,000	2,250,000	50,000	5,00,000
Add: Issued during the Year	-	-	175,000	1,750,000
Outstanding at the end of the year	225,000	2,250,000	225,000	2,250,000

(c) Terms/rights attached to equity shares

The company has only one class of shares referred to as equity shares having a par value of ₹ 10/-each. Each holder of equity shares is entitled to one vote per share.

(d) Equity Shares held by holding company/ultimate holding company and their subsidiaries.

Particulars	As at March 31, 2015		As at March 31,2014	
	Numbers	% holding	Numbers	% holding
Equity shares of ₹ 10 each fully paid				
IIFL Wealth Management Limited	225,000	100 %	225,000	100 %

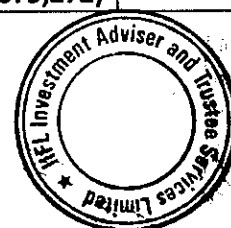
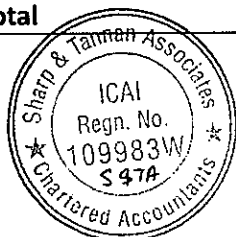
(e) Details of shareholders holding more than 5% shares in the company:

Particulars	As at March 31, 2015		As at March 31,2014	
	Numbers	% holding	Numbers	% holding
IIFL Wealth Management Limited	225,000	100 %	225,000	100 %

Note 4. Reserves and surplus:

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31,2014
Securities Premium Account		
Opening Balance: As per last Financial Statement	1,750,000	-
Addition During The Year	-	1,750,000
Closing Balance	1,750,000	1,750,000
Surplus/(Deficit) in statement of Profit and Loss		
Opening Balance: As per last Financial Statement	(7,724,506)	1,874,344
Addition: Profit /(Loss) during the Year	(12,100,766)	(9,598,850)
Closing Balance	(19,825,272)	(7,724,506)
Total	(18,075,272)	(5,974,506)



**STANDALONE FINANCIALS OF IIFL INVESTMENT ADVISER AND TRUSTEE SERVICES LIMITED
(FORMERLY KNOWN AS IIFL TRUSTEE SERVICES LIMITED)**

Notes forming part of the financial statement for the year ended March 31, 2015(Continued)

Note 5. Other Long Term Liabilities: (Amount in ₹)

Particulars	As at March 31, 2015	As at March 31,2014
Deposit (Holding on behalf of beneficiary)	300,000	300,000
Total	300,000	300,000

Note 6. Long Term Provisions: (Amount in ₹)

Particulars	As at March 31, 2015	As at March 31,2014
Provision for employee benefits :		
- Provisions for Gratuity	846,818	583,007
- Provision for Leave Encashment	76,815	58,409
Total	923,633	641,416

Note 7. Short Term Borrowings: (Amount in ₹)

Particulars	As at March 31, 2015	As at March 31,2014
Unsecured Loans		
Payable to Holding Company	21,756,466	5,144,374
Total	21,756,466	5,144,374

Note 8. Trade Payables: (Amount in ₹)

Particulars	As at March 31, 2015	As at March 31,2014
Outstanding dues of micro and small enterprises	-	-
Outstanding dues of creditors other than micro and small enterprises	6,600	6,600
Total	6,600	6,600

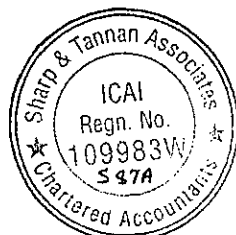
Trade payable includes ₹ Nil (previous year - ₹ Nil) payable to "suppliers" referred under the Micro, Small and Medium Enterprises Development Act, 2006. No Interest has been paid/is payable by company during the year to "Suppliers" referred under the act. The aforementioned is based on the response received by the Company to its inquiries with suppliers with regards to applicability under the said act.

Note 9. Other Current Liabilities: (Amount in ₹)

Particulars	As at March 31, 2015	As at March 31,2014
Book Overdraft	1,483,383	1,126,797
Accrued Salaries and Benefits	118,315	635,728
Statutory Liabilities Payable	191,179	281,421
Other Liabilities Payable	12,500	10,000
Total	1,805,377	2,053,946

Note 10. Short Term Provisions: (Amount in ₹)

Particulars	As at March 31, 2015	As at March 31,2014
(a)Provision for employee benefits :		
- Provision for Gratuity	107,727	110,650
- Provision for Leave Encashment	14,895	17,615
- Bonus Payable	5,000,000	3,000,000
(b) Others		
- Provision for expenses	63,296	144
Total	5,185,918	3,128,409



**STANDALONE FINANCIALS OF IIFL INVESTMENT ADVISER AND TRUSTEE SERVICES LIMITED
(FORMERLY KNOWN AS IIFL TRUSTEE SERVICES LIMITED)**

Notes forming part of the financial statement for the year ended March 31, 2015(Continued)

Note 11. Deferred Tax Liability/ Assets (Net): (Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
On Gratuity	309,702	225,057
On Business Loss	10,155,694	4,454,820
Total	10,465,396	4,679,877

*Based on the projections reviewed by the management, the company is confident in recovery of this DTA against future Tax Liability.

Note 12. Long Term Loans and Advances : (Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Prepaid Expense	28,072	-
Advance Income Tax (Net off provision of tax of ₹ NIL) (Previous Year ₹ 928,864/-)	656,561	225,610
Total	684,633	225,610

Note 13. Trade Receivables: (Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Outstanding for a period exceeding six months		
- Considered good	-	-
- Considered doubtful	-	-
Outstanding for a period less than six months		
- Considered good	2,386,717	2,376,190
- Considered doubtful	-	-
Total	2,386,717	2,376,190

Note 14. Cash and Bank Balances: (Amount in ₹)

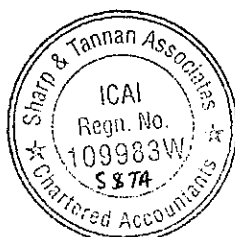
Particulars	As at March 31, 2015	As at March 31, 2014
Cash in hand	-	-
Bank Balances		
- In Current accounts	615,976	268,562
- In Deposit accounts	-	-
Total	615,976	268,562

Note 15. Revenue from Operations: (Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Advisory Fees	6,262,453	2,067,265
Trustee Fees	2,081,395	1,325,248
Total	8,343,848	3,392,513

Note 16. Other Income: (Amount in ₹)

Particulars	As At March 31, 2015	As At March 31, 2014
Interest Income	2,883	-
Dividend Income	-	447
Capital Gains	-	31,651
Total	2,883	32,098



**STANDALONE FINANCIALS OF IIFL INVESTMENT ADVISER AND TRUSTEE SERVICES LIMITED
(FORMERLY KNOWN AS IIFL TRUSTEE SERVICES LIMITED)**

Notes forming part of the financial statement for the year ended March 31, 2015(Continued)

Note 17. Employee Benefit Expenses:

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Salaries and Bonus	15,477,758	12,846,634
Contribution to Provident Fund and Other Funds**	89,086	123,871
Gratuity Expenses*	260,888	574,990
Leave Encashment Expenses	51,641	101,415
Total	15,879,373	13,646,910

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

(Amount in ₹)

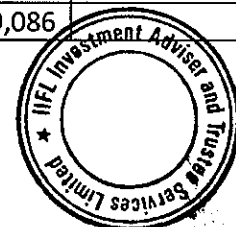
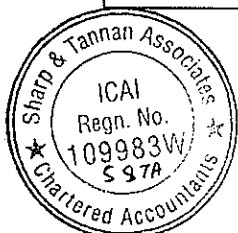
Assumptions	2014-2015	2013-2014
Discount rate previous year	9.14%	8.00%
Salary Escalation previous year	5.00%	5.00%
Discount rate current year	7.90%	9.14%
Salary Escalation Current year	5.00%	5.00%
Change in Benefit Obligation	2014-2015	2013-2014
Liability at the beginning of the year	693,657	118,667
Interest Cost	63,400	9,493
Current Service Cost	128,516	59,180
Liability transferred in	-	419,595
Actuarial (gain)/ Loss on obligations	68,972	86,722
Liability at the end of the year	954,545	693,657
Amount Recognised in the Balance Sheet	2014-2015	2013-2014
Liability at the end of the year	(954,545)	(693,657)
Fair value of plan Assets at the end of the year	-	-
Funded Status(Surplus/ Deficit)	(954,545)	(693,657)
Amount of (liability)/ Asset Recognised in the balance sheet	(954,545)	(693,657)
Expenses Recognised in the Income statement	2014-2015	2013-2014
Current Service cost	128,516	59,180
Interest Cost	63,400	9,493
Net Transfer In	-	419,595
Actuarial Gain or Loss	68,972	86,722
Expense Recognised in P & L	260,888	574,990
Balance Sheet reconciliation	2014-2015	2013-2014
Opening Net liability	(693,657)	(118,667)
Expense as above	(260,888)	(574,990)
(Liability)/Asset Recognised in Balance sheet	(954,545)	(693,657)

****Defined Contribution Plans:**

The Company has recognised the following amounts as an expense and included in the Employee Benefit Expenses.

(Amount in ₹)

Particulars	2014-2015	2013-2014
Contribution to provident and other funds	89,086	123,871



**STANDALONE FINANCIALS OF IIFL INVESTMENT ADVISER AND TRUSTEE SERVICES LIMITED
(FORMERLY KNOWN AS IIFL TRUSTEE SERVICES LIMITED)**

Notes forming part of the financial statement for the year ended March 31, 2015(Continued)

Note 18. Administration and Other Expenses:

(Amount in ₹)

Particulars	2014-2015	2013-2014
Advertisement expenses	-	500
Exchange and statutory charges	-	90,000
Direct operating expenses	26,140	3,667
Bank charges	998	683
Communication expenses	271,598	97,628
Electricity expenses	446,289	146,078
Legal and professional charges	208,643	934,500
Miscellaneous expenses	57,377	18,101
Office expenses	-	10,867
Subscription charges	18,750	33,365
Printing and stationery	470,105	76,524
Rent expenses	4,876,536	979,391
Remuneration to Auditors		
- Statutory Audit	12,500	10,000
- Out of pocket expenses	850	710
Software charges	429,140	78,927
Travelling and conveyance	1,912,822	1,359,357
Total	8,731,748	3,840,298

Note 19. Finance Cost:

(Amount in ₹)

Particulars	2014-2015	2013-2014
Interest Expenses	1,567,796	216,130
Total	1,567,796	216,130

Note 20. Basic and Diluted Earnings Per Share ["EPS"] computed in accordance with Accounting Standard (AS) 20 'Earnings per share' as prescribed by Companies (Accounting Standard) Rules, 2006.

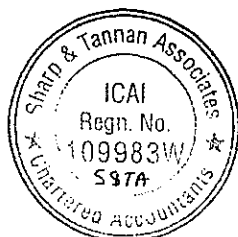
(Amount in ₹)

Particulars		2014-2015	2013-2014
BASIC and DILUTED			
Profit after tax as per Statement of Profit and Loss	A	(12,100,766)	(9,598,850)
Weighted Average Number of Shares Subscribed	B	225,000	103,219
Face Value of equity shares (₹) fully paid		10.00	10.00
Basic and Diluted EPS (₹)	A/B	(53.78)	(92.99)

Note 21. The Company Operates from and uses the premises, infrastructure and other facilities and services as provided to it by its holding company / subsidiaries / group companies which are termed as 'Shared Services'. Hitherto, such shared services consisting of administrative and other revenue expenses paid for/by the company were identified and recovered from them based on reasonable management estimates, which are constantly refined in the light of additional knowledge gained relevant to such estimation. These expenses are recovered on an actual basis and the estimates are used only where actual were difficult to determine.

Note 22. Capital and Other Commitments

The Company does not have any outstanding commitments of capital expenditure, as on the balance sheet date of preparing financial statement.



**STANDALONE FINANCIALS OF IIFL INVESTMENT ADVISER AND TRUSTEE SERVICES LIMITED
(FORMERLY KNOWN AS IIFL TRUSTEE SERVICES LIMITED)**

Notes forming part of the financial statement for the year ended March 31, 2015(Continued)

Note 23. The Company does not have any contingent liability not provided for, as on the balance sheet date of preparing financial statement.

Note 24. There are no pending litigations by and on the Company as on the balance sheet date.

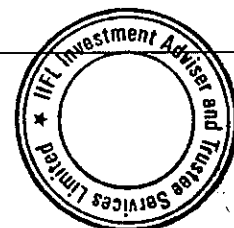
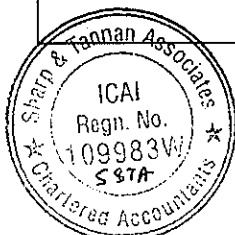
Note 25. Segment Reporting: In the opinion of the management, there is only one reportable business segment as envisaged by AS 17 'Segment Reporting', as prescribed by Companies (Accounting Standard) Rules, 2006. Accordingly, no separate disclosure for segment reporting is required to be made in the financial statements of the Company. Secondary segmentation based on geography has not been presented as the Company operates primarily in India and the Company perceives that there is no significant difference in its risk and returns in operating from different geographic areas within India.

Note 26. Related Party Disclosures:

Related party disclosures for the year ended March 31, 2015

a) List of Related parties:

Nature of relationship	Name of party
Ultimate Holding Company	IIFL Holdings Limited(Formerly India Infoline Limited)
Holding Company	IIFL Wealth Management Limited
Fellow Subsidiaries	IIFL Distribution Services Limited (Formerly IIFL Distribution Services Private Limited) IIFL Alternate Asset Advisors Limited India Infoline Asset Management Company Limited India Infoline Trustee Company Limited India Alternatives Advisors Private Limited IIFL (Asia) Pte Limited IIFL Inc. IIFL Private Wealth Management (Dubai) Limited IIFL Private Wealth (Mauritius) Limited IIFL Private Wealth (Suisse) SA IIFL Private Wealth Hong Kong Limited IIFL Securities Pte Limited IIFL Capital Pte Limited
Group Companies	India Infoline Limited (Formerly India Infoline Distribution Co. Limited) India Infoline Commodities Limited India Infoline Finance Limited India Infoline Media and Research Services Limited India Infoline Housing Finance Limited India Infoline Commodities DMCC India Infoline Insurance Brokers Limited India Infoline Insurance Services Limited IIFL Realty Limited IIFL Capital Limited IIFL Wealth (UK) Limited IIFL Capital Inc. India Infoline Foundation IIFL Properties Private Limited (Formerly Ultra Sign & Display Private Limited) IIFL Asset Reconstruction Limited



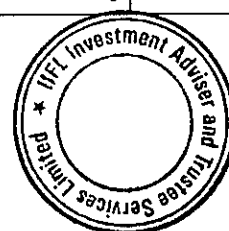
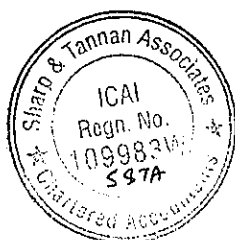
**STANDALONE FINANCIALS OF IIFL INVESTMENT ADVISER AND TRUSTEE SERVICES LIMITED
(FORMERLY KNOWN AS IIFL TRUSTEE SERVICES LIMITED)**

Notes forming part of the financial statement for the year ended March 31, 2015(Continued)

Nature of relationship	Name of party
Key Managerial Personnel	Karan Bhagat Yatin Shah Girish Venkataraman
Other related Parties	Nirmal Jain R. Venkataraman Orpheus Trading Pvt. Limited Ardent Impex Pvt. Limited

b) Significant Transactions with Related Parties: (Amount in ₹)

Nature of Transaction	Ultimate Holding Company	Holding Company	Fellow Subsidiaries	Group Companies	Key Managerial Personnel	Total
Equity Share Capital						
IIFL Wealth Management Limited	-	-	-	-	-	-
	-	(1,750,000)	-	-	-	(1,750,000)
Securities Premium Account						
IIFL Wealth Management Limited	-	-	-	-	-	-
	-	(1,750,000)	-	-	-	(1,750,000)
Interest Expense on ICD						
IIFL Wealth Management Limited	-	1,567,796	-	-	-	1,567,796
	-	(213,480)	-	-	-	(213,480)
Remuneration						
Girish Venkataram	-	-	-	-	10,287,500	10,287,500
	-	-	-	-	(5,625,000)	(5,625,000)
Other Funds Received						
India Infoline Trustee Company Limited	-	-	5,725	-	-	5,725
	-	-	-	-	-	-
Other Funds Paid						
IIFL Wealth Management Limited	-	308,280	-	-	-	308,280
	-	(33,000)	-	-	-	(33,000)
India Infoline Media & Research Services Ltd	-	-	-	52,813	-	52,813
	-	-	-	-	-	-
IIFL Holdings Limited (Formerly India Infoline Limited)	256,676	-	-	-	-	256,676
	-	-	-	-	-	-
India Infoline Limited (Formerly India Infoline Distribution Co. Ltd)	-	-	-	(510,345)	-	(510,345)
	-	-	-	-	-	-
ICD Taken						
IIFL Wealth Management Limited	-	16,801,076	-	-	-	16,801,076
	-	(10,732,813)	-	-	-	(10,732,813)
ICD Repaid						
IIFL Wealth Management Limited	-	1,600,000	-	-	-	1,600,000
	-	(5,780,571)	-	-	-	(5,780,571)
Allocation / Reimbursement Of Expenses Paid						
IIFL Wealth Management Limited	-	7,121,993	-	-	-	7,121,993
	-	(1,955,866)	-	-	-	(1,955,866)



**STANDALONE FINANCIALS OF IIFL INVESTMENT ADVISER AND TRUSTEE SERVICES LIMITED
(FORMERLY KNOWN AS IIFL TRUSTEE SERVICES LIMITED)**

Notes forming part of the financial statement for the year ended March 31, 2015(Continued)

c) Amount due to / from related parties (Closing Balance)

(Amount in ₹)

Nature of Transaction	Ultimate Holding Company	Holding Company	Fellow Subsidiaries	Group Companies	Key Managerial Personnel	Total
ICD Taken						
IIFL Wealth Management Limited	-	21,756,466	-	-	-	21,756,466
	-	(5,144,374)	-	-	-	(5,144,374)

Note:

- I Figures in bracket represents previous year figures.
- II Related parties are identified and certified by the management.

Note 27. Previous figures are regrouped, reclassified and rearranged wherever considered necessary.

As per our attached report of even date

For Sharp and Tannan

Associates

Chartered Accountants

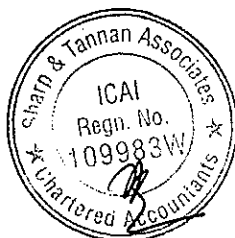
Firm's Registration No. 109983W

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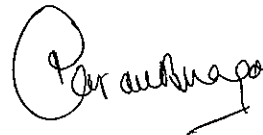


Tirtharaj Khot
Partner

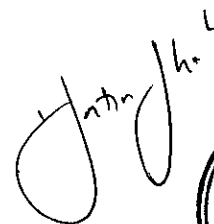
Membership. No.: (F) 037457



For and on behalf of Board of Directors



Karan Bhagat
Director
(DIN: 03247753)



Yatin Shah
Director
(DIN: 03231090)



Place : Mumbai

Date : May 6, 2015