

**STANDALONE FINANCIALS OF INDIA ALTERNATIVES INVESTMENT ADVISORS PRIVATE LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2015**

(Amount in `)

Particulars	Note No.	As at March 31, 2015	As at March 31, 2014
<b>EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's funds</b>			
(a) Share Capital	3	100,000	100,000
(b) Reserve and Surplus	4	(9,174,980)	12,695,106
(c) Money received against share warrants		-	-
<b>Sub total</b>		<b>(9,074,980)</b>	<b>12,795,106</b>
<b>(2) Share application money pending allotment</b>			
		-	-
<b>(3) Non Current Liabilities</b>			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)	12	-	5,200
(c) Other Long-term liabilities		-	-
(d) Long-term provisions	5	1,838,495	-
<b>Sub total</b>		<b>1,838,495</b>	<b>5,200</b>
<b>(4) Current liabilities</b>			
(a) Short-term borrowings	6	60,238,213	15,299,982
(b) Trade payables	7	103,653	-
(c) Other current liabilities	8	3,747,950	4,443,822
(d) Short-term provisions	9	5,175,385	75,168
<b>Sub total</b>		<b>69,265,201</b>	<b>19,818,972</b>
<b>TOTAL</b>		<b>62,028,716</b>	<b>32,619,278</b>
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
<b>(a) Fixed assets</b>			
(i) Tangible assets	10	781,789	563,202
(ii) Intangible assets	11	-	17,769
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
<b>Sub total</b>		<b>781,789</b>	<b>580,971</b>
(b) Non-current investments		-	-
(c) Deferred tax assets (Net)	12	10,717,728	-
(d) Long-term loans & advances	13	21,233,277	4,083,495
(e) Other non-current assets		-	-
<b>Sub total</b>		<b>31,951,005</b>	<b>4,083,495</b>
<b>(2) Current assets</b>			
(a) Current investments	14	13,324,697	2,064,165
(b) Inventories		-	-
(c) Trade receivables	15	-	24,067,653
(d) Cash and Cash equivalents	16	1,920,798	1,100,642
(e) Short-term loans & advances	17	14,050,427	722,352
(f) Other current assets		-	-
<b>Sub total</b>		<b>29,295,922</b>	<b>27,954,812</b>
<b>TOTAL</b>		<b>62,028,716</b>	<b>32,619,278</b>
See accompanying notes forming part of the standalone financial statements	1-32		

As per our attached report of even date

**For Sharp & Tannan Associates**

Chartered Accountants

Firm's Registration No. 109983W

By the hand of

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

**Tirtharaj Khot**

Partner

Membership No.: (F) 037457

**Shivani Bhasin Sachdeva**

Managing Director

(DIN: 00590500)

**Karan Bhagat**

Director

(DIN: 03247753)

Place : Mumbai

Date : May 6, 2015

**STANDALONE FINANCIALS OF INDIA ALTERNATIVES INVESTMENT ADVISORS PRIVATE LIMITED**  
**STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2015**

(Amount in `)

Particulars	Note No.	2014-2015	2013-2014
<b>INCOME</b>			
Revenue from Operations	18	35,205,739	51,047,968
Other Income	19	543,355	556,977
<b>Total Revenue</b>		<b>35,749,094</b>	<b>51,604,945</b>
<b>EXPENSES</b>			
Employee cost	20	48,106,178	21,234,191
Administration and other expenses	21	14,317,652	13,076,386
Finance cost	22	5,508,149	393
Depreciation	23	410,129	152,836
Provision & Write off		-	-
<b>Total Expenditure</b>		<b>68,342,108</b>	<b>34,463,806</b>
<b>Profit before tax</b>		<b>(32,593,014)</b>	<b>17,141,139</b>
Tax expenses :			
Current tax		-	3,429,634
Deferred tax expenses		(10,722,928)	(3,302)
Short / (excess) provision for income tax		-	-
<b>Total Tax Expenses</b>		<b>(10,722,928)</b>	<b>3,426,332</b>
<b>Profit (loss) for the period</b>		<b>(21,870,086)</b>	<b>13,714,807</b>
Earnings Per Share - Basic	24	(2,187.01)	1,371.48
Earnings Per Share - Diluted	24	(2,187.01)	1,371.48
Face Value Per Share		10.00	10.00
<b>See accompanying notes forming part of the standalone financial statements</b>	<b>1-32</b>		

As per our attached report of even date

**For Sharp & Tannan Associates**

Chartered Accountants

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**Tirtharaj Khot**

Partner

Membership No.: (F) 037457

**Shivani Bhasin Sachdeva**

Managing Director

(DIN: 00590500)

**Karan Bhagat**

Director

(DIN: 03247753)

Place : Mumbai

Date : May 6, 2015

**STANDALONE FINANCIALS OF INDIA ALTERNATIVES INVESTMENT ADVISORS PRIVATE LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015**

(Amount in `)

Particulars	2014-2015	2013-2014
<b>A. Cash flows from operating activities</b>		
<b>Net profit before taxation and extraordinary item</b>	(32,593,014)	17,141,139
<b>Adjustments for:</b>		
Depreciation	222,962	152,836
Profit on sale of investments	-	(349,060)
Dividend income	(540,309)	(23,003)
Interest Income	-	(184,914)
<b>Operating profit before working capital changes</b>	<b>(32,910,362)</b>	<b>16,736,998</b>
<b>Changes in working Capital :</b>		
(Increase)/ Decrease Trade receivables	24,067,653	(24,067,653)
(Increase)/ Decrease Short term Loan & advances	(13,328,075)	-
(Increase)/ Decrease Long term Loan & advances	(17,149,782)	53,016
Increase/ (Decrease) Trade Payable	103,653	62,009
Increase/ (Decrease) Long term Provisions	1,838,495	-
Increase/ (Decrease) Short term Provisions	5,100,217	-
Increase/ (Decrease) Other current liabilities	(695,872)	3,585,539
Increase/ (Decrease) Other current assets	-	-
Increase/ (Decrease) Short-term borrowings	44,938,231	-
<b>Cash generated from operations</b>	<b>11,964,160</b>	<b>(3,630,091)</b>
<b>Cash flow before extraordinary item</b>	11,964,160	(3,630,091)
Net income tax(paid) / refunds	-	(3,270,176)
Interest income on income tax refund	-	184,914
<b>Net cash from operating activities (A)</b>	<b>11,964,160</b>	<b>(6,715,353)</b>
<b>B. Cash flows from investing activities</b>		
Sale / (Purchase) of fixed assets (includes intangible assets)	(423,780)	(139,598)
Sale / (Purchases) of current investment	(11,260,532)	(8,800,000)
Proceeds from sale of investments	-	13,293,858
<b>Net cash from investing activities (B)</b>	<b>(11,684,312)</b>	<b>4,354,260</b>
<b>C. Cash flows from financing activities</b>		
Proceeds from issuance of share capital	-	-
Dividend Income	540,309	23,003
Proceeds from issuance of Securities Premium	-	-
<b>Net cash used in financing activities (C)</b>	<b>540,309</b>	<b>23,003</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>820,157</b>	<b>(2,338,090)</b>
<b>Reconciliation of Cash &amp; cash equivalents with the Balance Sheet:</b>		
<b>Cash and Cash Equivalents</b>		
Opening Cash on hand and balances with banks	1,100,642	3,438,732
Closing Cash on hand and balances with banks	1,920,799	1,100,642
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>820,157</b>	<b>(2,338,090)</b>
<b>See accompanying notes forming part of the standalone financial statements Note No. 1-32</b>		

As per our report of even date attached

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

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

**Tirtharaj Khot**  
Partner  
Membership No.: (F) 037457

**Shivani Bhasin Sachdeva**  
Managing Director  
(DIN: 00590500)

**Karan Bhagat**  
Director  
(DIN: 03247753)

Place : Mumbai  
Date : May 6, 2015

**STANDALONE FINANCIALS OF INDIA ALTERNATIVES INVESTMENT ADVISORS PRIVATE LIMITED**  
**Notes forming part of the financial statements for the year ended on March 31, 2015.**

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**Note 1. Corporate Information:**

India Alternatives Investment Advisors Private Limited ('the Company') was incorporated on 13 January 2010. The principal shareholder of the Company was Businessmatch Services (India) Private Limited and effective 04 April 2014 its principal shares were taken over by IIFL Wealth Management Limited.

The principle objective of the Company is to originate, acquire, manage, monitor and dispose of portfolio investments of Venture Capital Fund. The Company is the Investment Manager to a Mid - Growth Scheme, a scheme of India Alternatives Private Equity Fund ('the Fund') based on an investment management agreement between the Company and IDBI Trusteeship Services Limited ('Trustee Company') dated 4 February 2010 and as amended from time to time.

**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 notified Accounting Standard notified under section 133 of Companies Act, 2013 (Act) read with Rule 7 of the Companies Accounts rules, 2014 (as amended) and the relevant provisions of the Companies Act, 2013. 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 which 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 charges from the month in which assets are sold. In the case of transfer of fixed assets from group companies, depreciation is charged over the remaining useful life of the assets. 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.

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

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

\* 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 unrecognized deferred tax assets. Deferred tax liability is recognised as and when arises.

### **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.

- Investment Management fees are accounted 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.

**STANDALONE FINANCIALS OF INDIA ALTERNATIVES INVESTMENT ADVISORS PRIVATE LIMITED**  
**Notes forming part of the financial statements for the year ended March 31, 2015 (Continued)**

**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 & 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.

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 Authorized, Issued, Subscribed and fully paid up share capital comprises of equity shares having a par value of ₹ 10/- as follows** (Amount in ₹)

Authorised :	As at March 31, 2015	As at March 31, 2014
500,000 Equity Shares of ₹ 10/- each with Voting Rights	5,000,000	5,000,000
<b>Issued, Subscribed and Paid-up share capital</b>		
10,000 (Previous Year 10,000 equity shares of ₹ 10/- each) Equity Shares of ₹ 10/- each fully paid-up with Voting rights	100,000	100,000
<b>Total</b>	<b>100,000</b>	<b>100,000</b>

**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	
	Numbers	Amount	Numbers	Amount
At the beginning of the year	10,000	100,000	10,000	100,000
Add: Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>10,000</b>	<b>100,000</b>	<b>10,000</b>	<b>100,000</b>

**STANDALONE FINANCIALS OF INDIA ALTERNATIVES INVESTMENT ADVISORS PRIVATE LIMITED**  
**Notes forming part of the financial statements for the year ended March 31, 2015 (Continued)**

**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	7,100	71%	-	-

**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
Businessmatch Services (India) Pvt. Ltd	-	-	7,100	71%
Shivani Bhasin Sachdeva	2,900	29%	2,900	29%
IIFL Wealth Management Limited	7,100	71%	-	-

**Note 4. Reserve and Surplus:**

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Surplus/(Deficit) in statement of Profit and Loss</b>		
Opening Balance: As per last Financial Statement	12,695,106	(1,019,701)
Addition during the year	(21,870,086)	13,714,807
<b>Total</b>	<b>(9,174,980)</b>	<b>12,695,106</b>

**Note 5. Long Term Provisions:**

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Provision for employee benefits :		
- Provision for Gratuity	1,718,895	-
- Provision for Leave Encashment	119,600	-
<b>Total</b>	<b>1,838,495</b>	<b>-</b>

**Note 6. Short-term borrowings:**

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Unsecured Loans</b>		
Inter Corporate Deposits (ICD)	60,238,213	15,299,982
<b>Total</b>	<b>60,238,213</b>	<b>15,299,982</b>

**Note 7. Trade Payables:**

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Outstanding dues of micro & small enterprises	-	-
Outstanding dues of creditors other than micro small enterprises	103,653	-
<b>Total</b>	<b>103,653</b>	<b>-</b>

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.

**STANDALONE FINANCIALS OF INDIA ALTERNATIVES INVESTMENT ADVISORS PRIVATE LIMITED**  
**Notes forming part of the financial statements for the year ended March 31, 2015 (Continued)**

**Note 8. Other Current Liabilities:** (Amount in `)

Particulars	As at March 31, 2015	As at March 31, 2014
Accrued Salaries & Benefits	2,034,304	2,810,793
Statutory Liabilities Payable	1,438,646	1,239,769
Other Liabilities Payable	275,000	393,260
<b>Total</b>	<b>3,747,950</b>	<b>4,443,822</b>

**Note 9. Short Term Provisions:** (Amount in `)

Particulars	As at March 31, 2015	As at March 31, 2014
(a) Provision for employee benefits :		-
- Provision for Gratuity	105,536	-
- Provision for Leave Encashment	21,279	-
- Bonus Payable	5,000,000	-
(b) Others :	-	-
- Provision for expenses	48,570	75,168
<b>Total</b>	<b>5,175,385</b>	<b>75,168</b>

**Note 10. Tangible Assets:** (Amount in `)

Particulars	Furniture & Fixture	Office Equipment	Computer	Total
Cost or valuation as at April 01, 2014	461,498	205,740	342,068	<b>1,009,306</b>
Additions	638,991	99,790		<b>738,781</b>
Deductions/Adjustments during the year	315,000	-	-	<b>315,000</b>
As at March 31, 2015	785,489	305,530	342,068	<b>1,433,087</b>
Depreciation				
Upto April 01, 2014	201,558	63,186	181,361	<b>446,105</b>
Depreciation	199,999	98,872	93,489	<b>392,360</b>
Deductions/Adjustments during the year	187,167	-	-	<b>187,167</b>
Upto March 31, 2015	214,390	162,058	274,850	<b>651,298</b>
<b>Net Block as at March 31, 2015</b>	<b>571,099</b>	<b>143,472</b>	<b>67,218</b>	<b>781,789</b>
<b>Net Block as at March 31, 2014</b>	<b>259,940</b>	<b>142,555</b>	<b>160,707</b>	<b>563,202</b>

**Note 11. Intangible Assets:** (Amount in `)

Particulars	Amount
Software/Intangible assets	
Cost or valuation as at April 01, 2014	75,197
Additions	-
Deductions / Adjustments during the year	-
As at March 31, 2015	75,197
Amortisation	
As at April 1, 2014	57,427
Amortisation for the year	17,769
Deductions / Adjustments during the year	-
Up to March 31, 2015	75,197
<b>Net Block as at March 31, 2015</b>	<b>-</b>
<b>Net Block as at March 31, 2014</b>	<b>17,769</b>



**STANDALONE FINANCIALS OF INDIA ALTERNATIVES INVESTMENT ADVISORS PRIVATE LIMITED**  
**Notes forming part of the financial statements for the year ended March 31, 2015 (Continued)**

**Note 12. Deferred Tax (Liability)/Assets (Net):** (Amount in `)

Particulars	As at March 31, 2015	As at March 31, 2014
On Business Loss	10,066,865	-
On Depreciation	58,926	(5,200)
On Gratuity	591,937	-
<b>Total</b>	<b>10,717,728</b>	<b>(5,200)</b>

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

**Note 13. Long Term Loans and Advances:** (Amount in `)

Particulars	As at March 31, 2015	As at March 31, 2014
Deposits Paid (Secured, considered good)	16,050	16,050
Other long term loans and advances	113,453	79,745
Prepaid Expense (Unsecured, considered good)	13,321,162	-
Advance Income Tax (Net of provision of tax of ` 6,093,699/-) (Previous Year ` 6,093,699/-)	7,782,612	3,987,700
<b>Total</b>	<b>21,233,277</b>	<b>4,083,495</b>

**Note 14. Current Investment:** (Amount in `)

Particulars	As at March 31, 2015		As at March 31, 2014	
	Units	Amount	Units	Amount
<b>Non Traded Investment: Quoted</b>				
<b>Investment in Mutual Funds</b>				
Birla Sunlife Saving Fund - Weekly Dividend (Nav - ` 100.2876)	1,32,940	13,324,697	20,615	2,064,165
<b>Total</b>		<b>13,324,697</b>		<b>2,064,165</b>

**Note 15. Trade Receivable:** (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	-	24,067,653
- Considered doubtful	-	-
<b>Total</b>	<b>-</b>	<b>24,067,653</b>

**Note 16. Cash and Bank Balance:** (Amount in `)

Particulars	As at March 31, 2015	As at March 31, 2014
Cash In Hand	4,687	7,453
Balances with banks :		
- In Current accounts	1,916,111	1,093,189
- In Deposit accounts	-	-
<b>Total</b>	<b>1,920,798</b>	<b>1,100,642</b>

**Note 17. Short Term Loans and Advances:** (Amount in `)

Particulars	As at March 31, 2015	As at March 31, 2014
Unsecured, Considered good		
Prepaid Expenses	13,591,585	103,599
Other Loans and Advances	458,842	618,753
<b>Total</b>	<b>14,050,427</b>	<b>722,352</b>

**STANDALONE FINANCIALS OF INDIA ALTERNATIVES INVESTMENT ADVISORS PRIVATE LIMITED**  
**Notes forming part of the financial statements for the year ended March 31, 2015 (Continued)**

**Note 18. Revenue from Operations:** (Amount in `)

Particulars	2014-2015	2013-2014
Investment Management Fees	35,205,739	51,047,968
<b>Total</b>	<b>35,205,739</b>	<b>51,047,968</b>

**Note 19 . Other Income:** (Amount in `)

Particulars	2014-2015	2013-2014
Capital Gains	3,046	349,060
Interest On Income Tax Refund	-	184,914
Dividend Income	540,309	23,003
<b>Total</b>	<b>543,355</b>	<b>556,977</b>

**Note 20. Employee Benefit Expenses:** (Amount in `)

Particulars	2014-2015	2013-2014
Salaries and bonus	45,740,692	21,205,822
Contribution to provident and other funds **	208,825	-
Gratuity *	1,824,431	-
Staff Welfare Expenses	191,351	28,369
Leave Encashment	140,879	-
<b>Total</b>	<b>48,106,178</b>	<b>21,234,191</b>

\*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	-	-
Salary Escalation previous year	-	-
Discount rate current year	7.92%	-
Salary Escalation Current year	5.00%	-
Change in Benefit Obligation	2014-2015	2013-2014
Liability at the beginning of the year	-	-
Interest Cost	-	-
Current Service Cost	1,824,431	-
Actuarial (gain)/ Loss on obligations	-	-
<b>Liability at the end of the year</b>	<b>1,824,431</b>	<b>-</b>
Amount Recognised in the Balance Sheet	2014-2015	2013-2014
Liability at the end of the year	(1,824,431)	-
Fair Value of Plan Assets at the end of the year	-	-
Funded Status(Surplus/ Deficit)	(1,824,431)	-
<b>Amount of (liability)/ Asset Recognised in the Balance Sheet</b>	<b>(1,824,431)</b>	<b>-</b>
Expenses Recognised in the Income Statement	2014-2015	2013-14
Current Service cost	1,824,431	-
Interest Cost	-	-
Expected return on plan assets	-	-
Actuarial Gain or Loss	-	-
<b>Expense Recognised in P &amp; L</b>	<b>1,824,431</b>	<b>-</b>

**STANDALONE FINANCIALS OF INDIA ALTERNATIVES INVESTMENT ADVISORS PRIVATE LIMITED**  
**Notes forming part of the financial statements for the year ended March 31, 2015 (Continued)**

<b>Balance Sheet Reconciliation</b>	<b>2014-2015</b>	<b>2013-2014</b>
Opening Net liability	-	-
Expense as above	(1,824,431)	-
Employer's Contribution	-	-
<b>(Liability)/Asset Recognised in Balance sheet</b>	<b>(1,824,431)</b>	<b>-</b>

**\*\*Defined Contribution Plans:**

The Company has recognised the following amounts as an expense and included in the Employee Benefit Expenses. **(Amount in `)**

<b>Particulars</b>	<b>2014-2015</b>	<b>2013-2014</b>
Contribution to provident & other Fund	208,825	-

**Note 21. Administration and other expenses:**

**(Amount in `)**

<b>Particulars</b>	<b>2014-2015</b>	<b>2013-2014</b>
Advertisement	10,000	-
Books & Periodicals	9,684	-
Exchange and statutory Charges	5,020	-
Marketing and commission expenses	220,375	142,195
Direct operating expenses	1,460	-
Bank Charges	4,656	57
Communication	326,106	334,768
Electricity	379,123	196,637
Legal and professional charges	5,197,834	10,173,177
Miscellaneous expenses	4,360	-
Office expenses	477,336	248,048
Meeting Seminar & subscription	1,141,258	151,995
Postage and courier	17,328	16,061
Printing and stationery	216,066	175,482
Provision for doubtful debts and bad debts	127,833	-
Rent	3,428,226	180,400
Insurance	30,820	194,180
Rates & taxes	-	6,809
Repairs and maintenance:		
- Computer	48,979	-
- Others	214,810	86,826
Remuneration to Auditors :		
- Statutory Audit	275,000	308,990
Software Charges	29,250	-
Travelling and conveyance	2,152,128	860,761
<b>Total</b>	<b>14,317,652</b>	<b>13,076,386</b>

**Note 22. Finance Cost:**

**(Amount in `)**

<b>Particulars</b>	<b>2014-2015</b>	<b>2013-2014</b>
Interest expenses	5,508,149	393
<b>Total</b>	<b>5,508,149</b>	<b>393</b>

**Note 23. Depreciation and Amortisation Expenses**

**(Amount in `)**

<b>Particulars</b>	<b>2014-2015</b>	<b>2013-2014</b>
Depreciation on Tangible Assets (Refer Note – 10)	392,360	140,991
Amortisation of Intangible Assets (Refer Note – 11)	17,769	11,845
<b>Total</b>	<b>410,129</b>	<b>152,836</b>

**STANDALONE FINANCIALS OF INDIA ALTERNATIVES INVESTMENT ADVISORS PRIVATE LIMITED**  
**Notes forming part of the financial statements for the year ended March 31, 2015 (Continued)**

**Note 24.** Basic and Diluted Earnings Per Share ["EPS"] computed in accordance with Accounting Standard (AS) 'Earnings per share' as prescribed by Companies (Accounting Standard) Rules, 2006. **(Amount in `)**

Particulars		2014-2015	2013-2014
<b>BASIC &amp; DILUTED EARNINGS PER SHARE</b>			
Profit/(Loss) after tax as per Statement of Profit and Loss	A	(21,870,086)	13,714,807
Weighted Average Number of Shares Subscribed	B	10,000	10,000
Face Value of Equity Shares (in `) fully paid		10	10
Basic & Diluted EPS (in `)	A/B	(2,187.01)	1,371.48

**Note 25.** 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 26. 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.

**Note 27.** The Company does not have any contingent liability not provided for, as on the balance sheet date.

**Note 28.** There are no pending litigations by and on the Company as on the balance sheet date.

**Note 29. 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 30. Related Party Disclosures.**

Related party disclosures for the year ended March 31, 2015

**a) List of Related parties:**

Nature of relationship	Name of party
<b>Ultimate Holding Company</b>	IIFL Holdings Limited ( Formerly India Infoline Limited)
<b>Holding Company</b>	IIFL Wealth Management Limited
<b>Fellow Subsidiaries</b>	IIFL Distribution Services Limited (Formerly IIFL Distribution Services Private Limited) IIFL Investment Advisors and Trustee Services Limited (Formerly IIFL Trustee Services Limited) India Infoline Asset Management Company Limited India Infoline Trustee Company Limited IIFL Alternate Asset Advisors Limited IIFL Private Wealth Management (Dubai) Limited IIFL (Asia) Pte. Limited IIFL Inc IIFL Private Wealth Hong Kong Limited IIFL Private Wealth (Mauritius) Ltd IIFL Private Wealth (Suisse) SA IIFL Securities Pte. Limited IIFL Capital Pte. Limited

**STANDALONE FINANCIALS OF INDIA ALTERNATIVES INVESTMENT ADVISORS PRIVATE LIMITED**  
**Notes forming part of the financial statements for the year ended March 31, 2015 (Continued)**

Nature of relationship	Name of party
<b>Group Companies</b>	India Infoline Finance Limited India Infoline Limited (Formerly India Infoline Distribution Co. Limited) India Infoline Insurance Services Limited India Infoline Commodities Limited IIFL Realty Limited India Infoline Housing Finance Limited India Infoline Media and Research Services Limited IIFL Capital Limited India Infoline Commodities DMCC IIFL Wealth (UK) Limited IIFL Capital Inc. India Infoline Foundation IIFL Properties Private Limited (Formerly Ultra Sign & Display Private Limited) IIFL Asset Reconstruction Limited India Infoline Insurance Brokers Limited
<b>Key Managerial Personnel</b>	Karan Bhagat Yatin Shah Shivani Bhasin Sachdeva
<b>Other related parties</b>	Nirmal Jain R. Venkataraman Orpheus Trading Pvt. Limited Ardent Impex Pvt. Limited

**b) Significant Transaction with Related Parties (Amount in `)**

Nature of Transaction	Ultimate Holding Co.	Holding Company	Fellow Subsidiaries	Group Companies	Key Managerial Personnel	Total
<b>Interest Expense on ICD</b>						
	-	2,709,146	-	-	-	<b>2,709,146</b>
IIFL Wealth Management Ltd	-	-	-	-	-	-
India Infoline Finance Ltd	-	-	-	2,797,808	-	<b>2,797,808</b>
	-	-	-	-	-	-
<b>Other funds Paid</b>						
	-	342,617	-	-	-	<b>342,617</b>
IIFL Wealth Management Ltd	-	-	-	-	-	-
<b>ICD Repaid</b>						
	-	-	-	40,000,000	-	<b>40,000,000</b>
India Infoline Finance Ltd	-	-	-	-	-	-
<b>ICD Taken</b>						
	-	57,799,982	-	-	-	<b>57,799,982</b>
IIFL Wealth Management Ltd	-	-	-	-	-	-
India Infoline Finance Ltd	-	-	-	40,000,000	-	<b>40,000,000</b>
	-	-	-	-	-	-
<b>Remuneration*</b>						
	-	-	-	-	56,000,000	<b>56,000,000</b>
Shivani Bhasin Sachdeva	-	-	-	-	-	-
<b>Allocation / Reimbursement of expenses Paid</b>						
	-	4,246,735	-	-	-	<b>4,246,735</b>
IIFL Wealth Management Ltd	-	-	-	-	-	-

\* The Company has applied to the Central Government for its approval under section 196, 197, 198 read with Schedule V and other applicable provisions of the Companies Act 2013 and rules made thereunder, for payment of remuneration to Ms. Shivani Bhasin Sachdeva, Managing Director, in excess of limits specified under Companies Act, 2013.

**STANDALONE FINANCIALS OF INDIA ALTERNATIVES INVESTMENT ADVISORS PRIVATE LIMITED**  
**Notes forming part of the financial statements for the year ended March 31, 2015 (Continued)**

**c) Amount due to / from related parties (Closing Balances):** (Amount in `)

Nature of Transaction	Ultimate Holding Co.	Holding Company	Fellow Subsidiaries	Group Companies	Key Managerial Person	Total
<b>ICD Given:</b>						
IIFL Wealth Management Limited	-	60,238,213	-	-	-	<b>60,238,213</b>
	-	-	-	-	-	-

**Note :**

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

**Note 31. Earnings and Expenses in Foreign Currency:** (Amount in `)

Particulars	2014-2015	2013-2014
<b>Expenses in Foreign Currency</b>		
Legal and professional Charges	392,067	-
<b>Total</b>	<b>392,067</b>	-

**Note 32.** Previous year figures have been re-grouped, re-classified & rearranged, wherever considered necessary.

As per our report of even date attached.

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

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

**Tirtharaj Khot**  
 Partner  
 Membership No.: (F) 037457

**Shivani Bhasin Sachdeva**  
 Managing Director  
 (DIN: 00590500)

**Karan Bhagat**  
 Director  
 (DIN: 03247753)

Place : Mumbai  
 Date : May 6, 2015