



Indiabulls
VENTURES

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**Instant
Personal
Loans**

Annual Report

INDIABULLS VENTURES LIMITED

2018

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Corporate Information

1

Board of Directors:

Mr. Sameer Gehlaut
 Mr. Divyesh B. Shah
 Mr. Gagan Banga
 Mr. Pinank Jayant Shah
 Mrs. Vijayalakshmi Rajaram Iyer
 Mr. Shyam Lal Bansal
 Mr. Abhaya Prasad Hota
 Mr. Alok Kumar Misra
 Retd. Brig. Labh Singh Sitara

Company Secretary:

Mr. Lalit Sharma

Chief Financial Officer:

Mr. Rajeev Lochan Agrawal

Statutory Auditors:

Walker Chandio & Co LLP
 (A member of Grant Thornton International)
 Chartered Accountants
 L 41, Connaught Circus,
 New Delhi 110 001

Internal Auditors:

N.D. Kapur & Co.
 Chartered Accountants
 1st Floor, The Great Eastern Center
 70, Nehru Place, Behind IFCI Tower
 New Delhi – 110 014

Secretarial Auditors:

A.K. Kuchhal & Co.
 Company Secretaries,
 C-154, Sector-51,
 Noida- 201301

Registered Office:

M- 62 & 63, First Floor,
 Connaught Place, New Delhi – 110 001
 Email: helpdesk@indiabulls.com
 Tel: 0124-6681199, Fax: 0124-6681240
 Website: www.indiabullsventures.com

Corporate Offices:

Indiabulls House,
 Indiabulls Finance Centre,
 Senapati Bapat Marg, Elphinstone Road,
 Mumbai – 400 013

Indiabulls House, 448-451,
 Udyog Vihar, Phase V,
 Gurugram – 122 016

Registrars & Transfer Agents:

Karvy Computershare Pvt. Ltd.,
 Unit: Indiabulls Ventures Limited,
 Karvy Selenium, Tower B,
 Plot No. 31-32, Gachibowli Financial District,
 Nanakramguda,
 Hyderabad - 500 032

Bankers:

Allahabad Bank
 Axis Bank Ltd.
 Bank of Baroda
 Bank of India
 Canara Bank
 HDFC Bank Ltd.
 ICICI Bank Ltd.
 IDBI Bank Ltd.
 IDFC Bank
 IndusInd Bank
 Kotak Mahindra Bank
 Oriental Bank of Commerce
 Punjab and Sind Bank
 Punjab National Bank
 RBL Bank Ltd.
 State Bank of India
 Syndicate Bank
 UCO Bank
 Union Bank of India
 Vijaya Bank
 Yes Bank Ltd.



Sameer Gehlaut
Chairman and Founder

From the Chairman's desk

Dear Shareholders and Friends,

In the financial year 2017-18, your Company embarked in pursuit of new business opportunities. It is a matter of great pride and satisfaction to me, and a testament to Indiabulls' execution capabilities that within the span of a year we have made rapid strides in our new business of consumer finance. Further, in line with the group's strategy to be adequately capitalized, your Company raised ₹ 20 Bn through rights' issue in March 2018 and ₹ 20.6 Bn through preferential issue in May 2018. The Company has so far received ₹ 5 Bn from the rights issue and balance ₹ 15 Bn will be received in FY 2018-19.

Credit Ratings

In the first year of its operation, IVL Finance has obtained high long-term and short-term credit ratings from leading credit rating agencies. The company has obtained Long Term Credit Rating of "AA" from CARE Ratings - this is the first time that a lending entity in India has been initiated at such a high credit rating. The company has also obtained the highest short term credit rating of 'A1+' from CRISIL, ICRA, CARE Ratings and Brickwork Ratings. This is the result of your company's strong management team, high corporate governance standards and its robust technology driven lending business model which represents many firsts in the Indian consumer lending space.

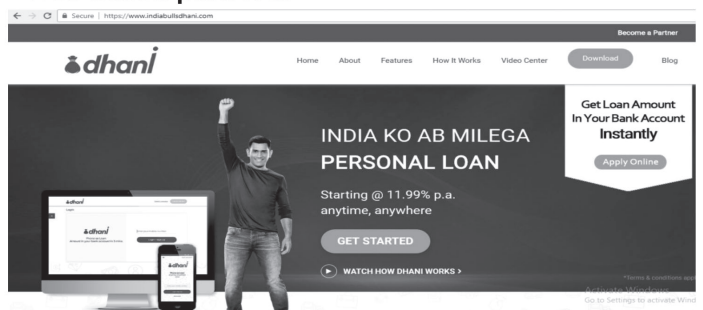
Dhani

IVL Finance Limited launched the world's first end-to-end personal loan fulfilment app "Dhani" in November 2017, where a customer could avail an instant personal loan. We have built a robust infrastructure to facilitate a fully mobile app driven loan origination process for personal loans. The simplicity and the end-to-end online fulfilment model have helped us reduce turnaround time, thus increasing efficiency and reducing operational expenses. I believe that the enhanced customer experience, customized product offerings and access to increased database will help in swifter customer acquisition and faster on-boarding of customers.

In a short span, the Company has launched multiple App and web based product offerings for its customers.

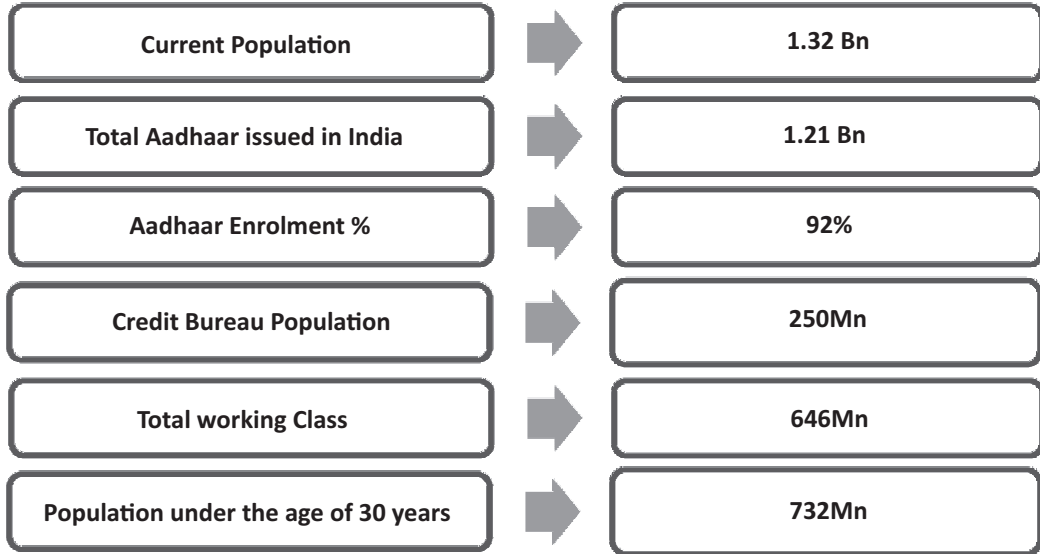


Web based platform

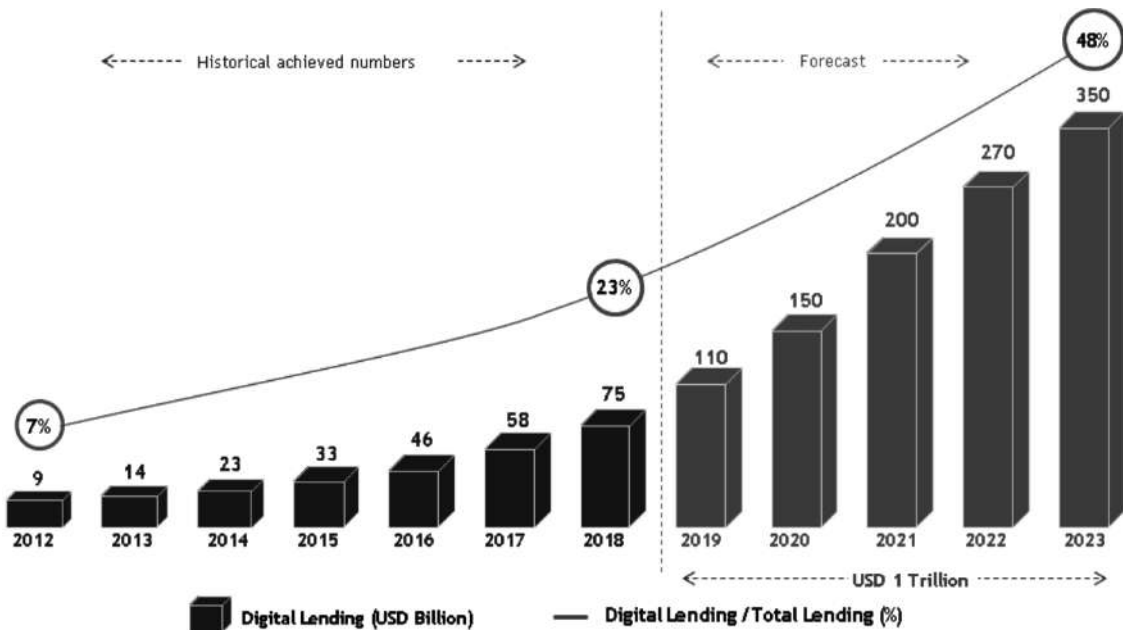


Market Landscape

Aadhaar, world's largest biometric ID system has been the backbone of the Government's Digital India thrust. This has brought about phenomenal changes in the entire ecosystem of how lending is done in our country. This coupled with how under-penetrated India is currently for credit, is providing vast headroom for growth in the Indian lending market space, and is fuelling growth for lenders like IVL Finance.



The digital lending opportunity in India is vast and according to Boston Consulting Group's report [Digital Lending - A \$ 1 Trillion opportunity over the next 5 years, July 2018] disbursals in the next five years is slated to top USD 1 Trillion. The company is targeting this opportunity, and with its app based lending platform it is ideally positioned to cater to this demand.



Key Highlights

In our first year of operations, we have made a sizable disbursal of ₹ 13.4 Bn of Personal Loans. Moving forward, I strongly believe digitization and Indiabulls group's expertise in lending will prove to be a differentiating factor helping the firm leap ahead of its peers.

Your Company has also ventured into Micro, Small & Medium Enterprises (MSME) business lending during FY 2018, tapping into the immense opportunity offered by this segment. Credit penetration is quite low in this segment, with only 7% of the MSMEs (in numbers) having availed credit. With about 55 million MSMEs in the country, accounting for about 37.5% of the GDP, the scope for credit growth is quite immense. To SMEs, we offer both secured and unsecured loans. In FY 2018, we have made disbursements of ₹ 32.1 Bn in this space. As of 31st March 2018, total Assets Under Management stands at ₹ 40 Bn.

Your Company has made a sizable upfront investment in setting up the requisite systems, including the technology platform, credit score based lending models and data analytics. This has helped us undertake data driven underwriting and digitize the lending process, which further enabled us to transform customer experience and also drive cost efficiencies for the company. The niche positioning of your Company along with good market knowledge, and large unmet demand, is likely to drive strong portfolio growth from this segment, going forward.

Corporate Social Responsibility: Indiabulls Foundation

Indiabulls's CSR arm, Indiabulls Foundation has undertaken number of social initiatives in areas of Health, education, nutrition and sanitation. During the year, under a Nutrition Programme - "Paushtik Aahar" - Indiabulls Foundation provided Nutrition Supplement to 30,000 underprivileged individuals such as malnourished children, pregnant women and lactating mothers across Maharashtra state. All these individuals belong to socially and economically backward families. This includes tribal, slum, abandoned/street children and children from orphanages & rehabilitation centers. Apart from these institutions, Indiabulls Foundation also distributes Paushtik Aahar through its free mobile medical vans and charitable clinics.

The Path Ahead

Indiabulls Ventures is well positioned to capture upto 5% of the market share in the digital lending space over the next few years. We will continue to work on cutting edge technologies, innovate, learn, scale up and remain in a high growth phase for many years to come.

Thanking You

Sameer Gehlaut
Chairman and Founder

Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the Twenty Third Annual Report and the audited statement of accounts of the Company for the financial year ended March 31, 2018.

FINANCIAL HIGHLIGHTS

The highlights of the standalone financial results for the financial year ended March 31, 2018 are as under:

	Year ended 31-Mar-18 (Amount in Rs.)	Year ended 31-Mar-17 (Amount in Rs.)
Profit before Depreciation & Amortisation expenses and Tax	719,564,875	609,004,115
Less: Depreciation & Amortisation expenses	16,502,768	16,226,995
Profit before Tax	703,062,107	592,777,120
Less: Tax Expense/(benefit)	181,865,404	121,847,591
Profit after Tax	521,196,703	470,929,529
Add: balance of profit brought forward	143,616,727	81,63,762
Amount available for appropriation	664,813,430	479,093,291
Appropriations		
Interim Dividend on Equity Shares	-	320,206,920
Corporate Dividend Tax on Interim Dividend on Equity Shares	-	15,269,644
Balance of profit carried forward to Balance Sheet	664,813,430	143,616,727

The Total Revenue of the Company during the financial year ended March 31, 2018 was Rs. 202.33 crores with a net profit of Rs. 52.12 crores. The Company proposes to retain the entire amount of Rs. 66.48 crores in the statement of profit & loss. The consolidated revenue of the Company was Rs. 1,053.66 crores and the consolidated net profit was Rs. 236.75 crores.

DIVIDEND

No dividend was declared, for the financial year 2017-18.

During the financial year 2017-18, the unclaimed dividend pertaining to the financial year ended March 31, 2010 and interim dividend for the financial year 2010-11, got transferred to Investor Education and Protection Fund, after giving due notice to the members. Those members who have not so far claimed their dividend for the subsequent financial years are also advised to claim it from the Company or Karvy Computershare Private Limited.

Further pursuant to the requirements of SEBI Circular no. SEBI/ LAD-NRO/GN/2016-17/008 dated July 8, 2016, the Dividend Distribution Policy of the Company is available on the website of the Company i.e. <http://www.indiabullsventures.com/>.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Company has a broad based Board of Directors (Board), constituted in compliance with the Companies Act, 2013, Listing Agreement executed by the Company with the Stock Exchange and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations) and in accordance with highest standards of Corporate Governance in its management, which ensures an appropriate mix of Executive/Non Executive, Woman Director and Independent Directors with demonstrated skill sets and relevant experience. With effect from September 23, 2017, the Board of the Company comprises of the following directors:

- (i) Mr. Sameer Gehlaut (DIN: 00060783) as its Non - Executive Chairman.
- (ii) Mr. Divyesh B. Shah (DIN: 00010933) as its Whole-time Director & CEO.

Directors' Report (contd.)

- (iii) Mr. Gagan Banga (DIN: 00010894) as its Non-Executive Director.
- (iv) Mr. Pinank Jayant Shah (DIN: 07859798) as its Executive Director.
- (v) Mrs. Vijayalakshmi Rajaram Iyer (DIN: 05242960), as its Independent Director.
- (vi) Mr. Shyam Lal Bansal (DIN: 02910086), as its Independent Director.
- (vii) Mr. Alok Kumar Misra (DIN: 00163959), as its Independent Director.
- (viii) Retd. Brig. Labh Singh Sitara (DIN: 01724648), as its Independent Director.

The Board members have excellent leadership and guidance abilities, wide and rich professional knowledge and experience in diverse fields viz. finance, banking, regulatory and public policy etc., thereby bringing an enabling environment for value creation through sustainable business growth of the Company.

During the year Mr. Aishwarya Katoch (DIN: 00557488) Independent Director, had resigned from the Board w.e.f. September 18, 2017 and Mr. Prem Prakash Mirdha (DIN: 01352748), Independent Director and Mr. Ajit Kumar Mittal (DIN: 02698115), Non-Executive Director, had resigned from the Board w.e.f. September 23, 2017. The Board has placed on record its appreciation for the contribution made by Mr. Katoch, Mr. Mirdha and Mr. Mittal, during their tenure of office.

All the Independent Directors of the Company have given declaration that they meet the criteria of independence laid down under Section 149 (6) of the Companies Act, 2013 (the Act).

In accordance with the provisions of Section 152 of the Act and in terms of the Memorandum and Articles of Association of the Company, Mr. Pinank Jayant Shah (DIN: 07859798), Executive Director of the Company, retires by rotation at the ensuing Annual General Meeting of the Company and being eligible offers himself for reappointment. The Board recommends his re-appointment.

Present composition of the Board is provided in the Report on Corporate Governance, presented in a separate section forming part of this Annual Report. The brief resume of the Director(s) proposed to be appointed/reappointed, nature of their expertise in specific functional areas, terms of appointment and names of companies in which they hold directorships and memberships/chairmanships of Board Committees, are provided in the Notice convening the 23rd Annual General Meeting of the Company.

SHARE CAPITAL

During the year under review, 82,948,313 partly paid up equity shares of the Company, of face value of Rs. 2 each, were allotted at a price of Rs. 240 per equity share (including a premium of Rs. 238 per equity share), on Rights basis, with Rs. 60/- (including a premium of Rs. 59.50) as paid up per equity share. The balance Rs. 180 (including a premium of Rs. 178.50) per equity share shall be payable in three tranches - First Call (Rs.36 including a premium of Rs. 35.70 per equity share), Second Call (Rs.36 including a premium of Rs. 35.70 per equity share) and Third & Final Call (Rs.108 including a premium of Rs. 107.10 per equity share). During the current financial year, the First Call of Rs. 36 (including a premium of Rs. 35.70) per equity share has been made, the last date for payment of which is August 21, 2018.

The paid up equity share capital of the Company as on March 31, 2018, was Rs. 926,256,160.50 comprising of 442,391,002 fully paid up Equity Shares of face value of Rs. 2 each and 82,948,313 partly paid up Equity Shares, of face value of Rs. 2 each with paid up value of Re. 0.50 each.

Subsequently, during the current financial year till the date of this report, the Company has issued and allotted the following securities:

- (i) Pursuant to and in terms of shareholders' approval dated April 25, 2017, the Company, on June 11, 2018, had allotted 33,800,000 fully paid up equity shares of face value of Rs. 2/- each against conversion of 33,800,000 convertible warrants earlier issued by it on preferential basis to its certain promoter entities, in terms of Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009, as amended (ICDR Regulations).
- (ii) Pursuant to and in terms of shareholders' approval dated May 31, 2018 and in terms of Chapter VII of ICDR Regulations, the Company, on June 11, 2018, has issued and allotted an aggregate of 45,839,888 fully paid up

Directors' Report (contd.)

equity shares of face value of Rs. 2/- each of the Company, at an issue price of Rs. 450 (including a premium of Rs. 448) per equity share, to certain foreign companies/ foreign portfolio investors registered with the Securities and Exchange Board of India.

(As a result of the aforesaid allotments of fully paid up equity shares, the paid up share capital of the Company stands increased to Rs. 1,085,535,936.50 divided into 522,030,890 fully paid up Equity Shares of face value of Rs. 2 each and 82,948,313 partly paid up Equity Shares, of face value of Rs. 2 each, with paid up value of Re. 0.50 each.)

STATEMENT OF DEVIATION(S) OR VARIATION(S) PURSUANT TO REGULATION 32 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Pursuant to Regulation 32 of the SEBI LODR Regulations and Regulation 16 of SEBI (Issue of Capital and Disclosure Requirements) (Second Amendment) Regulations, 2017, Monitoring Agency Report dated April 21, 2018, for the Rights Issue of the Company, for the quarter ended March 31, 2018 was placed before the Audit Committee, in its meeting held on April 23, 2018, wherein the Audit Committee noted that there was no deviation as regards the utilization of funds from the Objects stated in the Letter of Offer dated February 1, 2018 and post its approval the said report was submitted with the Stock Exchanges on April 25, 2018.

Further, Pursuant to Regulation 32 of the SEBI LODR Regulations, statement of deviation, for the quarter ended June 30, 2018, on the utilization of proceeds of Rights Issue and Preferential Issues of the Company was placed before the Audit Committee, in its meeting held on July 23, 2018, wherein the Audit Committee noted that there was no deviation as regards the utilization of funds from the Objects stated in the Letter of Offer and explanatory statement to the notices for the general meeting, for IVL's Rights Issue and Preferential Issue, respectively and post its approval the said report was submitted with the Stock Exchanges on July 23, 2018.

EMPLOYEE STOCK OPTIONS

Presently, stock options granted to the employees operate under the schemes namely; "Indiabulls Ventures Limited Employees Stock Option Scheme – 2008 and "Indiabulls Ventures Limited Employees Stock Option Scheme - 2009. Under these schemes, during the year under review, an aggregate of 12,050,000 Stock Options (10,500,000 Stock Options at an exercise price of Rs. 219.65 per option and 1,550,000 Stock Options at an exercise price of Rs. 254.85 per option) had been granted to certain eligible employees. The exercise price was determined in accordance with the pricing formula approved by the members i.e. at the latest available closing price of the equity share on the NSE, prior to the date of the meetings of the Compensation Committee at which these options were granted. The options granted as aforesaid are exercisable over a period of five years from the date of their respective vesting and none of the options granted as aforesaid have vested during the year and consequently, no options have been exercised. There has been no material variation in the terms of the options granted under any of these schemes and both the schemes are in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2014. The disclosures as required under these regulations have been placed on the website of the Company <http://www.indiabullsventures.com/>.

PUBLIC DEPOSITS

During the year under review, the Company has not accepted any deposits from the public, falling within the ambit of Chapter V of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

LISTING WITH STOCK EXCHANGES

The Equity Shares of the Company continue to remain listed at BSE Limited and National Stock Exchange of India Limited. The listing fees payable to both the exchanges for the financial year 2018-19 have been paid. The GDRs issued by the Company continue to remain listed on Luxembourg Stock Exchange.

AUDITORS

(a) Statutory Auditors

M/s Walker Chandio & Co LLP (Firm Regn. No. 001076N/N500013) (a member of Grant Thornton International), the statutory auditors of the Company were appointed by the members in their twenty second Annual General

Directors' Report (contd.)

Meeting, held on September 29, 2017, for a period of five years i.e. until the conclusion of the twenty seventh Annual General Meeting of the Company. The Company has received a certificate from the Auditors to the effect that their continuation as such from the conclusion of this Annual General Meeting until the conclusion of twenty seventh Annual General Meeting shall be in accordance with the applicable provisions of the Companies Act, 2013 and the Rules issued thereunder. As required under the SEBI LODR Regulations, M/s Walker Chandiok & Co LLP, Chartered Accountants, has confirmed that they hold a valid certificate issued by the Peer Review Board of ICAI. The Board recommends the ratification of the appointment of M/s Walker Chandiok & Co LLP, as statutory auditors of the Company till the conclusion of twenty seventh Annual General Meeting of the Company.

The Notes to the Accounts referred to in the Auditors' Report are self - explanatory and therefore do not call for any further explanation. No frauds have been reported by the Auditors of the Company in terms of Section 143(12) of the Companies Act, 2013.

(b) Secretarial Auditors & Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the rules made thereunder, the Company has appointed M/s A. K. Kuchhal & Co., a firm of Company Secretaries in practice as its Secretarial Auditors, to conduct the secretarial audit of the Company, for the Financial Year 2017-18. The Company has provided all assistance, facilities, documents, records and clarifications etc. to the Secretarial Auditors for conducting their audit. The Report of Secretarial Auditors for the Financial Year 2017-18, is annexed as "**Annexure 1**" and forming part of this Report. The Report is self - explanatory and therefore do not call for any further explanation.

(c) Cost Records

The Company is not required to make and maintain cost records pursuant to Section 148(1) of the Companies Act, 2013.

CORPORATE SOCIAL RESPONSIBILITY

As part of its initiatives under "Corporate Social Responsibility (CSR)", the Company has undertaken projects in the area of Nutrition, as per its CSR Policy (available on your Company's website <http://www.indiabullsventures.com/>) and the details are contained in the Annual Report on CSR Activities given in "**Annexure 2**", forming part of this Report. These projects are in accordance with Schedule VII of the Companies Act, 2013 read with the relevant rules.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34 of SEBI LODR Regulations, Management's Discussion and Analysis Report (MDA), for the year under review, is presented in a separate section forming part of this Annual Report. The disclosures made under MDA is to be read together with this Report.

CORPORATE GOVERNANCE REPORT

Pursuant to Regulation 34 of SEBI LODR Regulations, a separate section on Corporate Governance Practices followed by the Company, together with a certificate from a practicing Company Secretary confirming compliance, form part of this Annual Report, which is to be read together with this Report.

BUSINESS RESPONSIBILITY REPORT

Pursuant to Regulation 34 of the SEBI LODR Regulations a separate section on the Business Responsibility Report (BRR) is presented in a separate section forming part of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134 of the Companies Act, 2013:

- a) that in the preparation of the annual accounts for the year ended March 31, 2018, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;

Directors' Report (contd.)

- b) that such accounting policies as mentioned in the Notes to the Financial Statements had been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company, as at March 31, 2018 and the profit and loss of the Company for the year ended on that date;
- c) that proper and sufficient care had been taken 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) that the annual accounts had been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that such financial controls were adequate and were operating effectively; and
- f) that proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

INFORMATION PURSUANT TO SECTION 134 AND SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH THE RELEVANT RULES AND SEBI LODR REGULATIONS

The information required to be disclosed pursuant to Section 134 and Section 197 of the Companies Act, 2013 read with the relevant rules (to the extent applicable) and SEBI LODR Regulations, not elsewhere mentioned in this Report, are given in "Annexure A" forming part of this Report.

GREEN INITIATIVES

The Company's Environmental Management System (EMS) focuses on assessing the environmental cost of the Company's services and activities, and seeks to reduce or eliminate the negative impact and increase their positive effects. Environmental sustainability is important to the Company and is one of the reasons behind the Company's push to digitize its processes.

Electronic copies of the Annual Report 2018 and Notice of the 23rd AGM are sent to all the members whose email addresses are registered with the Company/Depository Participant(s). For members who have not registered their email addresses, physical copies of the Annual Report 2018 and Notice of the 23rd AGM are sent in the permitted mode.

The Company is providing e-voting facility to all members to enable them to cast their votes electronically on all resolutions set forth in the Notice of the 23rd AGM. This is pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI LODR Regulations. The instructions for remote e-voting are provided in the Notice convening the 23rd AGM.

ACKNOWLEDGEMENT

Your Company has been able to operate efficiently because of the culture of professionalism, creativity, integrity and continuous improvement in all functional areas and the efficient utilization of all its resources for sustainable and profitable growth. Your Directors wish to place on record their appreciation of the contributions made and committed services rendered by the employees of the Company at various levels. Your Directors also wish to express their gratitude for the continuous assistance and support received from the investors, clients, bankers, regulatory and government authorities, during the year.

For and on behalf of the Board of Directors

Date: July 23, 2018
Place: Mumbai

Divyesh B. Shah
Whole-time Director & CEO
DIN: 00010933

Pinank Jayant Shah
Executive Director
DIN: 07859798

Directors' Report (contd.)

Annexure A

ANNEXURE FORMING PART OF THE DIRECTORS REPORT

EXTRACT OF ANNUAL RETURN

The details forming part of extract of Annual Return, as on the financial year ended March 31, 2018, pursuant to Section 92 (3) of the Companies Act, 2013, in form MGT-9, are given in Annexure 3 forming part of this Report.

BOARD MEETINGS

During the FY 2017-18, 8 (Eight) Board Meetings were convened and held. The details of such meetings are given in Corporate Governance Report forming part of this Annual Report. The intervening gap between these meetings was within the period prescribed under the Companies Act, 2013. The notice and agenda including all material information and minimum information required to be made available to the Board under Regulation 17 read with Schedule II Part-A of the SEBI LODR Regulations, were circulated to all directors, well within the prescribed time, before the meeting or placed at the meeting. During the year, separate meeting of the Independent Directors was held on January 24, 2018, without the attendance of Non-Independent Directors and the members of the Company Management.

BOARD EVALUATION

Pursuant to the applicable provisions of the Companies Act, 2013 and Clause 17 of the SEBI LODR Regulations, the Board has carried out an evaluation of its performance, the directors individually as well as the working of its Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report forming part of this Annual Report.

REMUNERATION POLICY

The Board has framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report forming part of this Annual Report.

LOANS, GUARANTEES OR INVESTMENTS

During the FY 2017-18, in terms of the provisions of Section 186 (1) of the Companies Act, 2013, the Company did not make any investments through more than two layers of investment companies. The Company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013.

The details of the investments made by Company are given in the notes to the financial statements.

RELATED PARTY TRANSACTIONS

All the related party transactions, entered into by the Company, during the financial year, were in its ordinary course of business and on an arm's length basis. There are no materially significant related party transactions entered by the Company with its Promoters, Key Management Personnel or other designated persons which may have potential conflict with the interest of the Company at large. None of the transactions with related parties fall under the scope of Section 188(1) of the Act and hence the informations on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules 2014 required to be given in the prescribed form AOC 2 are not applicable. The Policy on materiality of Related Party Transactions and also on dealing with such transactions is available on the website of the Company (<http://www.indiabullsventures.com/>).

MATERIAL CHANGES AND COMMITMENTS

Other than those disclosed in this report, there are no material changes and commitments, affecting the financial position of the Company, which has occurred between the end of the Financial Year of the Company i.e. March 31, 2018 and the date of this Report.

Further, no significant and material orders were passed by the regulators or courts or tribunals, impacting the going concern status and Company's operations in future.

Directors' Report (contd.)

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo, is as under:

A. Conservation of Energy

The Company operations do not account for substantial energy consumption. However, the Company is taking all possible measures to conserve energy. As an ongoing process, the following measures are undertaken:

- a. Replacing all of its lighting system with LEDs, which is expected to slash related electricity consumption by over 50%.
- b. Installation of five star energy conservation air conditioning systems.
- c. Installation of automatic power controllers to save maximum demand charges and energy.
- d. Installation of TFT monitors that saves power.
- e. Periodic Training sessions for employees on ways to conserve energy in their individual roles.

B. Technology Absorption

The nature of business being carried out by the Company entails an extensive use of effective information technology so as to ensure that its services reach the end users i.e. its clients without any loss of time. The Company has implemented best of the class applications to manage and automate its business processes to achieve higher efficiency, data integrity and data security. It has helped it in implementing best business practices and shorter time to market new schemes, products and customer services.

The Company's investment in technology has improved customer services, reduced operational costs and development of new business opportunities.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review, the Company has earned Rs. 0.12 crores in foreign exchange and outgo of Rs. 0.93 crores in foreign exchange (please refer Note No. 35 of the Standalone Financial Statements).

BUSINESS RISK MANAGEMENT

Pursuant to the applicable provisions of the Companies Act, 2013 and SEBI LODR Regulations, the Company has in place a robust business Risk Management framework to identify and evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on its business objectives and enhance its competitive advantage. It defines the risk management approach across the Company and its subsidiaries at various levels including the documentation and reporting. At present, the Company has not identified any element of risk which may threaten its existence.

PARTICULARS OF EMPLOYEES

Pursuant to the applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, disclosures on Managerial Remuneration are provided in "Annexure -4" forming part of this Report. In terms of the provisions of Section 136(1) of the Companies Act, 2013 read with the said rules, the Directors' Report is being sent to all the shareholders of the Company excluding the annexure on the names and other particulars of employees, required in accordance with Rule 5.2 of said rules, which is available for inspection by the members, subject to their specific written request, in advance, to the Company Secretary. The inspection is to be carried out at the Company's Registered Office or at its Corporate Office, at Gurugram, during business hours on working days of the Company up to date of ensuing Annual General Meeting.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

Independent Directors are familiarized with their roles, rights and responsibilities in the Company as well as with the nature of industry and business model of the Company through presentations about the Company's strategy, business

Directors' Report (contd.)

model, product and service offerings, customers' & shareholders' profile, financial details, human resources, technology, facilities, internal controls and risk management, their roles, rights and responsibilities in the Company. The Board is also periodically briefed on the various changes, if any, in the regulations governing the conduct of Independent Directors. The details of the familiarization programmes have been hosted on the website of the Company: (<http://www.indiabullsventures.com/>).

SUBSIDIARY COMPANIES

The Company has 19 subsidiaries as on March 31, 2018. There are no associate/joint venture companies, within the meaning of Section 2(6) of the Act.

Pursuant to Section 129 of the Act, the Company has prepared its Consolidated Financial Statements along with all its subsidiaries, in the same form and manner, as that of the Company, which shall be laid before its ensuing 23rd Annual General Meeting along with its Standalone Financial Statement. The Consolidated Financial Statements of the Company along with its subsidiaries, for the year ended March 31, 2018, form part of this Annual Report.

For the performance and financial position of each of the subsidiaries of the Company, included in its Consolidated Financial Statements, the members are requested to refer to Note No. (2) (e) of the Notes to the Consolidated Financial Statements of the Company.

Further pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries, are also available on the website of the Company. Shareholders may write to the Company for the annual financial statements and detailed information on subsidiary companies. Further, the documents shall also be available for inspection by the shareholders at the registered office of the Company.

During the year under review the Company has sold its 100% shareholding in Positive Housings Private Limited, for an aggregate consideration of Rs. 5.90 crores. Indiabulls Distribution Services Limited and IVL Finance Limited (formerly Shivshakti Financial Services Limited) were material unlisted subsidiaries of the Company during the F.Y.2017-18.

COMMITTEES OF THE BOARD

The Company has following Board constituted committees which have been established as a part of the best corporate governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes.

- a) Audit Committee
- b) Nomination and Remuneration Committee
- c) Stakeholders Relationship Committee
- d) Compensation Committee
- e) Corporate Social Responsibility Committee
- f) Allotment Committee
- g) Management Committee
- h) Securities Issuance Committee

The details with respect to the composition, powers, roles, terms of reference, etc. of relevant committees are given in details in the Corporate Governance Report forming part of this Annual Report.

NUMBER OF CASES FILED, IF ANY, AND THEIR DISPOSAL UNDER SECTION 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) Act, 2013

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace and has constituted an Internal complaints Committee in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. During the financial year 2017-18, no cases of sexual harassment were reported.

Directors' Report (contd.)

VIGIL MECHANISM

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of its business operations. To maintain these standards, the Company has formulated several policies to assist its employees in achieving and maintaining these standards. The purpose of the Whistle Blower Policy ("the Policy") is to provide an avenue for employees to report matters without the risk of subsequent victimization, discrimination or disadvantage. The Policy applies to all employees working for the Company and its subsidiaries. A whistle-blowing or reporting mechanism as such set out in the Policy, invites all employees to act responsibly to uphold the reputation of the Company and its subsidiaries. The Policy aims to ensure that serious concerns are properly raised and addressed and are recognized as an enabling factor in administering good governance practices. The details of the Whistle Blower Policy are available on the website of the Company (<http://www.indiabullsventures.com/>).

The Company adopts accounting policies and practices in accordance with the applicable accounting standards to present a true and fair view of its operations and financial position. Selection of accounting practices requires interpretation and exercise of judgment, which may give rise to differing opinions. Employees are free to raise issues, if any, which they may have on the accounting policies and procedures adopted for any area or item and discuss the same.

For and on behalf of the Board of Directors

Date: July 23, 2018
Place: Mumbai

Divyesh B. Shah
Whole-time Director & CEO
DIN: 00010933

Pinank Jayant Shah
Executive Director
DIN: 07859798

Secretarial Audit Report

ANNEXURE 1

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2018

[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,
Indiabulls Ventures Limited
CIN L74999DL1995PLC069631
M-62 & 63, First Floor
Connaught Place, New Delhi-01

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Indiabulls Ventures Limited (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.

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 authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March, 2018 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 maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (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) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **[Applicable only to the extent of Foreign Direct Investment and Overseas 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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The SEBI (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **[Not Applicable as the Company has not issued and listed any debt securities during the financial year under review];**
 - (f) 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;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **[Not Applicable as there was no reportable event during the period under review]; and**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **[Not Applicable as there was no reportable event during the period under review];**
- (vi) The Management has identified and confirmed the following other laws, as applicable:
 - (a) The Securities and Exchange Board of India Act, 1992.
 - (b) The Securities and Exchange Board of India (Depositories and Participant) Regulations, 1996;
 - (c) The Bye laws and Business Rules of NSDL/CDSL;
 - (d) Directives/ Circular/ Clarifications/ Guidelines issued by SEBI, the Government of India,

Secretarial Audit Report (contd.)

Regulatory Bodies and NSDL/ CDSL, from time to time;

- (e) Prevention of Money Laundering Act, 2002 and the Rules and Guidelines notified there under by SEBI / Regulatory Authorities;

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

- i. Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India
- ii. Compliances under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Women Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days 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.
- All the decisions of the Board and Committees thereof were carried out with requisite majority.

We further report that based on review of compliance mechanism established by the Company, we are of the opinion that there are adequate systems and processes in place in the Company which is commensurate with the size and operations of the

Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines:-

- As informed, the Company has responded appropriately to notices received from various statutory /regulatory authorities including initiating actions for corrective measures, wherever found necessary.

We further report that during the audit period the Company has:

- i. Appointed Mr. Sameer Gehlaut as Non-Executive Chairman, Mr. Ganga Banga as Non- Executive Director, Mr. Pinank Jayant Shah as Executive Director and Ms. Vijayalakshmi Rajaram Iyer, Mr. Shyam Lal Bansal and Mr. Alok Kumar Misra as Independent Directors.
- ii. Reclassified and increased its authorised share capital from Rs. 1,115,250,000 divided into 500,000,000 Equity Shares of Rs. 2/- each and 25,000,000 Preference Shares of Rs. 4.61 each to Rs. 2,000,000,000 divided into 1,000,000,000 Equity Shares of Rs. 2/- each.
- iii. Issued and allotted an aggregate of 20,51,32,395 equity shares of face value of Rs. 2/- each i.e. (a) 3,36,50,000 fully paid up equity shares allotted upon conversion of equivalent number of warrants to certain Promoter entities and whole-time Director and CEO, (b) 8,62,55,582 fully paid up equity shares allotted to foreign investors on preferential basis, (c) 22,78,500 fully paid up equity shares allotted to employees upon exercise of options under ESOP schemes of the Company and (d) 8,29,48,313 partly paid up equity shares of face value of Rs. 2/- each with paid up value Re. 0.50 each allotted under the Rights Issue of the Company.

**For A. K. Kuchhal & Co.
Company Secretaries**

**(Robin Sen Giri)
Partner
C. P. 19074**

Date: 10th July, 2018
Place: Noida

Note: This report is to be read with letter of even date by the Secretarial Auditors, which is annexed and forms an integral part of this report.

ANNEXURE TO SECRETARIAL AUDITORS' REPORT

To,
The Members,
Indiabulls Ventures Limited
CIN L74999DL1995PLC069631
M-62 & 63, First Floor
Connaught Place, New Delhi-01

Our Secretarial Audit Report of even date, for the financial year 2017-18 is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. 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.
6. We have not verified the correctness and appropriateness of financial records and books of account of the Company.

For A. K. Kuchhal & Co.
Company Secretaries

(Robin Sen Giri)
Partner
C. P. 19074

Date: 10th July, 2018
Place: Noida

ANNEXURE 2

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the Company's CSR Policy, including overview of projects or programs, proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs.

The Company focuses its CSR efforts on such areas, where it could provide maximum benefits to the society at large. These are, improving awareness of communities towards education, health, nutrition, sanitation, animal welfare and rural development etc. The Company will continue to engage with stakeholders including experts, NGOs, professional bodies / forums and the government and would take up such CSR activities in line with the government's intent, which are important for the society at large. The Company may also undertake such other CSR projects, where societal needs are high or in special situations (natural disasters etc.)

CSR Policy is stated herein below:

2. Web-link:

<http://www.indiabullsvventures.com/uploads/downloads/csr-policy-isl-0707935001497868298.pdf>

3. Composition of the CSR Committee

Brig. Labh Singh Sitara (Retd.), Chairman (Independent Director)

Mr. Divyesh B. Shah, Member (Whole-time Director & CEO)

Mr. Pinank Jayant Shah, Member (Executive Director)

4. Average Net Profit of the Company for last three financial years: ₹ 35.64 crores
 5. Prescribed CSR Expenditure (two percent of the amount as in item 4 above) : ₹ 71.29 lacs
 6. Details of CSR spend for the financial year:
 a. Total amount spent for the financial year: ₹ 71.29 lacs
 b. Amount unspent, if any: Nil
 c. Manner in which the amount spent during the financial year is detailed below:

(Figs. In Rupees)

1	2	3	4		5	6	7	8
Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or Programs		Amount Outlay (Budget) Project or Programs-wise	Amount Spent on Project or Programs Sub Heads:	Cummulative Expenditure up to 31st March 2018	Amount Spent Direct or through implementing agency *
			District	State				
1	Poshtik Ahar	Nutrition	Mumbai	Maharashtra	7,129,000	7,129,000	7,129,000	Implementing Agency (Indiabulls Foundation)
			Thane					
			Raigad					
			Palghar					
Total					7,129,000	7,129,000	7,129,000	

* Indiabulls Foundation is a registered Trust established by the Company along with its group companies.

- 7. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in Board's report.**

During the financial year 2017-18, the Company has contributed its entire CSR expenditure aggregating to ₹ 71.29 lacs to the corpus of Indiabulls Foundation, for undertaking CSR projects, on its behalf. Contribution made covers the mandatory CSR expenditure which was required to be made by the Company.

- 8. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with the CSR objectives and Policy of the Company.**

The Company understands that for it to continue to prosper over the long term, the community, environment and society at large must also prosper. During the financial year 2017-18, the implementation and monitoring of CSR Policy of the Company were environment friendly and in compliance with the applicable laws, CSR objectives and Policy of the Company.

For Indiabulls Ventures Limited

Date: April 23, 2018

Place: Mumbai

Divyesh B. Shah
Whole-time Director & CEO
DIN: 00010933

Brig. Labh Singh Sitara (Retd.)
Chairman-CSR Committee
DIN: 01724648

Annexure 3**FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN**as on financial year ended on **31.03.2018**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.**I REGISTRATION & OTHER DETAILS:**

i	CIN	L74999DL1995PLC069631
ii	Registration Date	9-Jun-95
iii	Name of the Company	Indiabulls Ventures Limited
iv	Category/Sub-category of the Company	Company Limited by Shares
v	Address of the Registered office & contact details	M - 62 & 63, First Floor, Connaught Place, New Delhi - 110001. Ph: (011) 30252900 Fax: (011) 30252901
vi	Whether listed company	Yes
vii	Name, Address & contact details of Registrar & Transfer Agent, if any.	Karvy Computershare Private Limited Unit : Indiabulls Ventures Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 Tel : 040-6716 2222 - Fax: 040-23001153 E-mail: einward.ris@karvy.com

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sl. No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Carries on the business of stock and share brokers and depository participants	66120	63.58%

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

SI No	NAME & ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Indiabulls Investment Advisors Limited (Formerly Indiabulls Brokerage Limited) M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U74992DL2008PLC182331	Subsidiary	100%	Section 2(87) of Companies Act, 2013
2	Indiabulls Commodities Limited M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U74999DL2003PLC122874	Subsidiary	100%	Section 2(87) of Companies Act, 2013
3	Auxesia Soft Solutions Limited M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U72900DL2011PLC225699	Subsidiary	100%	Section 2(87) of Companies Act, 2013
4	India Ethanol and Sugar Limited M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U01403DL2006PLC154898	Subsidiary	100%	Section 2(87) of Companies Act, 2013
5	Indiabulls Distribution Services Limited M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U74999DL2009PLC191143	Subsidiary	100%	Section 2(87) of Companies Act, 2013
6	Devata Tradelink Limited M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U51109DL2008PLC172459	Subsidiary	100%	Section 2(87) of Companies Act, 2013
7	IVL Finance Limited (formerly Shivshakti Financial Services Limited) M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U74899DL1994PLC062407	Subsidiary	100%	Section 2(87) of Companies Act, 2013
8	Pushpanjali Finsolutions Limited M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U67190DL2009PLC196822	Subsidiary	100%	Section 2(87) of Companies Act, 2013
9	Astraea Constructions Limited M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U70101DL2013PLC247007	Subsidiary	100%	Section 2(87) of Companies Act, 2013
10	Silenus Buildtech Limited M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U70101DL2013PLC247611	Subsidiary	100%	Section 2(87) of Companies Act, 2013

SI No	NAME & ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
11	Astilbe Builders Limited M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U70102DL2013PLC247000	Subsidiary	100%	Section 2(87) of Companies Act, 2013
12	Arbutus Constructions Limited M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U70101DL2010PLC208342	Subsidiary	100%	Section 2(87) of Companies Act, 2013
13	Gyansagar Buildtech Limited M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U70200DL2010PLC209963	Subsidiary	100%	Section 2(87) of Companies Act, 2013
14	Pushpanjali Fincon Limited M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U67190DL2009PLC197255	Subsidiary	100%	Section 2(87) of Companies Act, 2013
15	Indiabulls Alternate Investments Limited M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U74999DL2016PLC290926	Subsidiary	100%	Section 2(87) of Companies Act, 2013
16	Indiabulls Consumer Products Limited M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U74999DL2016PLC302574	Subsidiary	100%	Section 2(87) of Companies Act, 2013
17	Indiabulls Asset Reconstruction Company Limited Indiabulls Finance Centre, Tower - 1, 9th Floor, Senapati Bapat Marg, Elphinstone Road, Mumbai 400013	U67110MH2006PLC305312	Subsidiary	100%	Section 2(87) of Companies Act, 2013
18	Indiabulls Logistics Limited M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U74999DL2017PLC310798	Subsidiary	100%	Section 2(87) of Companies Act, 2013
19	Indiabulls Infra Resources Limited M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U74999DL2017PLC311192	Subsidiary	100%	Section 2(87) of Companies Act, 2013

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to Total Equity)
(i) CATEGORY - WISE SHAREHOLDING

Category of Shareholders	No. of Shares held at the beginning of the year (Fully paid up Equity shares of face value of Rs. 2 each) (FPS)				No. of Shares held at the end of the year (Fully paid up Equity shares of face value of Rs. 2 each) (FPS) AND (Partly paid up Equity shares of face value of Rs. 2 each with paid up value of Rs. 0.50 each) (PPS)						% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat		Physical		Total	% of Total Shares	
	FPS	FPS	FPS		FPS	PPS	FPS	PPS	FPS+PPS		
A. Promoters											
(1) Indian											
a) Individual/HUF	40,158,292	0	40,158,292	12.54	40,158,292	9,408,927	0	0	49,567,219	9.44	-3.10
b) Central Govt.	0	0	0	0	0	0	0	0	0	0	0
c) State Govt.	0	0	0	0	0	0	0	0	0	0	0
d) Bodies Corporates	82,940,510	0	82,940,510	25.90	112,590,510	26,379,507	0	0	138,970,017	26.45	0.55
e) Bank/FI	0	0	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0	0	0
SUB TOTAL:(A) (1)	123,098,802	0	123,098,802	38.44	152,748,802	35,788,434	0	0	188,537,236	35.89	-2.55
(2) Foreign											
a) NRI- Individuals	0	0	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0	0	0
SUB TOTAL (A) (2)	0	0	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	123,098,802	0	123,098,802	38.44	152,748,802	35,788,434	0	0	188,537,236	35.89	-2.55
B. PUBLIC SHAREHOLDING											
(1) Institutions											
a) Mutual Funds	0	0	0	0	2,605	0	0	0	2,605	0.00	0
b) Banks/FI	783,659	0	783,659	0.24	720,397	0	0	0	720,397	0.14	-0.10
c) Central Govt.	0	0	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0	0	0
g) FIs	193,520	0	193,520	0.06	463,520	86,250	0	0	5,49,770	0.10	0.04
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0	0	0

Category of Shareholders	No. of Shares held at the beginning of the year (Fully paid up Equity shares of face value of Rs. 2 each) (FPS)				No. of Shares held at the end of the year (Fully paid up Equity shares of face value of Rs. 2 each) (FPS) AND (Partly paid up Equity shares of face value of Rs. 2 each with paid up value of Rs. 0.50 each) (PPS)						% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat		Physical		Total	% of Total Shares	
	FPS	FPS	FPS		FPS	PPS	FPS	PPS	FPS+PPS		
i) Others- Foreign Portfolio Investors	4,604,665	0	4,604,665	1.44	82,290,299	12,351,485	0	0	94,641,784	18.02	16.58
SUB TOTAL (B)(1):	5,581,844	0	5,581,844	1.74	83,476,821	12,437,735	0	0	95,914,556	18.26	16.52
(2) Non Institutions											
a) Bodies corporates											
i) Indian	93,424,946	0	93,424,946	29.18	78,323,660	13,666,315	0	0	91,989,975	17.51	-11.67
ii) Overseas	0	0	0	0	0	0	0	0	0	0	0
b) Individuals											
i) Individuals holding nominal share capital upto Rs. 1 lakh	57,115,087	36,771	57,151,858	17.85	39,383,041	5,218,078	21,102	20,298	44,642,519	8.50	-9.35
ii) Individuals holding nominal share capital in excess of Rs. 1 lakh	34,160,990	1,250,000	35,410,990	11.06	38,917,572	4,662,472	0	0	43,580,044	8.30	-2.76
c) Others (specify)											
i) Clearing Members	1,917,314	0	1,917,314	0.60	586,815	30,177	0	0	616,992	0.12	-0.48
ii) EPF	0	0	0	0	73,307	0	0	0	73,307	0.01	0.01
iii) Foreign Companies	0	0	0	0	47,390,000	11,103,288	0	0	58,493,288	11.13	11.13
iv) Non-Resident Indians	3,560,689	0	3,560,689	1.11	1,409,405	21,516	0	0	1,430,921	0.27	-0.84
SUB TOTAL (B)(2):	190,179,026	1,286,771	191,465,797	59.80	206,083,800	34,701,846	21,102	20,298	240,827,046	45.84	-13.96
Total Public Shareholding (B)= (B)(1)+(B)(2)	195,760,870	1,286,771	197,047,641	61.54	289,560,621	47,139,581	21,102	20,298	336,741,602	64.10	2.56
C. Shares held by Custodian for GDRs & ADRs											
Promoter and Promoter Group	0	0	0	0	0	0	0	0	0	0	0
Public	60,477	0	60,477	0.02	60,477	0	0	0	60,477	0.01	-0.01
Grand Total (A+B+C)	318,920,149	1,286,771	320,206,920	100	442,369,900	82,928,015	21,102	20,298	525,339,315	100.00	0.00

(ii) SHAREHOLDING OF PROMOTERS

SI No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year				% change in share holding during the year	
		No. of shares (FPS)	% of total shares of the Company	% of shares pledged/encumbered to total shares	No. of shares			% of total shares of the Company		% of shares pledged/encumbered to total shares
					FPS	PPS	Total			
1	Mr. Sameer Gehlaut	40,158,292	12.54	0.00	40,158,292	9,408,927	49,567,219	9.44	0.00	-3.10
2	Orthia Properties Private Limited	39,981,305	12.49	0.00	39,981,305	9,367,460	49,348,765	9.39	0.00	-3.10
3	Zelkova Builders Private Limited	18,557,534	5.80	0.00	32,907,534	7,710,104	40,617,638	7.73	0.00	1.93
4	Orthia Constructions Private Limited	24,401,671	7.62	0.00	39,701,671	9,301,943	49,003,614	9.33	0.00	1.71
5	Inuus Developers Private Limited*	0	0	0.00	0	0	0	0	0.00	0
6	Inuus Properties Private Limited*	0	0	0.00	0	0	0	0	0.00	0
	Total	123,098,802	38.44	0	152,748,802	35,788,434	188,537,236	35.89	0	-2.55

* Persons acting in concert (PAC) with promoters.

(iii) CHANGE IN PROMOTERS' SHAREHOLDING

SI. No.		Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	123,098,802	38.44		
	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)#	#		#	
	At the end of the year	188,537,236	35.89		

Date wise increase/decrease in Promoters Shareholding

Sl. No.	Name	Shareholding		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-17 to 31-03-18)	
		No. of Shares at the beginning (01-04-17) (FPS)	% of total shares of the Company				No. of Shares (FPS + PPS)	% of total shares of the Company
1	Mr. Sameer Gehlaut	40,158,292	12.54	01-Apr-17				
				16- Mar-18	9,408,927 (PPS) (Increase)	Share were allotted under Rights Issue	49,567,219	9.44
At the end of the year (31.03.2018)							49,567,219 (FPS-40,158,292 & PPS-9,408,927)	9.44
2	Orthia Properties Private Limited	39,981,305	12.49	01-Apr-17				
				16- Mar-18	9,367,460 (PPS) (Increase)	Share were allotted under Rights Issue	49,348,765	9.39
At the end of the year (31.03.2018)							49,348,765 (FPS-39,981,305 & PPS-9,367,460)	9.39
3	Zelkova Builders Private Limited	18,557,534	5.80	01-Apr-17				
				10- Apr -17	14,350,000 (FPS) (Increase)	Shares were allotted upon conversion of warrants	32,907,534	9.30
				16- Mar-18	7,710,104 (PPS) (Increase)	Share were allotted under Rights Issue	40,617,638	7.73
At the end of the year (31.03.2018)							40,617,638 (FPS-32,907,534 & PPS-7,710,104)	7.73
4	Orthia Constructions Private Limited	24,401,671	7.62	01-Apr-17				
				10- Apr -17	15,300,000 (FPS) (Increase)	Shares were allotted upon conversion of warrants	39,701,671	11.22
				16- Mar-18	9,301,943 (PPS) (Increase)	Shares were allotted under Rights Issue	49,003,614	9.33
At the end of the year (31.03.2018)							49,003,614 (FPS-39,701,671 & PPS-9,301,943)	9.33
5	Inuus Developers Private Limited*						0	0.00
6	Inuus Properties Private Limited*						0	0.00

* person acting in concert (PAC) with promoters.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)[§]

Sl. No.	Name	Shareholding at the beginning of the year		Shareholding at the end of the year			% of total shares of the Company
		No. of Shares (FPS)	% of total shares of the Company	No. of Shares			
				FPS	PPS	TOTAL	
1	Tamarind Capital Pte Ltd #(1)	0	0	47,390,000	11,103,288	58,493,288	11.13
2	Cinnamon Capital Limited #(1)	0	0	38,865,582	7,287,296	46,152,878	8.79
3	Tupelo Consultancy LLP **	25,115,371	7.84	25,115,371	4,709,132	29,824,503	5.68
4	Brijkishor Trading Private Limited **	8,300,000	2.59	8,300,000	1,556,250	9,856,250	1.88
5	Shubhi Consultancy Services LLP **	5,467,375	1.71	5,467,375	1,025,132	6,492,507	1.24
6	The Nomura Trust and Banking Co., Ltd as the Trust #	0	0	4,406,935	1,612,442	6,019,377	1.15
7	Inuus Constructions Private Limited **	4,911,456	1.53	4,911,456	920,898	5,832,354	1.11
8	Steadview Capital Mauritius Limited #	0	0	4,676,877	1,095,774	5,772,651	1.10
9	Merrill Lynch Markets Singapore Pte. Ltd #	0	0	3,971,825	778,125	4,749,950	0.90
10	Nomura Singapore Limited #	0	0	4,086,248	0	4,086,248	0.78
11	Globe Capital Market Ltd. *	4,969,974	1.55	1,681,952	346,274	2,028,226	0.39
12	Jasol Investment and Trading Company Private Limited *	4,763,919	1.49	0	0	0	0.00
13	Joindre Finance Private Limited *	4,692,000	1.47	0	0	0	0.00
14	Hespera Realty Private Limited *	4,199,581	1.31	2,868,003	0	2,868,003	0.55
15	Davos International Fund *	2,587,500	0.81	2,618,191	0	2,618,191	0.50
16	Global Strong Growth Fund *	1,750,002	0.55	840,000	0	840,000	0.16

* Top 10 shareholders as on April 1, 2017 only

** Top 10 shareholders as on April 1, 2017 and March 31, 2018

Top 10 shareholders as on March 31, 2018 only

(1) Acting as PACs.

§ 99.98% of paid-up Equity share capital of the Company was held in dematerialised form. These are traded on a daily basis at BSE & NSE and hence, the date wise increase/decrease in shareholding is not indicated.

(V) Shareholding of Directors & Key Managerial Personnel**A) Shareholding of Directors**

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-17 to 31-03-18)	
		No. of Shares at the beginning (01-04-17) (FPS)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Mr. Sameer Gehlaut #, Non-Executive Chairman	40,158,292	12.54	01-Apr-17				
				16-Mar-18	9,408,927 (PPS) (increase)	Share were allotted under Rights Issue	49,567,219	9.44
At the end of the year (31.03.2018)							49,567,219 (FPS- 40,158,292 & PPS- 9,408,927)	9.44
2	Mr. Divyesh B. Shah, Whole-time Director & CEO	6,269,000	1.96	01-Apr-17				
				10-Apr-2017	40,00,000 (FPS) (increase)	Shares were allotted upon conversion of warrants	10,269,000	2.82
				15-May-17	3,00,000 (FPS) (Increase)	Pursuant to exercise of ESOPs	10,569,000	2.69
				16 March, 18	1,981,687 (PPS) (increase)	Share were allotted under Rights Issue	12,550,687	2.39
At the end of the year (31.03.2018)							12,550,687 (FPS- 10,569,000 & PPS- 1,981,687)	2.39
3	Mr. Gagan Banga #, Non-Executive Director	770,040	0.24	01-Apr-17				
				16-Mar-18	144,382 (PPS) (increase)	Share were allotted under Rights Issue	914,422	0.17
At the end of the year (31.03.2018)							914,422 (FPS- 770,040 & PPS- 144,382)	0.17

Sl. No.	Name	Shareholding		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-17 to 31-03-18)	
		No. of Shares at the beginning (01-04-17) (FPS)	% of total shares of the Company				No. of Shares	% of total shares of the Company
4	Mr. Pinank Jayant Shah #, Executive Director	0	0	01-Apr-17				
At the end of the year (31.03.2018)							0	0.00
5	Mrs. Vijayalakshmi Rajaram Iyer #, Non-Executive Independent Director	0	0	01-Apr-17				
At the end of the year (31.03.2018)							0	0.00
6	Mr. Shyam Lal Bansal #, Non-Executive Independent Director	0	0	01-Apr-17				
At the end of the year (31.03.2018)							0	0.00
7	Mr. Alok Kumar Misra #, Non-Executive Independent Director	0	0	01-Apr-17				
				08-Sept-17	1,000 (FPS) increase	Market Purchase	1,000	0.00
				16-Mar-18	235 (PPS) (increase)	Share were allotted under Rights Issue	1,235	0.00
At the end of the year (31.03.2018)							1,235 (FPS-1,000 & PPS-235)	0.00
8	Brig. Labh Singh Sitara, Non-Executive Independent Director	0	0	01-Apr-17				
At the end of the year (31.03.2018)							0	0.00
9	Mr. Amiteshwar Choudhary*, Executive Director	490,000	0.15	01-Apr-17				
At the end of the year (31.03.2018)*							*	*
10	Mr. Aishwarya Katoch*, Non-Executive Independent Director	0	0	01-Apr-17				
At the end of the year (31.03.2018)*							*	*
11	Mr. Prem Prakash Mirdha*, Non-Executive Independent Director	16,250	0.01	01-Apr-17				
At the end of the year (31.03.2018)*							*	*
12	Ms. Pia Johnson*, Non-Executive Director	785,000	0.25	01-Apr-17				
At the end of the year (31.03.2018)*							*	*

appointed as Director during the FY 2017-18.

* Ceased to be Director during the FY 2017-18.

B) Shareholding of KMP

1	Mr. Rajeev Lochan Agrawal, CFO	4,500	0	01-Apr-17				
				20-June-17	20,000 (Increase)	Pursuant to exercise of ESOPs	24,500	0.00
				16-Mar-18	5,000 (PPS) (Increase)	Share were allotted under Rights Issue	29,500	0.00
At the end of the year (31.03.2018)							29,500 <i>(FPS-24,500 & PPS-5,000)</i>	0.00
2	Mr. Lalit Sharma, Company Secretary	0	0	01-Apr-17				
				20-June-17	8,000 (FPS) (Increase)	Pursuant to exercise of ESOPs	8,000	0.00
				08-Sep-17	1,000 (FPS) (Decrease)	Market Sale	7,000	0.00
				13-Nov-17 to 21-Nov 17	3,000 (FPS) (Decrease)	Market Sale	4,000	0.00
				17-Jan-18 to 14-Mar-18	2,000 (FPS) (Decrease)	Market Sale	2,000	0.00
				16-Mar-18	600 (PPS) (Increase)	Share were allotted under Rights Issue	2,600	0.00
				21-Mar-18 to 29-Mar-18	1,500 (FPS) (Decrease)	Market Sale	1,100	0.00
At the end of the year (31.03.2018)							1,100 <i>(FPS-500 & PPS-600)</i>	0.00

V. INDEBTEDNESS**Indebtedness of the Company including interest outstanding/accrued but not due for payment****Amount (₹)**

	Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i)	Principal Amount	1,058,272,210	5,000,000,000	-	6,058,272,210
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	996,370	-	-	996,370
	Total (i+ii+iii)	1,059,268,580	5,000,000,000	-	6,059,268,580
	Change in Indebtedness during the financial year				
	Additions	1,263,444,570	2,500,000,000	-	3,763,444,570
	Reduction	-	-	-	-
	Net Change	1,263,444,570	2,500,000,000	-	3,763,444,570
	Indebtedness at the end of the financial year				
i)	Principal Amount	2,318,522,630	7,500,000,000	-	9,818,522,630
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	4,190,520	-	-	4,190,520
	Total (i+ii+iii)	2,322,713,150	7,500,000,000	-	9,822,713,150

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole time director and/or Manager:**

Sl.No	Particulars of Remuneration	Amount (in ₹)			
		Mr. Divyesh B Shah (CEO & Whole-time Director)	Mr. Amiteshwar Chaudhary** (Whole-time Director)	Mr. Pinank Jayant Shah ## (Executive Director)	Total Amount
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961 #	41,198,995	-	-	41,198,995
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961*	33,300	-	-	33,300
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock option*	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	as % of profit	-	-	-	-
	others (specify)	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A) (excludes perquisites on stock options reported in point 2)	41,232,295	-	-	41,232,295
	Ceiling as per the Act	₹ 7.38 crores (being 10% of the net profits of the Company calculated as per Section 198 of the Companies Act 2013)			

* Excludes value of perquisites on exercise of stock options

Excludes retirement benefits

** ceased to be director during the financial year 2017-18

appointed as director during the financial year 2017-18

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Amount (in ₹)						
		Mr. Prem Prakash Mirdha*	Mr. Aishwarya Katoch*	Brig. Labh Singh Sitara (Retd.)	Mrs. Vijayalakshmi Rajaram Iyer#	Mr. Shyam Lal Bansal#	Mr. Alok Misra#	Total Amount
1	Independent Directors							
	(a) Fee for attending board/ committee meetings	-	-	300,000	300,000	300,000	300,000	1,200,000
	(b) Commission	-	-	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-	-	-
	Total (1)	-	-	300,000	300,000	300,000	300,000	1,200,000
2	Other Non Executive Directors	Mr. Sameer Gehlaut#	Mr. Gagan Banga#	Mr. Ajit Kumar Mittal#	Ms. Pia Johnson*			
	(a) Fee for attending board committee meetings	-	-	-	-	-	-	-
	(b) Commission	-	-	-	-	-	-	-
	(c) Others, please specify.	-	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-	-
	Total (B)=(1+2)	-	-	300,000	300,000	300,000	300,000	1,200,000
	Total Managerial Remuneration	-	-	300,000	300,000	300,000	300,000	1,200,000
	Overall Ceiling as per the Act.	₹ 0.74 crores (being 1% of the net profits of the Company calculated as per Section 198 of the Companies Act 2013)						

* ceased to be Director during the FY 2017-18.

Appointed as Director during FY 2017-18.

C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel other than MD/MANAGER/WTD		Amount (₹)
		Mr. Rajeev Lochan Agrawal, Chief Financial Officer	Mr. Lalit Sharma, Company Secretary	
	Gross Salary			
1	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	2,556,369	9,92,902	3,549,271
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961*	28,800	-	28,800
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option*	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	as % of profit	-	-	-
	others, specify	-	-	-
5	Others	-	-	-
	Total (excluding perquisites on stock options)	2,585,169	992,902	3,578,071

* Excludes value of perquisites on exercise of stock options

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

During the year under review, the Company, its directors or any of its officers were not liable for any penalty, punishment or any compounding of offences under the Companies Act, 2013

For and on behalf of the Board of Directors

Date: July 23, 2018
Place: Mumbai

Divyesh B. Shah
Whole-time Director & CEO
DIN: 00010933

Pinank Jayant Shah
Executive Director
DIN: 07859798

Annexure 4 to Directors' Report Disclosures on Managerial Remuneration

Details of remuneration as required under Rule 5.1 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, are as under -

Ratio of the remuneration of each director to the median employees' remuneration, for FY 2017-18.

Designation	Ratio of remuneration to the median employees' remuneration
Chief Executive Officer & Whole time Director	101:1

No remuneration was paid to other Director(s) during the Financial Year 2017-18 and hence, not forming part of this clause.

Percentage increase in remuneration of each Director, Chief Financial Officer , Chief Executive Officer, Company Secretary or Manager, in FY 2017-18.

Designation	Increase in Remuneration (%)
Chief Executive Officer & Whole time Director	2.8
Chief Financial Officer	8.0
Company Secretary	13.0

No remuneration was paid to other Director(s) during the Financial Year 2017-18 and FY 2016-17, hence not forming part of this clause.

The percentage increase in the median remuneration of employees in the FY 2017-18.

There was an increase of 6.0% in the median remuneration of all the employees (including KMPs).

Number of permanent employees on the rolls of Company.

The Company had 772 employees on its permanent rolls, as on March 31, 2018

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.

The average percentile increase made in the salaries of total employees other than the key managerial personnel, for FY 2017-18 is 5.6%, while the average increase in the remuneration of key managerial personnel is 9.0%.

The Company follows prudent remuneration practices under the guidance of the Board and Nomination & Remuneration Committee. The Company's approach to remuneration is intended to drive meritocracy and is linked to various parameters including its performance, growth, individual performance, peer comparison of other companies, within the framework of prudent Risk Management.

There were no exceptional circumstances which warranted an increase in managerial remuneration, which was not justified, by the overall performance of the Company. Further, Overall remuneration of Key Managerial Personnel has decreased.

It is hereby affirmed that the aforesaid remuneration paid by the Company, is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company.

Management Discussion and Analysis

IVL Finance Limited [IVLF], a 100% subsidiary of Indiabulls Ventures Limited, is a Non-banking Financial Services Company [NBFC] classified by the RBI as NBFC-ND-SI [Non Deposit Taking, Systemically Important]. IVLF extends consumer and business loans through digitally enabled loan fulfillment solutions.

Macroeconomic Overview

Global economy was marked by number of events in financial year 2017-18 ranging from trade wars to rising crude prices. According to the World Economic Outlook published by IMF, Global GDP growth is expected to reach 3.9% in 2018 from 3.8% in 2017. This will mainly be driven by robust growth in emerging markets and resilient performance by developed markets.

For India, Financial year 2018 has been a year of structural policy reforms like Goods and Services Tax [GST], Insolvency and Bankruptcy Code [IBC], recapitalization of public sector banks, thus strengthening the momentum of policy reforms. India's GDP growth slowed down in FY18 to 6.7% as compared to 7.1% in FY17 on the back of disruptions caused by teething issues with GST and lingering impact of demonetization. The growth momentum has now returned with the GDP growing at 7.2% & 7.7% in Q3FY18 & Q4FY18 respectively, the highest growth rate amongst large economies.

Moody's upgraded Government of India's local and foreign currency issuer rating from Baa3 to Baa2 for the first time in 14 years. The upgrade was driven by implementation of key reforms such as GST, measures to reduce informal economy, improvement in the monetary policy framework and measures to address NPL in the banking system. India jumped 30 spots in World Bank's Ease of Doing Business rankings.

Fiscal deficit, current account deficit, and inflation in FY 2018 were relatively higher than expected. However in the medium term, traction from policy reforms, increasing digitisation and successful GST implementation etc. will support growth. Aadhaar, world's largest biometric ID system has been the backbone of the Government's Digital India thrust. Mandatory linkage of Aadhaar to the tax identification number [PAN] and bank accounts is revolutionizing the availability and distribution of credit.

With the reforms taking effect, India seems set on a steady growth trajectory fuelled by favourable demographics, rising per capita income, digitisation, moderate inflation and high savings. Government's focus towards infrastructure, job creation and agriculture sector is further expected to provide a fillip to the economy in FY 2019. Government schemes like 'Make in India' and 'National Skill Development Mission' enhance both employment opportunities and employability and ultimately the disposable income with the consumers.

NBFCs, a critical cog in the Credit system

In the past, India's financing requirements have risen in step with the economic growth. NBFCs have played a major role in meeting this need, complementing banks and other financial institutions. NBFCs provide a broad range of financial services and cater to customer and geographic segments at the grassroots level, making them a critical cog in credit delivery and furthering the cause of financial inclusion.

NBFC-retail credit grew at 22% during Fiscal 2018, the highest in the last 4 years, to ₹ 7.5 trillion in March 2018. Off-take strongly picked up in the third quarter of Fiscal 2018 as impact of GST implementation and spill-over effects of demonetization, on some key asset segments, waned. [Source:ICRA]

LENDING BUSINESS: IVL FINANCE LIMITED

At the beginning of the fiscal year, given attractive business opportunities in the lending space, IVL Finance Limited, a 100% subsidiary of Indiabulls Ventures Limited, forayed into consumer and business lending. IVLF offers the following loan products:

- Personal Loans
- Unsecured SME Loans
- Secured SME Loans

Management Discussion and Analysis (contd.)

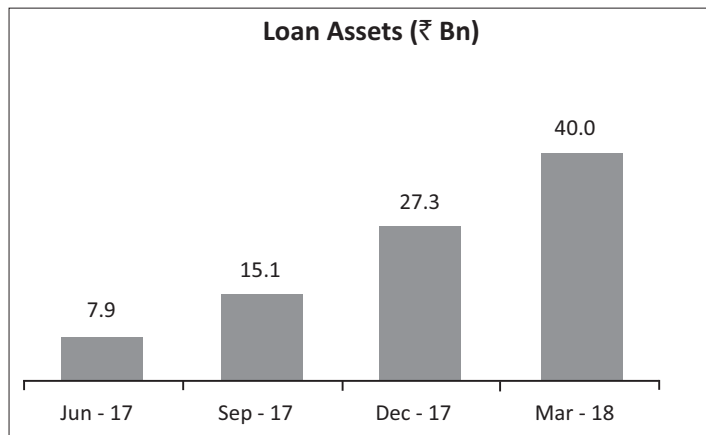
The company is focused on digital lending models and leverages technology to optimize operations, contain risk and enhance customer experience.

Performance Highlights: FY 2018

- Loan Book of ₹ 40 Billion
- Total Disbursements for the year of ₹ 46 Billion
- Total Revenue of ₹ 5.5 Billion
- Net Interest Income of ₹ 4.1 Billion
- Profit After Tax of ₹ 1.9 Billion
- CRAR as of 31st March, 2018 was at 40.0%
- Net Worth of ₹ 16.8 Billion

The company is present in 64 locations across the country.

In its first year of operations, the company has reached total Loan Assets of ₹ 40 Billion. Please find below Quarter-on-Quarter snapshot of Loan Assets.



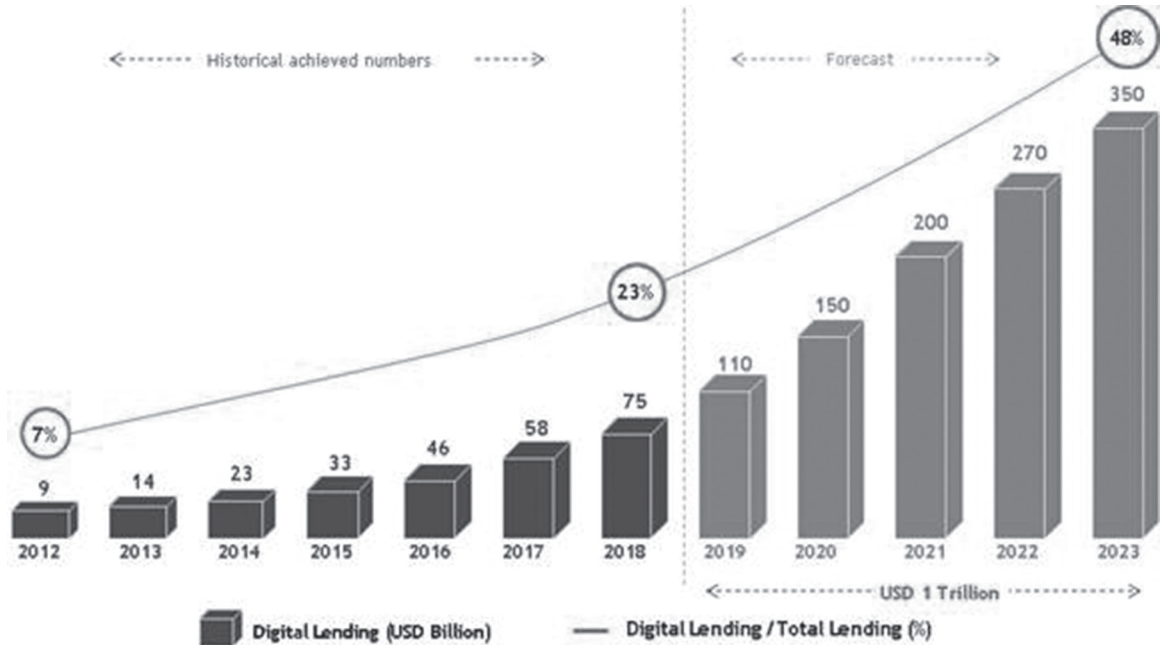
Business Update

Industry overview

Consumer Lending: The consumer lending segment showed strong growth in FY 2018 with the personal loans book increasing at a CAGR of 27% with a total book of ₹ 2.9 Tn at the end of FY 2018. As per data from the credit bureau CIBIL, total population in the credit bureau now stands at 250 Mn. Rising financial penetration, improved credit data and deepening of distribution networks will drive consumer financing mainly in Personal loans, Consumer Durable financing and Lifestyle Financing.

The digital lending opportunity in India is vast and according to Boston Consulting Group's report [Digital Lending - A \$ 1 Trillion opportunity over the next 5 years, July 2018] disbursements in the next five years is slated to top USD 1 Trillion.

Management Discussion and Analysis (contd.)



MSME Lending: According to SIDBI [Small Industries Development Bank of India] report on MSME, only 10% of MSMEs have access to formal credit. Indian MSME sector is a network of 51 Mn contributing to USD 1 Trillion contributing to 37.5% of the country's GDP. The share of NBFCs in MSME lending market is expected to grow to 23% by FY22 from 16% in FY17.

SME lending to GDP ratio for India lags behind developed and other developing economies. Implementation of GST has helped tax compliant MSMEs to gain easier access to funds due to increased transparency and ready availability of reliable data for credit underwriting. The Government has also initiated number of schemes like MUDRA to facilitate MSME growth. Budget 2018-19 has also lowered the tax rate to 25% for companies with revenue less than ₹ 2.5 Bn. MSME lending represents an attractive opportunity due to a combination of factors: vast growth opportunities, healthy spreads and increased transparency with digital access to GST filings.

a) Personal Loans

In the first year of operation, the company disbursed ₹ 13.4 Bn of loans supported by a robust digital lending platform.

In fiscal 2018, IVL Finance Limited launched India's first end-to-end personal loan fulfillment mobile app called "Dhani". Driven by Aadhaar, a loan applicant can get a personal loan credited into his bank account instantly in real time. Reduced turnaround time results in a better customer experience and the digital platform results in reduced cost and higher process efficiency. The USPs of 'dhani' app will truly empower end-customers who are highly sensitive to service levels and rates. The data gathered will be used to make better decisions regarding customer's repayment capability and hence will help build portfolio of high credit quality. In a short span, Dhani has positioned itself amongst the top trending Indian Financial Services apps, with a total of over 7.6 million downloads, in Google Playstore demonstrating its increasing popularity.

b) SME Loans

Within SME loans, the target customer base is MSMEs. To MSMEs we offer both secured and unsecured loans. We have established a robust underwriting process covering all aspects of verification including financial analysis, business due diligence, personal discussion and reference checks. Total disbursement of ₹ 32.1 Bn has been done during the year.

Management Discussion and Analysis (contd.)

Credit Ratings

In the first year of its operation, IVL Finance Limited has obtained high long-term and short-term credit ratings from leading credit rating agencies. This enables the company to raise funds from the market at highly competitive rates.

	Long Term Credit Rating
CARE Ratings	AA
	Short Term Credit Rating
CRISIL [a Standard & Poor's Company]	A1+
ICRA [a Moody's Investor Service Company]	A1+
CARE Ratings	A1+
Brickwork Ratings	A1+

The company has obtained Long Term Credit Rating of "AA" from CARE Ratings - this is the first time that a lending entity in India has been initiated at such a high credit rating. The company has also obtained the highest short term credit rating of 'A1+' from CRISIL, ICRA, CARE Ratings and Brickwork Ratings. This is the result of your company's strong management team, high corporate governance standards and its robust technology driven lending business model which represents many firsts in the Indian consumer lending space.

Analytics

IVL Finance Limited has set up its lending business to individuals and businesses primarily driven by analytics driven digital lending platform, which enable delivery of customized offering to loan applicants. The company has made sizable investments in technology which enables quick app based disbursals reducing the operating costs for the company and containing risk. We believe, our investments in analytics in today's digital era will provide us with a competitive edge over traditional players which are dependent on a branch-based model to acquire and service customers.

IVL Finance Limited's robust credit underwriting model processes the same information as required in any traditional underwriting process including credit history, income and demographic details etc. The company has developed robust analytical lending models and scorecards which allows prudent underwriting of customers.

Risk Management in Lending

IVL Finance Limited is exposed to a variety of risks such as credit, interest rate and liquidity, among others. The Company has a robust framework which involves risk identification, assessment and mitigation planning. The company's analytics driven lending platform and conservative underwriting approach has enabled the company to contain credit risk. In order to mitigate liquidity risk, we ensure that the short-term and long-term fund resources are favorably matched with deployment. Further, our strong risk management team ensures effective credit control.

RETAIL EQUITY AND BROKING BUSINESS

Indiabulls Ventures Limited provides securities, commodities and derivatives broking services. The Company offers automated online investing and trading facilities as well as broker assisted trade execution to its customers. Investors have full access to personalized portfolio tracking and real time market commentary with real time quotes. The Company has a dedicated helpdesk to attend to customer queries.

IVL has pioneered new products to provide an evolved trading experience. Technology has always been the central pillar which has driven innovation and digitization across our organization. As I write this, I am happy to announce that we have launched our new trading platform SHUBH. Indiabulls Shubh is the next generation trading platform built to help the customer take charge of their financial future on the go. Indiabulls Shubh is currently available on Website and Mobile app. The platform is built with the idea of helping every trader and investor with effective information to make wise decisions.

INDIABULLS ASSET RECONSTRUCTION COMPANY LIMITED

Your Company has entered into the Asset Reconstruction Business [ARC] during FY 2018 through its wholly owned subsidiary, the Indiabulls Asset Reconstruction Company Limited. IVL is the sole sponsor of the ARC business - this is

Management Discussion and Analysis (contd.)

the first such case in India, where RBI licensed an ARC under the 100% sponsorship of a single entity. Within a year of operations, the company has acquired total assets of ₹ 3.7 Bn and successfully made recovery of ₹ 938 Mn.

The business offers a very attractive opportunity given the overhaul of framework for resolution of stressed assets by the RBI and implementation of Insolvency and Bankruptcy Code [IBC], which has brought into focus the Government's resolve to tackle the situation of increasing stressed assets in the banking industry. Given the expertise of our group in lending, and the tremendous synergies with the group's various arms, there is immense scope for your Company in ARC space, going forward.

Training and Human Resources Management

Your Organisation's vision is to create a cohesive work environment that encourages employees to pursue their professional and self-development goals in addition to building operational excellence and a sense of belongingness.

In an endeavour to augment the right talent in a timely manner, the recruitment process was strengthened. We strongly believe that our employees play a pivotal role in the success of our company and its initiatives. They are representatives of the company for the customers and it is of utmost importance that our employees are skilled and well trained to attend to customer's needs in the best way possible. During the year, we have endeavoured to up-skill our employees through various training programmes. Our focus and belief lies in enabling and empowering our talent pool for the challenges of tomorrow by providing new learning avenues that are technology driven. The company also undertook various health-care and general initiatives promoting well-being to enhance employee engagement.

The key focus is to find a right fit between the organization and the individual. Our constant endeavor is to select people who are able to match personal aspiration with the organization's growth plans.

Agility is one of the key traits that we look for, as it is required to quickly adapt to the changing needs of the dynamic external environment. As a new company, the focus is to build a robust team which is not only geared to face today's challenges but to also be prepared for the opportunities of tomorrow.

There is constant up-skilling done through training intervention on new products and processes. The company provides fast track growth for key performers in every department. The Human Resource team works closely with the businesses to ensure that right talent is on-boarded for all roles. The leadership is engaged with all key performers and ensures that they have a defined career path within the organization. We have a competitive reward policy to keep the team motivated and engaged to achieve every milestone we set our eyes upon.

Challenges

There are a few adverse trends in the Indian economy which could affect our business:

1. Rising crude prices will adversely affect the fiscal and current account deficit as India is reliant on crude import to fulfil 80% of its consumption needs. This could lead to an increase in inflation and in turn impact consumption and investment behaviour in the economy. This would result into tightened liquidity in the banking system and would adversely impact the cost of borrowings.
2. Secondly, rising NPAs and the recent unearthing of multiple banking related frauds has led to slowdown of the banking system as a whole.

Nevertheless, Indiabulls Ventures Limited expects a boost in economic growth with recent structural reforms undertaken by the Government. The company is adequately capitalized to deal with any short term tightening of credit by the RBI.

Internal Control Systems

IVL has adequate internal control systems, based on policies and guidelines, which ensure timely and accurate execution of responsibilities. Internal Control Systems evaluate operations, financial reporting, strategic investments and regulatory compliances to protect interests of the investors. The effectiveness and reliability of Internal Control Systems is reviewed periodically by the Audit Committee of the Board of Directors which gives its recommendations regarding improvements over existing control systems.

Cautionary Statement

The statements that are not historical facts presented in the Annual Report about the Company are forward looking statements. These statements reflect the assumptions, views and expectations based on current market dynamics and future outlook. There might be deviations in expectations from those expressed in the Annual Report. It should not be assumed that the statements will be changed if there is new information or subsequent developments.

Business Responsibility Report

Section A: General Information about the Company

I. Corporate Identification number	L74999DL1995PLC069631
II. Name of the Company	Indiabulls Ventures Limited (hereinafter referred to as “IVL” or “the Company”)
III. Registered Address	M-62 & 63, First Floor, Connaught Place, New Delhi - 110001
IV. Website	http://www.indiabullsventures.com
V. E mail address	helpdesk@indiabulls.com
VI. Financial year reported	1 April 2017 – 31 March 2018
VII. Sector(s) that the Company is engaged in	Financial sector
VIII. Key Products/services provided by the Company	Securities, commodities and derivatives broking service
IX. Total number of locations where business activity is undertaken by the Company	21 locations across India
X. Markets served by the Company	India

Section B: Financial details of the Company

I. Total Networkth	₹ 1,589.83 Crs
II. Total Revenue	₹ 202.33 Crs
III. Total profit after tax	₹ 52.12 Crs
IV. Total Spending on CSR as percentage of profit after tax (%)	2%
V. List of the activities in which expenditure in 4 above has been incurred	Poshtik Aahaar

Section C: BR Details

Details of the Director	DIN 00010933
Name	Divyesh B. Shah
Designation	Whole-time Director & CEO

As mandated by SEBI, India’s top 500 listed entities based on market capitalisation on the BSE and NSE are required to submit a ‘Business Responsibility Report’ (BRR) along with their Annual Report. The Company has developed this Business Responsibility Report based on the “National Voluntary Guidelines on Socio-Economic and Environmental Responsibilities of Business” published by the Ministry of Corporate Affairs, Government of India in 2011, SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and the circulars issued by SEBI in this regard. This BRR provides information about the key initiatives undertaken by the Company. The business responsibility policies of the Company are reviewed periodically and are made available on the website of the Company.

Principle 1: Business should conduct and govern themselves with ethics, transparency and accountability

Ethics, Transparency, Accountability

IVL upholds the highest standard of integrity and ethical behaviour. Effective corporate governance and ethics are the fundamental principles followed across all functions and practices at the Company. Additionally, transparency and accountability is critical for achieving long-term business growth and creating value for stakeholders. The Company has zero-tolerance for bribery and corruption and strives to build and maintain relationships with its lenders, borrowers, shareholders and other stakeholders in a fair, transparent and professional manner.

Business Responsibility Report (Contd.)

The Company believes in strict adherence to all applicable governmental and regulatory guidelines and to ensure complete transparency and accountability in all business practices. Any or all breaches of the Company guidelines are viewed very seriously by Management, who ensures that appropriate disciplinary actions are taken.

The Company has constituted various committees such as: Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Compensation Committee, Corporate Social Responsibility Committee, Management Committee, Allotment Committee and Securities Issuance Committee. These committees meet periodically to supervise, review and advice on the relevant/respective matters.

Code of Conduct

With the objective of having high standards of governance, the Company has formulated and adopted Code of Conduct & Ethics for its Board Members and is applicable to all its employees. The Code articulates the ethical principles and acceptable behaviour that the company's employees are expected to demonstrate to uphold the Company's values. The Code covers aspects related, but not limited, to ethics, accountability, conflict of interest, bribery and corruption.

The Company lays utmost importance on integrity while recruiting employees. The Employee Code of Conduct provides the framework within which the Company expects its business operations to be carried out and lays down the standards and principles, to be followed by all its employees. Failure to comply with the Code leads to disciplinary action, including dismissal from the services of the Company.

All employees are handed over a copy of the Employee Code of Conduct on their first day of joining the Company, as a part of the employee joining kit. Additionally, the contents of the Code of Conduct are also shared in detail with the employees through a specific module that forms part of the HR session during the employee induction training programme.

The Company has also formulated and adopted various other codes and policies including Fair Practices Code, Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, policy on Protection of Women Against Sexual Harassment at Workplace, Code of Conduct for Prevention of Insider Trading, Know Your Customer policy and Investment policy, in terms of laws applicable to its business, which are applicable to all its employees / directors for enforcement of ethical conduct from a governance, regulatory and risk management perspective.

Stakeholder Complaints

The Company has established various channels of communication, including grievance redressal mechanisms, for stakeholders to communicate their expectations and concerns. The central operations team along with the call centre records and redresses grievances and feedback from customers. Complaints and grievances are addressed in a time-bound manner. Regular analysis of customer issues is conducted and where required corrective measures are taken in the Company's processes.

Designated senior personnel at individual branches are responsible for ensuring efficient and effective resolution of complaints within the prescribed turnaround time. All complaints are centrally monitored at the Head Office by the Operations team.

The Company has in-built Grievance Redressal Policy with escalation mechanism wherein complaints are escalated to the level of Branch heads, Head Customer Care and National Head Operation/Principal Officer, Compliance Officer. During the financial year 2017-2018, the Company had received 224 complaints from its shareholders and all got resolved.

Further, the Company had received 169 complaints from Depositories and Stock Exchanges and out of these 8 complaints, received from exchange, were pending at the end of the year. Also the Company has created dedicated email id i.e. grievances_ibsl@indiabulls.com to receive complaints from its clients. This email id is mentioned on various documents like contract notes, ledgers statement, member's website and various other communications that

Business Responsibility Report (Contd.)

are delivered by the Company to its clients. During the financial year 2017-2018, the Company had received total 4754 communication from clients which includes complaints as well as queries and out of these, response to 23 communications were pending for response to clients at the end of the year. All the pending complaints/queries as on March 31, 2018 were redressed/replied/resolved in the timely manner and nothing is pending as on the date of this Report.

The Company submits a periodic status of complaints received, redressed and outstanding from its stakeholders along with the nature of complaints and their mode of redressal to the Board constituted Customer Grievance Committee and Stakeholders Relationship Committee.

Code of Conduct and Grievance redressal procedure are available on the Company website for the benefit of its customers and stakeholders.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

Given the nature of the Company's business activities, which is providing financial products and services, it consumes resources primarily for running its operations. Through varied initiatives, the Company works towards reducing its resource consumption, mainly paper and grid electricity. In addition, the digitization of its internal processes has aided its efforts.

Focus on Technology: Shubh

The Company has launched 'Shubh' – next generation trading platform to help customers take charge of their financial future. It provide customers seamless internet trading experience through various features such as streaming stock quotes, online payment gateways, portfolio tracker, research reports, IPO, live market news and real time market statistics.

Environmental Standards

The Company continuously aims to reduce the impact on environment by optimizing the usage of various resources. The Company works at minimizing its carbon foot print and there is particular focus on reduced resource usage. The Company has been able to reduce energy consumption by using star rated appliances where possible and also through the replacement of CFL lights with LED lights. Monitoring resource usage, improved process efficiency, reduced waste generation and disposal costs have also supported the cause.

The Company continues to explore collaboration with partners that ensure conservation of energy and resources. On this front, the Company recognizes the need to work with real estate developers that promote the use of innovative technologies such as green buildings and other energy efficient measures for construction of their projects.

Resource Savings

The Company has undertaken initiatives and energy efficient measures at its office premises such as use of LED light fittings, provision of centralised waste collection, etc. At most of its offices across India, the CFL light fitting have been replaced by LED light fittings to conserve energy.

The Company promotes the use of electronic means of communication with its shareholders by sending electronic communication for confirmation of payments and other similar purposes. The Company also encourages the use of electronic mode of payment to and from all its stakeholders.

Principle 3: Businesses should promote the well-being of all employees

The Company respects its human capital and has ongoing programmes to instil a sense of pride within employees. The Company encourages employee engagement and undertakes various initiatives towards their training and development, health and safety, and employee volunteering.

Business Responsibility Report (Contd.)

Equitable Employment

The Company's employee strength as on March 31, 2018 was 773, out of which 112 were women. As at March 31, 2018, the male: female ratio was 86:14. The Company has always advocated a business environment that favours the concept of equal employment opportunities for all without any discrimination with respect to caste, creed, gender, race, religion, disability or sexual orientation. The Company provides a workplace environment that is safe, hygienic, and humane which upholds the dignity of its employees. The Company does not employ child labour directly or indirectly in any of its offices.

Enabling a Gender Friendly & safe Workplace

For IVL, safety of its employees is of paramount importance and as a good corporate citizen; it is committed to ensuring safety of all its employees at the work place. The Company has formulated and adopted a Gender Sensitization and has constituted an Ethical Cell and Complaint Committee. The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

Policies for Employee Grievances

The Company believes in smooth and effective communication to ensure better flow of information and understanding amongst its employees. Any employee, irrespective of hierarchy, has free access to the members of senior management for sharing creative ideas, suggestions or even personal grievances.

The Company has strengthened its vigil mechanism by adopting the Whistle Blower Policy which is applicable to its directors, employees and other stakeholders. The said policy which has been uploaded on Company's website and also communicated to all its employees aims to promote good governance, in still faith and empower all stakeholders to fearlessly voice their concerns.

Gender Inclusion

The Company ensures that a gender inclusive environment is provided. To create an inclusive work culture for women, the awareness for the same is spread through special workshops and seminars. Wherever required, women employees have been provided with laptops with the view that they can work from home in case of an emergency and also for the reason that they do not work late. On various occasions and specifically on International Women's Day, health check-up camps and self-defence training sessions for all women employees are organized.

Work-Life Balance

The Company's policies are structured around promoting work life balance which ensures improved employee productivity at work.

Employee Engagement

The Company firmly believes that highly engaged employees are high on productivity and therefore, in order to keep the motivation and the employee engagement levels high, it is necessary to constantly engage them in activities that motivate them. In sync with this philosophy, the Company encourages its employees to regularly participate in sports, picnics, outings, get-togethers and team building programmes. The Company has a specific budgetary allocation for this purpose.

Development of Employees

The Company has institutionalised learning and development processes to ensure that employees remain agile, possess relevant skillsets and fulfil their potential. The Company believes in the all-round development of its employees. Job specific knowledge gaps, skills and attitudes are identified during the performance appraisal process. Through constant learning and development, the Company ensures that its employees are adequately trained in functional and behavioural skills to sustain high standards of service. The Company nominates its employees for self-development and leadership programmes for further enhancing their competencies and skill sets.

Business Responsibility Report (Contd.)

Learning and development needs are also identified on the basis of internal audit reports as well as customer feedback. On-the-job training, job rotation or training through various programmes – internal, external are offered to employees to upgrade their competencies.

During the year, a total of 442 employees were imparted training during the year, which is 57.2% of the Company's total employees, out of which 91 women employees were imparted training during the year, which is 47.3% of the Company's total women employees.

Mentoring Program

The mentoring programme formulated by the Company ensures that all new employees integrate into its working culture and value systems. Such a programme helps new entrants understand and blend with its existing employees in a seamless manner.

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

Corporate Social Responsibility

The Company strives to approach its CSR activities with the goal to identify and work across a range of social initiatives that have a long-term sustainable impact. The Company has endeavoured to choose projects keeping in mind the Human Development Index norms which address human resource development in areas of Sanitation, Health Education, Nutrition, Renewable Energy, Promotion of Arts & Culture. The details of CSR activities undertaken by the Company are provided in the Annual Report on Corporate Social Responsibility (CSR) Activities.

Employee Welfare & Participation

To encourage employees to maintain and lead a healthy life, employees' family get to-gethers, sports events and medical check-ups were organised across various branches.

Principle 5: Businesses should respect and promote human rights

Human Rights

The Company respects and upholds the dignity and rights of all its employees, customers, and business partners regardless of race, colour, religion, sex, national origin, ancestry, age, marital status, sexual orientation or disability. The Company has a well-established Fair Practice Code, which ensures that there is no violation of human rights in its conduct - externally or internally. The Company does not employ child labour.

The Company has put in place an internal culture of work ethics where delinquent customers are treated with fairness. Customers who have difficulty in making regular payments are counselled patiently and given sufficient opportunities to recover from difficulties. Even as the Company takes legal action, care is taken to treat customers and their family with dignity and respect. Employee training programmes lay emphasis on this aspect. Any complaints and grievances pertaining to behavioural issues are attended to personally by senior officers.

Principle 6: Businesses should respect, protect and make efforts to restore the environment

Green Initiatives

The Company promotes ecological sustainability and green initiatives, adopts energy saving mechanisms, by encouraging its employees, customers and all its other stakeholders to use electronic medium of communication and to reduce usage of papers as far as possible.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

The Company is committed to providing innovative financial product offerings to multiple customer segments. The company puts forwards its views on setting new industry standards or regulatory developments and tries to maintain balance interest of its stakeholders. The Company continues to make various recommendations/ representations before various regulators, forums and associations.

Business Responsibility Report (Contd.)

Principle 8: Businesses should support inclusive growth and equitable development

As a committed corporate citizen, the Company has promoted and undertaken various social welfare initiatives for promoting Sanitation, Health, Education, Nutrition, Renewable Energy, Arts & Culture. Details of CSR activities undertaken by the Company are provided in the Annual Report on Corporate Social Responsibility (CSR) Activities.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

Customer Relationship Enhancement and Managing System

The Company operates in a highly customer-focused sector, product-related transparency and communications are of highest priority. The Company is committed to providing effective and prompt service to all its stakeholders. It has in place, a central operation team to record and redresses the grievances/feedback from its customers which helps in ensuring standard operating procedure and maintaining service standards.

The Company has identified senior personnel at all its branches and made them responsible for ensuring efficient and effective resolution of complaints within the prescribed turnaround time. All complaints are monitored at the Head Office by its Operations team.

The Company has an in-built Grievance Redressal Policy with escalation mechanism wherein complaints are escalated to the level of Branch heads, Head Customer Care and National Head Operation/Principal Officer, Compliance Officer. Complaints forwarded by regulatory and supervisory authorities are tracked separately.

The Company aims to reduce the number of grievances, attain the operational excellence and ensures continuous improvement by doing periodical root-cause analysis (RCA) of all the received grievances.

Transparent Communication

The Company strives to ensure that transparent, correct and relevant information, pertaining to its products and services, is disseminated through its advertising material and the information displayed on the digital platforms owned by the Company. The Company encourages responsible and responsive communication towards all its stakeholders be it customers, media, investors, analysts, regulatory authorities, vendors and other stakeholders.

The Company is a strong proponent of true and fair advertising and as such, discourages all kinds of means and activities that are unethical, abusive, derogatory or anti-competitive. All the communication material released by the Company adheres to the mandated regulatory requirements. The Company has formulated the Fair Practices Code. A copy of the said code is available on the Company's website and at all its offices. The Company has complied with all the advertising norms applicable to the Company.

The Company is extending its presence to various social and digital platforms to engage and connect with existing customers and also to reach out to newer audiences through constant communication, which is in consonance with its brand values and the prescribed regulatory framework.

The performance and financials of the Company are disclosed to BSE and NSE for information to all its stakeholders and on its website.

Report on Corporate Governance

1. THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Indiabulls Ventures Limited ("the Company") is committed towards achieving the highest standards of Corporate Governance coupled with best in class practices across all its business operations thereby ensuring its core values i.e. Customer First, Transparency, Integrity and Professionalism. The Company focuses on implementing the robust, resilient and best corporate practices in every facet of its operations and in all spheres of its activities for generating significantly greater returns and maximizing shareholders' value.

The Company also engages itself in a credible and transparent manner with all its stakeholders which help them to understand its long term strategies. All its actions are governed by its values and principles, which are reinforced at all levels of the Company. This together with meaningful CSR activities has enabled your Company to earn the trust and goodwill of its investors, business partners, employees and the communities, in which it operates.

Its transparent and robust business practices have helped the Company building strong relationship with the investors, customers, employees, shareholders, lenders and developers.

In line with the nature and size of operations, the Corporate Governance framework of the Company, is based on the following main principles:

- Optimizing the size and composition of Board to ensure that it has the appropriate mix of domain, functional, operational and legal expertise with the relevant experience and commitment to discharge their responsibilities and duties, thereby ensuring transparency and independence in the functions of the Board.
- Ensuring timely flow of information to the Board and its Committees to enable them spending adequate time on strategy, performance, talent, risk management, succession planning and social responsibility with clear vision and guidelines to discharge their functions effectively.
- Timely and balanced disclosure of all material information concerning the Company to all stakeholders and protection of their rights and interests.
- Independent verification and assured integrity of financial reporting.
- Engaging and communicating with long-term institutional investors and constructively engaging with them on matters of strategic importance.
- A sound system of risk management, internal control, anti-bribery and anti-corruption business practices.
- Compliance with applicable laws, rules and regulations in letter and spirit.

The Company is in compliance the applicable SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations, 2015].

2. BOARD OF DIRECTORS (BOARD)

(A) Composition and size of the Board

The Company has a broad based Board of Directors (Board), constituted in compliance with the Companies Act, 2013, Listing Agreement executed by the Company with the Stock Exchanges and SEBI (LODR) Regulations, 2015 and in accordance with highest standards of Corporate Governance in its management, which ensures an appropriate mix of Executive/Non Executive, Woman Director and Independent Directors with demonstrated skill sets and relevant experience. With effect from September 23, 2017, the Board of the Company comprises of the following directors:

- (i) Mr. Sameer Gehlaut (DIN: 00060783) as its Non - Executive Chairman.
- (ii) Mr. Divyesh B. Shah (DIN: 00010933) as its Whole-time Director & CEO.
- (iii) Mr. Gagan Banga (DIN: 00010894) as its Non-Executive Director.
- (iv) Mr. Pinank Jayant Shah (DIN: 07859798) as its Executive Director.
- (v) Mrs. Vijayalakshmi Rajaram Iyer (DIN: 05242960), as its Independent Director.
- (vi) Mr. Shyam Lal Bansal (DIN: 02910086), as its Independent Director.
- (vii) Mr. Alok Kumar Misra (DIN: 00163959), as its Independent Director.
- (viii) Retd. Brig. Labh Singh Sitara (DIN: 01724648), as its Independent Director.

Report on Corporate Governance (Contd.)

The Board members have excellent leadership and guidance abilities, wide and rich professional knowledge and experience in diverse fields viz. finance, banking, regulatory and public policy etc., thereby bringing an enabling environment for value creation through sustainable business growth of the Company.

As on March 31, 2018, the Board consisted of eight directors. Details of such directors, number of their directorships in other companies as also the number of their memberships and chairmanships on various Board Committees, as on March 31, 2018, are as under:

S. No.	Name of the Director	Category of Directorship	No. of Directorships in other Companies*	No. of Memberships/ Chairmanship in Board Committees of various companies (including the Company)**	
				Member	Chairman
1	Mr. Sameer Gehlaut (DIN: 00060783)	Non - Executive Chairman	2	Nil	N.A
2	Mr. Divyesh B. Shah (DIN: 00010933)	Whole-time Director & Chief Executive Officer	6	1	Nil
3	Mr. Gagan Banga (DIN: 00010894)	Non-Executive Director	3	Nil	N.A
4	Mr. Pinank Jayant Shah (DIN: 07859798)	Executive Director	1	2	1
5	Mrs. Vijayalakshmi Rajaram Iyer (DIN: 05242960)	Independent Director	9	5	4
6	Mr. Shyam Lal Bansal (DIN: 02910086)	Independent Director	3	3	Nil
7	Mr. Alok Kumar Misra (DIN: 00163959)	Independent Director	5	3	1
8	Brig. Labh Singh Sitara (DIN: 01724648)	Independent Director	8	9	1

*Does not include directorships held in foreign companies & private limited companies and companies under section 8 of the Companies Act, 2013.

**Only memberships / chairmanships of the Audit Committee / Stakeholders' Relationship Committee in various public limited companies, considered.

No Director is related to any other Director on the Board of the Company.

As on March 31, 2018, the shareholding of Non-Executive Directors of the Company was as under:

Mr. Sameer Gehlaut was holding 40,158,292 Fully paid up Equity Shares & 9,408,927 partly paid up Equity Shares, Mr. Gagan Banga was holding 770,040 Fully paid up Equity Shares & 144,382 partly paid up Equity Shares and Mr. Alok Kumar Misra was holding 1,000 Fully paid up Equity Shares & 235 partly paid up Equity Shares of the Company.

The Company has familiarization programme for Independent Directors with regard to their roles, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company etc. The familiarization programme along with details of the same imparted to the Independent Directors during the year are available on the website of the Company: www.indiabullsventures.com/uploads/news/details_of_familiarization_programmes_impacted_to_independent_directors_ivl-0752965001497857682.pdf

Report on Corporate Governance (Contd.)

(B) Number and Dates of Board Meetings held, attendance record of Directors thereat and at the last AGM held.

The Board meetings of the Company are held in a highly professional manner, after giving proper notice, Board papers, agenda and other explanatory notes/ relevant information to each of the directors of the Company, well in advance. At least one meeting is held in every quarter, to review the quarterly performance and the financial results of the Company.

Senior management including the CFO is invited to attend the board meetings so as to provide additional inputs on the items being discussed by the Board. At the board meetings, the Executive Directors and senior management make presentations on various matters including the financial results, operations related issues, risk management, the economic and regulatory environment, compliance, investors' perceptions etc.

During the financial year 2017-18, the Board met 8 (Eight) times. Meetings were held on April 7, 2017, April 21, 2017, April 27, 2017, July 25, 2017, August 28, 2017, September 21, 2017, October 26, 2017 and January 24, 2018. During the year, separate meeting of the Independent Directors was held on January 24, 2018, without the attendance of non-independent directors and the members of the management. All Independent Directors attended the said meeting.

The last Annual General Meeting of the Company was held on September 29, 2017.

Attendance of Directors at the Board Meetings held during the FY 2017-18 and at the last Annual General Meeting are as under:

Sr. No.	Name of the Director	No. of board meetings attended during tenure	Attendance at the last AGM
1	Mr. Sameer Gehlaut # (DIN: 00060783)	3	No
2	Mr. Divyesh B. Shah (DIN: 00010933)	8	Yes
3	Mr. Gagan Banga # (DIN: 00010894)	3	No
4	Mr. Pinank Jayant Shah # (DIN: 07859798)	3	No
5	Mrs. Vijayalakshmi Rajaram Iyer # (DIN: 05242960)	3	No
6	Mr. Shyam Lal Bansal # (DIN: 02910086)	3	No
7	Mr. Alok Kumar Misra # (DIN: 00163959)	3	No
8	Brig. Labh Singh Sitara (Retd.) (DIN: 01724648)	7	Yes
9	Mr. Amiteshwar Choudhary* (DIN: 01679090)	5	N.A.
10	Ms. Pia Johnson* (DIN: 00722403)	4	N.A.
11	Mr. Aishwarya Katoch** (DIN: 00557488)	4	N.A.
12	Mr. Prem Prakash Mirdha*** (DIN: 01352748)	3	N.A.
13	Mr. Ajit Kumar Mittal#*** (DIN: 02698115)	1	N.A.

appointed as Director of the Company w.e.f. August 28, 2017 and attended all the Board meetings post their appointment as such.

*resigned from the directorship of the Company w.e.f. August 28, 2017.

** resigned from the directorship of the Company w.e.f. September 18, 2017.

*** resigned from the directorship of the Company w.e.f. September 23, 2017.

3. COMMITTEES OF THE BOARD

The Board has constituted various Committees to take informed decisions in the best interest of the Company. These Committees monitor the activities falling within their terms of reference.

Report on Corporate Governance (Contd.)

The role and the composition of these Committees including number of meetings held during the financial year and participation of the members at the meetings of the committees, during the year are as under.

(A) Audit Committee

Composition

As on March 31, 2018, the Audit Committee comprised of three members, namely, Brig. Labh Singh Sitara (Retd.) as the Chairman and member, Mr. Alok Kumar Misra and Mr. Divyesh B. Shah as members. Mr. Amiteshwar Choudhary, Mr. Aishwarya Katoch and Mr. Prem Prakash Mirdha ceased to be members of the Committee w.e.f. August 28, 2017, September 18, 2017 and September 21, 2017 respectively.

Out of three, two members, namely, Brig. Labh Singh Sitara (Retd.) and Mr. Alok Kumar Misra are Independent Directors. Mr. Lalit Sharma, is the Secretary to the Audit Committee.

Terms of reference

The terms of reference of Audit Committee, inter-alia, include:

- Ø To oversee the financial reporting process and disclosure of financial information;
- Ø To review with management, quarterly, half yearly and annual financial statements and ensure their accuracy and correctness before submission to the Board;
- Ø To review with management and internal auditors, the adequacy of internal control systems, approving the internal audit plans/reports and reviewing the efficacy of their function, discussion and review of periodic audit reports including findings of internal investigations;
- Ø To recommend the appointment of the internal and statutory auditors and their remuneration;
- Ø To review and approve required provisions to be maintained as per IRAC norms and write off decisions;
- Ø To hold discussions with the Statutory and Internal Auditors;
- Ø Review and monitoring of the auditor's independence and performance, and effectiveness of audit process;
- Ø Examination of the auditors' report on financial statements of the Company (in addition to the financial statements) before submission to the Board;
- Ø Approval or any subsequent modification of transactions of the Company with related parties;
- Ø Scrutiny of inter-corporate loans and investments;
- Ø Valuation of undertakings or assets of the Company, wherever it is necessary;
- Ø Monitoring the end use of funds raised through public offers and related matters as and when such funds are raised and also reviewing with the management the utilization of the funds so raised, for purposes other than those stated in the relevant offer document, if any and making appropriate recommendations to the Board in this regard;
- Ø Evaluation of the risk management systems (in addition to the internal control systems);
- Ø Review and monitoring of the performance of the statutory auditors and effectiveness of the audit process;
- Ø To hold post audit discussions with the auditors to ascertain any area of concern;
- Ø To review the functioning of the whistle blower mechanism;
- Ø Approval to the appointment of the CFO after assessing the qualifications, experience and background etc. of the candidate.

Meetings and Attendance during the year

During the financial year ended March 31, 2018, the Committee met 5 (five) times i.e. on April 27, 2017, July 25, 2017, August 28, 2017, October 26, 2017 and January 24, 2018.

Report on Corporate Governance (Contd.)

The attendance of the Committee members in these meetings is as under:

Name of the Member	No. of meetings attended during tenure
Brig. Labh Singh Sitara (Retd.)	4
Mr. Alok Kumar Misra#	2
Mr. Divyesh B Shah#	2
Mr. Amiteshwar Choudhary*	0
Mr. Aishwarya Katoch*	3
Mr. Prem Prakash Mirdha*	3

appointed as member of the Committee during FY 2017-18.

* ceased to be the member/ resigned from the Committee during the FY 2017-18.

The Chief Financial Officer, Statutory and Internal Auditors attended the meetings as invitees.

(B) Nomination & Remuneration Committee

Composition

As on March 31, 2018, the Nomination & Remuneration Committee of the Board comprised of three Independent Directors as its members, namely, Brig. Labh Singh Sitara (Retd.) as its Chairman and member, Mr. Alok Kumar Misra and Mr. Shyam Lal Bansal as the other two members. Mr. Aishwarya Katoch and Mr. Prem Prakash Mirdha ceased to be members of the Committee w.e.f. September 18, 2017 and September 21, 2017 respectively.

Terms of reference

The terms of reference of Nomination & Remuneration Committee, inter-alia, include:

- Ø formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- Ø formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Ø devising a policy on diversity of board of directors;
- Ø identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- Ø whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

Meetings and Attendance during the year

During the financial year ended March 31, 2018, the committee met once i.e. on August 21, 2017.

The attendance of the Committee members in this meeting is as under:

Name of the Member	No. of meeting attended during tenure
Brig Labh Singh Sitara (Retd.)	1
Mr. Alok Kumar Misra#	N.A
Mr. Shyam Lal Bansal#	N.A
Mr. Aishwarya Katoch*	1
Mr. Prem Prakash Mirdha*	1

appointed as member of the Committee during FY 2017-18.

* ceased to be the member/ resigned from the Committee during the FY 2017-18.

Policy for selection and appointment of Directors

The Nomination and Remuneration Committee (N&R Committee) has adopted a charter which, inter alia, deals with the manner of selection of the Board of Directors, senior management and their compensation. This Policy is accordingly derived from the said Charter.

- a. The incumbent for the positions of Executive Directors and/or at senior management, shall be the persons of high integrity, possesses relevant expertise, experience and leadership qualities, required for the position.

Report on Corporate Governance (Contd.)

- b. The Non-Executive Directors shall be of high integrity, with relevant expertise and experience so as to have the diverse Board with Directors having expertise in diverse fields.
- c. In case of appointment of Independent Directors, the independent nature of the proposed appointee vis-a-vis the Company, shall be ensured.
- d. The N&R Committee shall consider qualification, experience, expertise of the incumbent, and shall also ensure that such other criteria with regard to age and other qualification etc., as laid down under the Companies Act, 2013 or other applicable laws are fulfilled, before recommending to the Board, for their appointment as Directors.
- e. In case of re-appointment, the Board shall take into consideration, the performance evaluation of the Director and his engagement level.

Remuneration Policy

Company's Remuneration Policy is market led, based on the fundamental principles of payment for performance, for potential and for growth. It also takes into account the competitive circumstances of the business, so as to attract and retain quality talent and leverage performance significantly. The N&R Committee recommends the remuneration payable to the Executive Directors and Key Managerial Personnel, for approval by Board of Directors of the Company, subject to the approval of its shareholders, wherever necessary.

Evaluation of the Board and Directors

The Nomination and Remuneration Committee (NRC) of the Board reassessed the framework, methodology and criteria for evaluating the performance of the Board as a whole, including Board committee(s), as well as performance of each director(s)/Chairman and confirms that the existing evaluation parameters are in compliance with the requirements as per SEBI guidance note dated January 5, 2017 on Board evaluation. The existing parameters includes effectiveness of the Board and its committees, decision making process, Directors/members participation, governance, independence, quality and content of agenda papers, team work, frequency of meetings, discussions at meetings, corporate culture, contribution, role of the Chairman and management of conflict of interest. Basis these parameters, the NRC had reviewed at length the performance of each director individually and expressed satisfaction on the process of evaluation and the performance of each Director. The performance evaluation of the Board as a whole and its committees namely Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee as well as the performance of each director individually, including the Chairman was carried out by the entire Board of Directors. The performance evaluation of the Chairman, Executive Directors and Non-Executive Director was carried out by the Independent Directors in their meeting held on January 24, 2018. The Directors expressed their satisfaction with the evaluation process.

Also the Chairman of the Company, on a periodic basis, has had one-to-one discussion with the directors for their views on the functioning of the Board and the Company, including discussions on level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders and implementation of the suggestions offered by Directors either individually or collectively during different board/committee meetings.

Policy on Board Diversity

The N&R Committee devises the policy to provide for having a broad experience and diversity on the Board.

Director's Remuneration:

(i) Remuneration of Executive Directors

Executive Directors are being paid remuneration as recommended by Nomination & Remuneration Committee and approved by the Board of Directors. Details of remuneration of Executive Directors for the FY 2017-18 are provided in Form MGT-9 forming part of this Annual Report.

(ii) Remuneration of Non-Executive Directors

With changes in the corporate governance norms brought in by the Companies Act, 2013 as well as SEBI LODR, the role of Non-Executive Directors (NED) and the degree and quality of their engagement with the Board and the Company has undergone significant changes over a period of time. The Company is being hugely benefited from the expertise, advice and inputs provided by the NEDs. They devote their valuable time in deliberating on the strategic and critical issues in the course of the Board and Committee meetings of the Company and give

Report on Corporate Governance (Contd.)

their valuable advice, suggestion and guidance to the management of the Company. The Company is making payment of fee/remuneration payable to its NEDs in accordance with the provisions of the Companies Act, 2013 and SEBI LODR. The Company has placed on its website, criteria for making payment to Non- Executive Directors. During the Financial Year ended March 31, 2018, the Non- Executive Directors/Independent Directors have been paid, sitting fees for attending the Board meetings of the Company, the details of which are provided in Form MGT-9 forming part of this Annual Report.

(C) Stakeholders Relationship Committee

Composition

As on March 31, 2018, the Stakeholders Relationship Committee of the Board comprised of three Directors as its members, namely, Mr. Alok Kumar Misra as the Chairman and member, Brig. Labh Singh Sitara (Retd.) and Mr. Pinank Jayant Shah as the other two members. Mr. Aishwarya Katoch and Mr. Prem Prakash Mirdha ceased to be members of the Committee w.e.f. September 18, 2017 and September 21, 2017 respectively.

Out of three, two members, namely, Mr. Alok Kumar Misra and Brig. Labh Singh Sitara (Retd.), are Independent Directors.

Terms of reference

- Ø to approve requests for share transfers and transmissions.
- Ø to approve the requests pertaining to remat of shares/sub-division/consolidation/issue of renewed and duplicate share certificates etc.
- Ø to oversee all matters encompassing the shareholders' / investors' related issues.

Meetings and Attendance during the year

During the financial year ended March 31, 2018, the Committee met 4 (Four) times i.e. on April 27, 2017, July 25, 2017, October 26, 2017 and January 24, 2018.

The attendance of the Committee members in these meetings is as under:

Name of the Member	No. of meetings attended during tenure
Mr. Alok Kumar Misra#	2
Brig. Labh Singh Sitara (Retd.)	3
Mr. Pinank Jayant Shah#	2
Mr. Aishwarya Katoch*	2
Mr. Prem Prakash Mirdha*	2

appointed as member of the Committee during FY 2017-18.

* ceased to be the member/ resigned from the Committee during the FY 2017-18.

Name and designation of Compliance Officer

Mr. Lalit Sharma, Company Secretary is the Compliance Officer pursuant to Regulation 6(1) of SEBI (LODR) Regulations, 2015.

Details of queries / complaints received and resolved during the year 2017-18:

Sl. No.	Particulars	Opening	Received	Disposed	Pending
1	Legal Cases / Cases before Consumer Forums	0	0	0	0
2	Letters from SEBI / Stock Exchange.	0	9	9	0
3	Non-receipt of dividend	0	161	161	0
4	Non-receipt of annual report	0	5	5	0
5	Non receipt of Refund order	0	4	4	0
6	Non credit/receipt of shares in demat account	0	2	2	0
7	Non receipt of securities after transfer	0	0	0	0
8	Non receipt of Rights Issue CAF	0	43	43	0
	Total	0	224	224	0

Report on Corporate Governance (Contd.)

(D) Corporate Social Responsibility (CSR) Committee

Composition

As on March 31, 2018, the Corporate Social Responsibility Committee comprised of three members, namely, Brig. Labh Singh Sitara (Retd.), as the Chairman and member and Mr. Divyesh B. Shah and Mr. Pinank Jayant Shah as the other two members. Ms. Pia Johnson and Mr. Aishwarya Katoch ceased to be members of the Committee w.e.f. August 28, 2017 and September 18, 2017 respectively.

Terms of Reference

The Terms of reference of the CSR Committee inter-alia, include:

- ∅ To recommend to the Board, the CSR activities to be undertaken by the Company;
- ∅ To approve the expenditure to be incurred on the CSR activities;
- ∅ To oversee and review the effective implementation of the CSR activities; and
- ∅ To ensure compliance of all related applicable regulatory requirements.

Meetings and Attendance during the year

During the financial year ended March 31, 2018 the Committee met 2 (Two) times i.e. on January 23, 2018 and March 31, 2018.

The attendance of Committee members in these meetings is as under:

Name of the Member	No. of meetings attended during tenure
Brig. Labh Singh Sitara (Retd.)	2
Mr. Divyesh B. Shah#	2
Mr. Pinank Jayant Shah#	2

appointed as member of the Committee during FY 2017-18.

4. GENERAL BODY MEETINGS

Location and time of last three Annual General Meetings (AGMs)

Year	Location	Date	Time	Number of special resolutions passed
2014-2015	Centaur Hotel, IGI Airport, Delhi – Gurgaon Road, New Delhi – 110 037	September 7, 2015	2.00 P.M.	1
2015-2016	Mapple Emerald, Rajokri, NH-8, New Delhi – 110 038	September 8, 2016	2.00 P.M.	0
2016-2017	Mapple Emerald, Rajokri, NH-8, New Delhi – 110 038	September 29, 2017	2.00 P.M.	3

B. Postal Ballot during the FY 2017-18

During the year 2017-18, no resolution was passed by the Company through Postal Ballot. None of the business proposed to be transacted in the ensuing Annual General Meeting require special resolution through postal ballot.

5. MEANS OF COMMUNICATION

The Company has provided adequate and timely information to its member's inter-alia through the following means:

- (i) **Publication of Financial Results:** The quarterly/ annual results of the Company are normally published in the leading newspapers viz. Business Standard (English) and Business Standard (Hindi).

Report on Corporate Governance (Contd.)

- (ii) **News, Release, etc.:** The Company has its own website <http://www.indiabullsventures.com/> and all vital information relating to the Company and its performance including financial results, press releases pertaining to important developments, performance updates and corporate presentations etc. are regularly posted on the website.
- (iii) **Management's Discussion and Analysis Report** has been included in the Annual Report, which forms a part of the Annual Report.

6. GENERAL SHAREHOLDERS' INFORMATION

(A) Company Registration Details

The Company is registered in the State of Delhi, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L74999DL1995PLC069631.

(B) Date, Time and Venue of Annual General Meeting (AGM)

The 23rd AGM of the Company would be held on the day, date, time and venue as mentioned in the notice convening the said AGM.

(C) Financial year:

The financial year of the Company is a period of twelve months beginning on 1st April every calendar year and ending on 31st March of the following calendar year.

(D) Dividend Payment Date

No dividend was paid during the Financial Year 2017-18.

(E) Date of Book Closure

The dates of book closure are as mentioned in the notice convening the 23rd AGM of the Company.

(F) Listing on Stock Exchanges

The Company's fully paid up equity shares (FPS), partly paid up equity shares (PPS) and GDRs are listed at the following stock exchanges :

Equity Shares (FPS & PPS): BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	Global Depository Receipts (GDRs): Luxembourg Stock Exchange Societe de la Bourse de Luxembourg, Il av de la Porte – Neuve, L-2227, Luxembourg.
National Stock Exchange of India Limited (NSE) "Exchange Plaza", Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051	

The listing fees for the financial year 2018-19, have been paid to BSE and NSE.

(G) Stock Code

BSE Limited	- FPS: 532960, PPS: 890145
National Stock Exchange of India Ltd.	- FPS: IBVENTURES –EQ, PPS: IBVENTURES –E1
ISIN for Dematerialization	- FPS: INE274G01010 PPS: IN9274G01018

(H) Stock Market Price at National Stock Exchange of India Ltd (NSE) and BSE Ltd (BSE)

- (a) The monthly high and low market prices of fully paid up equity shares of face value of Rs. 2 each, at the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) for the year ended March 31, 2018 are as under:

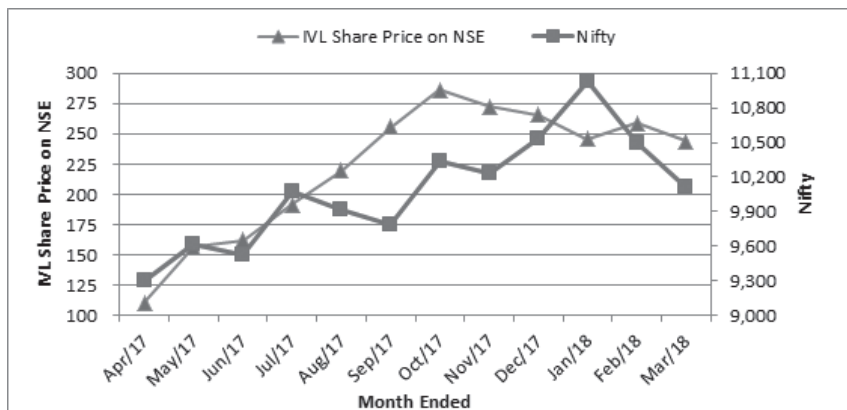
Report on Corporate Governance (Contd.)

Month	NSE		BSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
Apr-17	125.25	61.30	125.20	61.10
May-17	157.60	102.30	158.00	102.20
Jun-17	199.40	146.10	199.25	146.10
Jul-17	202.95	161.00	202.70	161.10
Aug-17	222.00	167.65	222.40	165.50
Sep-17	295.00	198.30	295.05	199.85
Oct-17	301.90	256.30	301.45	257.00
Nov-17	307.00	240.50	306.00	240.55
Dec-17	283.00	233.35	283.00	234.35
Jan-18	289.90	242.55	289.50	243.10
Feb-18	271.50	210.00	270.85	209.00
Mar-18	278.30	236.50	278.40	236.95

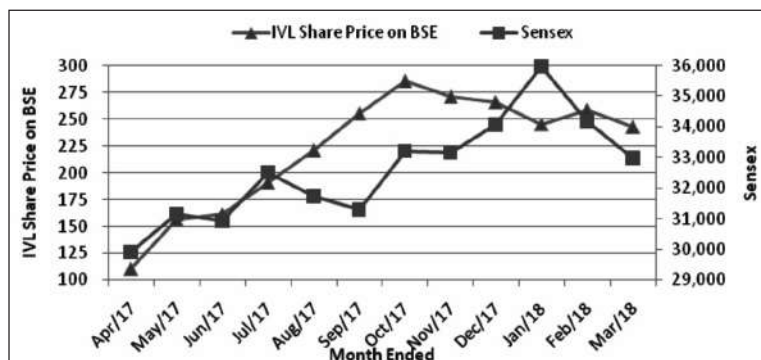
(b) The high and low market prices of partly paid up equity shares of face value of Rs. 2 each with paid up value of Re. 0.50 each, at the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) since the listing of these shares effective from March 21, 2018 till March 31, 2018 are as under:

Period	NSE		BSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
March 21, 2018	72.00	68.05	72.00	69.00
March 22, 2018	86.40	75.00	86.40	80.10
March 23, 2018	99.65	75.00	103.65	81.10
March 26, 2018	95.80	86.00	94.00	85.50
March 27, 2018	92.00	87.00	90.00	85.40
March 28, 2018	90.00	78.00	91.75	83.00

(i) Performance of the Company in comparison to broad – based indices



Report on Corporate Governance (Contd.)



(J) Registrar and Transfer Agents

M/s Karvy Computershare Private Limited is the Registrar and Transfer Agents of the Company for handling the share related matters both in physical and dematerialized mode.

The contact details are as under:

Karvy Computershare Private Limited

Unit: Indiabulls Ventures Limited

Karvy Selenium, Tower B, Plot No.31-32,

Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032

Contact Person: Ms. C Shobha Anand, DGM, Corporate Registry

Tel : 040-6716 2222 - Fax: 040-23001153

E-mail: einward.ris@karvy.com

(K) Share Transfer System

The Board has delegated the authority for share transfers, transmissions, remat / demat of shares/sub-division/consolidation/issue of renewed and duplicate share certificates etc. to the Board constituted Stakeholders' Relationship Committee. For any such action request is to be made to the RTA, which after scrutinizing all such requests, forwards it for approval by Stakeholders' Relationship Committee.

(L) (i) (a) Distribution of shareholding of fully paid up equity shares of face value of Rs. 2 each, as on March 31, 2018:

Sl. No.	Category	No. of holders	% to total holders	Total Shares	Amount (Face Value) (in Rs.)	% of Amount
1	1 - 5000	75,586	96.01	17,432,103	34,864,206.00	3.94
2	5001 - 10000	1,396	1.77	5,219,926	10,439,852.00	1.18
3	10001 - 20000	770	0.98	5,780,397	11,560,794.00	1.31
4	20001 - 30000	260	0.33	3,256,578	6,513,156.00	0.74
5	30001 - 40000	134	0.17	2,433,020	4,866,040.00	0.55
6	40001 - 50000	80	0.10	1,830,109	3,660,218.00	0.41
7	50001 - 100000	221	0.28	7,981,291	15,962,582.00	1.80
8	100001 & Above	283	0.36	398,457,578	796,915,156.00	90.07
	Total:	78,730	100.00	442,391,002	884,782,004.00	100.00

Report on Corporate Governance (Contd.)

- (i) (b) Distribution of shareholding of partly paid up equity shares of face value of Rs. 2 each with paid up value of Re. 0.50 each, as on March 31, 2018:

Sl. No.	Category	No. of holders	% to total holders	Total Shares	Amount (Face Value) (in Rs.)	% of Amount
1	1 - 5000	7,768	93.87	1,690,646	3,381,292.00	2.04
2	5001 - 10000	183	2.21	666,669	1,333,338.00	0.80
3	10001 - 20000	116	1.40	839,473	1,678,946.00	1.01
4	20001 - 30000	43	0.52	539,095	1,078,190.00	0.65
5	30001 - 40000	29	0.35	513,272	1,026,544.00	0.62
6	40001 - 50000	21	0.25	475,642	951,284.00	0.57
7	50001 - 100000	46	0.56	1,696,228	3,392,456.00	2.04
8	100001 & Above	69	0.83	76,527,288	153,054,576.00	92.26
	Total:	8,275	100.00	82,948,313	165,896,626.00	100.00

- (ii) Shareholding pattern as on March 31, 2018

Sr. No.	Category	No. of Shares			
		Fully paid up equity shares of face value of Rs. 2 each	Partly Paid up equity shares of face value of Rs. 2 each with paid up value of Re. 0.50 each	Total No. of Shares	% holding
1	Promoters	152,748,802	35,788,434	188,537,236	35.89
2	Banks /Mutual Funds/ Indian Financial Institutions/ Alternate Investment Funds	723,002	0	723,002	0.14
3	FII's/FPI's	82,753,819	12,437,735	95,191,554	18.12
4	Bodies Corporate	77,894,138	13,599,730	91,493,868	17.42
5	Indian Public (Employees/ HUF/Public/Trusts/Directors)	78,321,715	9,900,848	88,222,563	16.79
6	NRIs	1,409,405	21,516	1,430,921	0.27
7	GDRs (Shares underlying)	60,477	0	60,477	0.01
8	Other foreign entities (Foreign companies)	47,390,000	11,103,288	58,493,288	11.13
9	NBFCs Registered with RBI	429,522	66,585	496,107	0.09
10	Others(Clearing Members/IEPF)	660,122	30,177	690,299	0.13
	Total	442,391,002	82,948,313	525,339,315	100.00

Report on Corporate Governance (Contd.)

(M) Dematerialization of shares and liquidity

Equity Shares of the Company are traded under compulsory dematerialized mode and are available for trading under both the depositories i.e. NSDL and CDSL.

As on March 31, 2018, 99.99% Equity shares of the Company representing 525,297,915 out of a total of 525,339,315 Equity shares were held in dematerialized form and the balance 41,400 Equity shares representing 0.01% of the total equity capital of the Company were held in physical form.

The Company obtains from a Company Secretary in practice, half yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and files a copy of the certificate with the Stock Exchanges.

(N) Outstanding GDRs/Convertible Instruments

As on March 31, 2018, an aggregate of 30,300,366 Employees Stock options were in force. These options, upon exercise, are convertible into equal number of fully paid up Equity Shares of the Company. As and when these options are exercised, the paid-up share capital of the Company shall stand increased accordingly.

The number of outstanding GDRs as on March 31, 2018 were 60,477. Each GDR represents one fully paid up equity share of Rs.2/- each in the Company.

(O) Commodity price risk or foreign exchange risk and hedging activities

During FY 2017-18, the Company doesn't have Commodity price risk. Further, the Company has not borrowed any loans in foreign currency. The working capital of the Company doesn't comprise of any amount in foreign currency. However, the Company has long term foreign currency amount receivable through loan notes and escrow account against long-term non-trade investment sold in previous years. The same has not been hedged.

(P) Plant Location: Not applicable

(Q) Address for Correspondence

(i) Registered Office:

M- 62 & 63, First Floor,
Connaught Place, New Delhi- 110 001
E-mail: helpdesk@indiabulls.com,
Tel: 0124-6681199, Fax: 0124-6681240
Website: <http://www.indiabullsventures.com/>

(ii) Corporate Office(s):

1. Indiabulls House, 448-451, Udyog Vihar, Phase V, Gurugram – 122 016.
2. Indiabulls House, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai- 400 013.

(R) Profile of Directors seeking appointment/ re-appointment have been captured in the Notice convening the 23rd Annual General Meeting.

7. COMPLIANCE CERTIFICATE FROM THE PRACTICING COMPANY SECRETARY

A certificate from a Practicing Company Secretary certifying the Company's compliance with the provisions of Corporate Governance as stipulated in Regulation 34(3) read with Schedule-V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to and forms a part of this Report.

8. OTHER DISCLOSURES

(i) Subsidiary Companies

During the year under review, Indiabulls Commodities Limited (a wholly owned subsidiary of the Company) has sold its 100% shareholding in Positive Housings Private Limited.

Report on Corporate Governance (Contd.)

Indiabulls Distribution Services Limited and IVL Finance Limited (formerly Shivshakti Financial Services Limited) were material unlisted subsidiaries of the Company during the F.Y.2017-18. The Company has formulated a Policy for determining material subsidiaries, pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which is available on the website of the Company (<http://www.indiabullsvventures.com/>).

(ii) Related Party Transactions

All the related party transactions, entered into by the Company, during the financial year, were in its ordinary course of business and on an arm's length basis. There are no materially significant related party transactions entered by the Company with its Promoters, Key Management Personnel or other designated persons which may have potential conflict with the interest of the Company at large. The Policy on materiality of Related Party Transactions and also on dealing with such transactions is available on the website of the Company (<http://www.indiabullsvventures.com/>).

(iii) CEO / CFO Certification

(a) The Chief Executive Officer and CFO have issued certificate pursuant to the Regulation 33(2)(a) of SEBI (LODR) Regulations, 2015, certifying that the financial results do not contain any false or misleading statement or figures and do not omit any material fact which may make the statements or figures contained therein misleading.

(b) The Chief Executive Officer and CFO have issued certificate pursuant to the provisions of Regulation 17(8) read with Part-B of Schedule-II of the SEBI (LODR) Regulations, 2015, certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs.

(iv) (a) Code of Conduct and Ethics

The Company has laid down a Code of Conduct and Ethics (the "Code") for the Board Members and Senior Management personnel of the Company. The Code is available on the website of the Company <http://www.indiabullsvventures.com/>. All Board Members and Senior Management personnel have affirmed compliance with the Code. A declaration signed by the Chief Executive Officer to this effect is enclosed at the end of this Report.

The Code seeks to ensure that the Board Members and Senior Management personnel observe a total commitment to their duties and responsibilities while ensuring a complete adherence with the applicable statutes along with business values and ethics.

(b) Code of Conduct for Prevention of Insider Trading

The Company has laid down a Code of Conduct for Prevention of Insider Trading, in accordance with the requirements of Securities and Exchange Board of India (Insider Trading) Regulations, 2015 and Companies Act, 2013, with a view to regulate trading in Securities of the Company by its directors, designated persons and employees.

(v) Whistle Blower Policy

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of its business operations. To maintain these standards, the Company has implemented the Whistle Blower Policy ("the Policy"), to provide an avenue for employees to report matters without the risk of subsequent victimization, discrimination or disadvantage. The Policy applies to all employees working for the Company and its subsidiaries. Pursuant to the Policy, the whistle blowers can raise concerns relating to matters such as breach of Company's Code of Conduct, fraud, bribery, corruption, employee misconduct, illegality, misappropriation of Company's funds / assets etc. A whistle-blowing or reporting mechanism, as set out in the Policy, invites all employees to act responsibly to uphold the reputation of the Company and its subsidiaries. The Policy aims to ensure that serious concerns are properly raised and addressed and are recognized as an enabling factor in administering good governance practices. The details of the Whistle Blower Policy are available on the website of the Company (<http://www.indiabullsvventures.com/>).

Report on Corporate Governance (Contd.)

(vi) **Strictures and Penalties**

The Company has complied with the requirements of regulatory authorities. No penalty was imposed on the Company by Stock Exchanges, SEBI or any other regulatory authority on any matter related to capital market during the last three years. Stock Exchanges, SEBI and other regulatory authority have conducted routine inspections of the books & records of the Company and the Company has made submissions on the observations made, if any and/or complied with the directions.

(vii) **Details of compliance with mandatory requirements and adoption of discretionary requirements pursuant to SEBI (LODR) Regulations, 2015.**

The Company has complied with all the mandatory requirements pursuant to SEBI (LODR) Regulations, 2015 in letter as well as in spirit. The details of these compliances have been given in the relevant sections of this Report. The status on compliance with the discretionary requirements is given at the end of the Report.

9. **DISCRETIONARY REQUIREMENTS**

(A) **Shareholders Rights**

The Company would be getting its quarterly/half yearly and annual financial results published in leading newspapers with wide circulation across the country and regularly update the same on its public domain website. In view of the same individual communication of quarterly / annual financial results to the shareholders will not be made. Further, information pertaining to important developments in the Company shall be brought to the knowledge of the public at large and to the shareholders of the Company in particular, through communications sent to the stock exchanges where the shares of the Company are listed, through press releases in leading newspapers and through regular uploads made on the Company website.

(B) **Unqualified Financial Statements**

The Auditors' Report on the audited annual accounts of the Company does not contain any qualification from the Statutory Auditors and it shall be the endeavor of the Company to continue the trend by building up accounting systems and controls which ensure complete adherence to the applicable accounting standards and practices obviating the possibility of the Auditors qualifying their report as to the audited accounts.

(C) **Separate posts of Chairman and Chief Executive Officer**

The Company has separate Non-Executive-Chairman and CEO.

(D) **Reporting of Internal Auditor**

The Internal Auditor of the Company reports to CFO and has direct access to the Audit Committee.

Except as set out above, the Company has not adopted the discretionary requirements as to any of the other matters recommended under Part E of Schedule II of Regulation 27(1) of SEBI (LODR) Regulations, 2015.

This Corporate Governance Report of the Company for the financial year ended 31st March, 2018 are in compliance with the requirements as prescribed under Regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI LODR Regulations 2015, to the extent applicable to the Company.

Report on Corporate Governance (Contd.)

ANNUAL DECLARATION BY CHIEF EXECUTIVE OFFICER PURSUANT TO REGULATION 34(3) READ WITH SCHEDULE-V OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

I confirm that for the year under review, directors and senior management have affirmed their adherence to the provisions of the Code of Conduct.

Date: April 23, 2018

Place: Mumbai

Divyesh B. Shah
Chief Executive Officer

CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To

The Members of
Indiabulls Ventures Limited

We have examined the compliance of conditions of Corporate Governance by Indiabulls Ventures Limited ("the Company"), for the year ended March 31, 2018, as stipulated in Regulations 17 to 27, 46 (2) (b) to (i) and para C, D and E of Schedule V of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR).

We state that the compliance of conditions of Corporate Governance is the responsibility of the Company's management and our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI LODR.

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

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

For S. Khandelwal & Co.
Company Secretaries

Sanjay Khandelwal
Proprietor
Membership No: FCS-5945
CP No.: 6128

Date: August 14, 2018

Place: New Delhi

Independent Auditor's Report

To the Members of Indiabulls Ventures Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Indiabulls Ventures Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), which comprise the Consolidated Balance Sheet as at 31 March 2018, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The respective Board of Directors/management 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 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
4. While conducting the 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.
5. 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 these consolidated financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
7. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 9 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on these consolidated financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us and

Independent Auditor's Report

for the financial year ended 31 March, 2018 (contd.)

based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated 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 consolidated state of affairs of the Group as at 31 March 2018, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matter

9. We did not audit the financial statements of 18 subsidiaries and, whose financial statements reflect total assets of ₹ 12,618,017,208 and net assets of ₹ 31,638,794 as at 31 March 2018, total revenues of ₹ 2,526,845,400 and net cash inflows amounting to ₹ 221,534,681 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 subsidiaries, is based solely on the reports of the other auditors.
Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the work done by and the reports of the other auditors.
10. The audit of consolidated financial statements for the year ended 31 March 2017 was carried out and reported by Deloitte Haskins & Sells LLP *vide* their unmodified audit report dated 27 April 2017, whose audit report has been furnished to us by the management of the Holding Company. Our opinion is not modified in respect of this matter.
Report on Other Legal and Regulatory Requirements
11. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report(s) of the other auditor(s) on separate financial statements and other financial information of the subsidiaries, we report, to the extent applicable, 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 purpose of our audit of the aforesaid consolidated financial statements;
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
 - c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - d) in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
 - e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies covered under the Act, none of the directors of the Group companies, covered under the Act, are disqualified as on 31 March 2018 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 and its subsidiary companies covered under the Act and the operating effectiveness of such controls, refer to our separate report in 'Annexure I';
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) 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 auditors on separate financial

Independent Auditor's Report

for the financial year ended 31 March, 2018 (contd.)

statements as also the other financial information of the subsidiaries:

- (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as detailed in Note 30 to the consolidated financial statements;
- (ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies covered under the Act; and
- (iv) The disclosure requirements relating to holdings as well as dealings in specified bank notes were

applicable for the period from 8 November 2016 to 30 December 2016 which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

per **Lalit Kumar**

Partner

Membership No.: 095256

Place: Gurugram

Date: 23 April 2018

Annexure “I” to the Independent Auditor’s Report

Annexure I to the Independent Auditor’s Report of even date to the members of Indiabulls Ventures Limited on the consolidated financial statements for the year ended 31 March 2018

Independent Auditor’s Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (‘the Act’)

1. In conjunction with our audit of the consolidated financial statements of Indiabulls Ventures Limited (‘the Holding Company’) and its subsidiaries (the Holding Company and its subsidiaries together referred to as ‘the Group’), as at and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting (‘IFCoFR’) of the Holding Company and its subsidiary companies, which are companies covered under the Act, as at that date.

Management’s Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group 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 (‘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 the Group’s business, including adherence to the Group’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

3. Our responsibility is to express an opinion on the IFCoFR of the Holding Company and its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI and

deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR and the Guidance Note. 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, 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 consolidated financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors, in terms of their reports referred to in the Other Matter(s) paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the IFCoFR of the Holding Company and its subsidiary companies as aforesaid.

Meaning of Internal Financial Controls over Financial Reporting

6. A company’s IFCoFR 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 IFCoFR include 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

Annexure "I" to the Independent Auditor's Report (contd.)

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

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion and based on the consideration of the reports of the other auditors on IFCoFR of the subsidiary companies, the Holding Company and its subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note.

Other Matters

9. We did not audit the IFCoFR in so far as it relates to 18 subsidiary companies, which are companies covered under the Act, whose financial statements reflect total assets of ₹ 12,618,017,208 and net assets of ₹ 31,638,794 as at 31 March 2018, total revenues of ₹ 2,526,845,400 and net cash inflows amounting to ₹ 221,534,681 for the year ended on that date, as considered in the consolidated financial statements. The IFCoFR in so far as it relates to such subsidiary companies have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the IFCoFR for the Holding Company and its subsidiary companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

per **Lalit Kumar**

Partner

Membership No.: 095256

Place: Gurugram

Date: 23 April 2018

Consolidated Balance Sheet

as at March 31, 2018

(All amounts in ₹ unless stated otherwise)

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	3	926,256,161	640,413,840
(b) Reserves and surplus	4	18,095,283,403	3,840,567,630
(c) Money received against share warrants	5	369,687,500	166,146,875
		<u>19,391,227,064</u>	<u>4,647,128,345</u>
(2) Share application money pending allotment	6	-	8,622,240
(3) Non - current liabilities			
(a) Long-term borrowings	7	26,100,075,809	5,715,075
(b) Other long-term liabilities	8	36,025,794	-
(c) Long-term provisions	9	248,000,779	107,839,219
		<u>26,384,102,382</u>	<u>113,554,294</u>
(4) Current liabilities			
(a) Short-term borrowings	10	22,413,240,915	15,183,272,050
(b) Trade payables	11		
(i) Total outstanding due to micro enterprises and small enterprises		1,244,695	-
(ii) Total outstanding due to creditors other than micro enterprises and small enterprises		351,079,721	54,450,498
(c) Other current liabilities	12	9,324,388,494	2,024,644,165
(d) Short-term provisions	13	141,517,379	122,031,421
		<u>32,231,471,204</u>	<u>17,384,398,134</u>
TOTAL		<u>78,006,800,650</u>	<u>22,153,703,013</u>
II. ASSETS			
(1) Non - current assets			
(a) Fixed assets	14		
(i) Property, plant and equipment		280,363,819	768,081,244
(ii) Intangible assets		343,536,053	57,289,498
(iii) Intangible assets under development		54,430,488	371,000
(iv) Capital work in progress		111,103,881	78,747,522
		<u>789,434,241</u>	<u>904,489,264</u>
(b) Goodwill on consolidation	15	31,977,072	31,977,072
(c) Non-current investments	16	1,030,614,694	52,760
(d) Deferred tax assets (net)	17	137,364,313	152,397,624
(e) Long-term loans and advances	18	33,161,129,355	706,874,417
(f) Other non-current assets	19	1,917,131,485	4,563,945
		<u>37,067,651,160</u>	<u>1,800,355,082</u>
(2) Current assets			
(a) Current investments	20	3,861,344,012	1,625,000,000
(b) Trade receivables	21	2,328,979,149	3,369,852,718
(c) Cash and cash equivalents	22	22,437,162,830	9,056,613,024
(d) Short-term loans and advances	23	11,846,820,277	6,178,733,074
(e) Other current assets	24	464,843,222	123,149,115
		<u>40,939,149,490</u>	<u>20,353,347,931</u>
TOTAL		<u>78,006,800,650</u>	<u>22,153,703,013</u>

Notes 1 - 41 form an integral part of these financial statements

This is Consolidated Balance Sheet referred to in our report of even date

In terms of our report attached

For Walker Chandiok & Co LLP
Chartered Accountantsper **Lalit Kumar**
Partner

For and on behalf of the Board of Directors

Divyesh B. Shah
Whole Time Director &
Chief Executive Officer
DIN: 00010933**Pinank Jayant Shah**
Whole Time Director
DIN: 07859798**Rajeev Lochan Agrawal**
Chief Financial Officer**Lalit Sharma**
Company SecretaryPlace: Gurugram
Date: April 23, 2018Place: Mumbai
Date: April 23, 2018

Consolidated Statement of Profit and Loss

for the year ended March 31, 2018
(All amounts in ₹ unless stated otherwise)

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Particulars	Note No.	For the year ended March 31, 2018	For the year ended March 31, 2017
I. Revenue from operations	25	8,326,461,901	4,093,438,139
II. Other income	26	2,210,135,333	997,690,936
III. Total revenue (I+II)		10,536,597,234	5,091,129,075
IV. Expenses :			
Employee benefits expense	27	1,463,797,133	895,252,980
Finance costs	28	2,275,374,603	1,386,194,511
Depreciation and amortisation expense	14	120,466,969	238,313,433
Other expenses	29	3,481,086,797	1,112,104,513
Total expenses		7,340,725,502	3,631,865,437
V. Profit before tax (III-IV)		3,195,871,732	1,459,263,638
VI. Tax expense / (benefit) :			
(1) Current tax		827,334,550	614,520,228
(Less: MAT credit entitlement)		(12,020,600)	(170,594,751)
(2) Current tax - earlier years		(2,010,748)	1,370,955
(3) Deferred tax (net)	17	15,033,311	(8,549,908)
		828,336,513	436,746,524
VII. Profit after tax attributable to shareholders of the Company (V-VI)		2,367,535,219	1,022,517,114
VIII. Earnings per equity share:	36		
(1) Basic		5.51	3.47
(2) Diluted		4.99	3.28
Face value per equity share		2.00	2.00

Notes 1 - 41 form an integral part of these financial statements

This is Consolidated Statement of Profit and Loss referred to in our report of even date

In terms of our report attached

For Walker Chandio & Co LLP
Chartered Accountants

per **Lalit Kumar**
Partner

Place: Gurugram
Date: April 23, 2018

For and on behalf of the Board of Directors

Divyesh B. Shah
Whole Time Director &
Chief Executive Officer
DIN: 00010933

Place: Mumbai
Date: April 23, 2018

Pinank Jayant Shah
Whole Time Director
DIN: 07859798

Rajeev Lochan Agrawal
Chief Financial Officer

Lalit Sharma
Company Secretary

Consolidated Cash Flow Statement

for the year ended March 31, 2018

(All amounts in ₹ unless stated otherwise)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
A Cash flows from operating activities :		
Profit before Tax	3,195,871,732	1,459,263,638
Adjustments for :		
Interest income	(44,514,107)	(22,862,936)
Dividend income on investments	(1,971,064,280)	(1,353,178)
Excess provision for expenses no longer required written back	(19,159,265)	(71,557,737)
Sundry credit balances written back	(111,879,369)	(30,732,589)
Unrealised foreign exchange gain	(3,248,432)	(3,813,806)
Loss/ (profit) on sale of current investments	1,477,975,744	(12,887,441)
Profit on sale of assets	—	(135,000,000)
Profit on sale of long-term investments	(50,465,484)	(622,583,304)
Profit/ Loss/ on sale/ scrapping of fixed assets	(2,707,653)	732,991
Provision for gratuity and compensated absences	30,611,407	12,485,552
Interest expense	2,245,846,155	1,348,795,123
Contingent provisions / loan assets written off	270,049,587	414,431,645
Provision for doubtful debts, advances and security deposits	15,000,000	12,385,000
Bad debts, advances and security deposits written off	267,412,234	18,365,727
Depreciation and amortisation expense	120,466,969	238,313,433
	<u>2,224,323,506</u>	<u>1,144,718,480</u>
Operating profit before working capital changes	5,420,195,238	2,603,982,118
Adjustments for:		
Decrease/ (Increase) in trade receivables	1,025,873,569	(229,747,063)
(Increase)/ Decrease in loans and advances	(38,807,129,969)	583,117,031
Increase in other non-current assets	(1,912,567,540)	(8,578,367)
(Increase)/ Decrease in other current assets	(2,159,741,373)	97,183,667
Increase in trade payables	317,033,183	113,454,442
Increase/ (Decrease) in other liabilities	7,605,509,635	(461,049,371)
	<u>(33,931,022,495)</u>	<u>94,380,339</u>
Cash (used in) /generated operations	<u>(28,510,827,257)</u>	<u>2,698,362,457</u>
Income taxes paid (net)	(841,019,625)	(664,865,911)
	<u>(841,019,625)</u>	<u>(664,865,911)</u>
Net cash (used in) /generated from operating Activities	(29,351,846,882)	2,033,496,546
B Cash flow from investing activities :		
Purchase of fixed assets (including capital advances given (net))	(693,030,314)	(140,812,348)
Proceeds from sale of fixed assets/ rights	11,459,419	145,965,689
Purchase of long-term investments	(1,030,561,934)	(51,000,000)
Proceeds from sale of long-term investments	59,000,000	5,978,100,000
Proceeds from escrow account	8,802,927	—
Purchase of short term investments	(3,714,319,756)	(1,560,112,559)
Inter-corporate deposits given/ received back (net)	204,731,277	120,000,000
Dividend income on investments	1,971,064,280	1,353,178
Interest income from inter-corporate deposits	—	22,862,936
Interest income on bonds/ commercial papers	29,959,805	—
Net cash (used in) /generated from investing activities	(3,152,894,296)	4,516,356,896

Consolidated Cash Flow Statement

for the year ended March 31, 2018 (contd.)

(All amounts in ₹ unless stated otherwise)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
C Cash flows from financing activities		
Finance cost paid	(2,268,491,874)	(1,309,388,989)
Dividend paid	(319,195,788)	(293,847)
Amount transferred to investor education and protection fund	(4,172,466)	(1,960,204)
Corporate dividend tax on interim dividend on equity shares	—	(65,186,594)
Proceeds from long-term borrowings	29,756,632,400	95,165,789
Repayment of long-term borrowings	(2,842,847,151)	—
Money received against share warrants	369,687,500	287,856,250
Proceeds from conversion of share warrants (including securities premium)	498,440,625	365,128,125
Proceeds from share application money	—	8,622,240
Proceeds from issue of fully paid-up equity shares (including securities premium)	6,790,330,309	46,760,377
Proceeds from issue of partly paid-up equity shares (including securities premium), net of share issue expenses of ₹ 112,086,264 (previous year ₹ Nil)	4,864,812,516	—
Proceeds from issue of debentures	1,000,000,000	—
Proceeds from commercial papers (net)	5,000,000,000	—
(Repayment of)/ proceeds from inter-corporate deposits (net)	(2,950,000,000)	950,000,000
Proceeds from/ (repayment of) short term bank borrowings (net)	4,179,968,865	(2,850,497,461)
Net cash generated from / (used in) financing activities	44,075,164,936	(2,473,794,314)
D Net Increase in Cash and Cash equivalents (A+B+C)	11,570,423,758	4,076,059,128
E Cash and Cash equivalents at the beginning of the year	7,660,148,024	6,902,643,314
F Cash and bank balances on (disposal) / acquisition of subsidiaries during the year (net)	(9,568)	(3,318,554,418)
G Cash and Cash equivalents at the end of the year (D+E+F)	19,230,562,214	7,660,148,024

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 on 'Cash Flow Statements'.
- Cash and cash equivalents as at the end of the year include:

	As at March 31, 2018	As at March 31, 2017
Cash and cash equivalents (Refer note - 22)	22,437,162,830	9,056,613,024
Less: in fixed deposit accounts having maturity of more than three months	3,206,600,616	1,396,465,000
Cash and cash equivalents as restated	19,230,562,214	7,660,148,024

- Cash and cash equivalents includes following balances not available for use by the Group:

	As at March 31, 2018	As at March 31, 2017
Unpaid dividend accounts	23,252,643	346,620,897
Deposits pledged with bank for overdraft facilities	12,201,223,032	6,500,000,000

Notes 1 - 41 form an integral part of these financial statements

This is Consolidated Cash Flow Statement referred to in our report of even date

For Walker Chandok & Co LLP
Chartered Accountants

For and on behalf of the Board of Directors

per **Lalit Kumar**
Partner

Divyesh B. Shah
Whole Time Director &
Chief Executive Officer
DIN: 00010933

Pinank Jayant Shah
Whole Time Director
DIN: 07859798

Rajeev Lochan Agrawal
Chief Financial Officer

Lalit Sharma
Company Secretary

Place: Gurugram
Date: April 23, 2018

Place: Mumbai
Date: April 23, 2018

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018

(All amounts in ₹ unless stated otherwise)

Note - 1

Corporate Information:

Indiabulls Ventures Limited (“IBVL” or “the Company”) carries on the business as stock brokers on the National Stock Exchange of India Limited (“NSE”) and the BSE Limited (“BSE”); depository participants and provides other related ancillary services. The Group’s primary businesses are ‘Broking and Related activities’, ‘Financing and Related activities’ and ‘Lease Rental activities’ (lease rental business was carried upto March 16, 2017). Broking and related activities include business as a stock broker on the National Stock Exchange of India Limited and the BSE Limited, business as a commodity broker on the Multi Commodity Exchange of India Limited and the National Commodity and Derivative Exchange Limited, business of cross selling of real estate and providing other ancillary services relating to broking activities. Lease rental and related activities include business of developing, operating and maintaining of industrial parks. On April 2, 2008 the Equity shares of the Company were listed on the NSE and the BSE after the demerger of the Company from Indiabulls Financial Services Limited (erstwhile holding company) vide Scheme of Arrangement.

Note - 2

Significant accounting policies:

a) Basis of preparation of consolidated financial statements:

The consolidated financial statements of the Company and its subsidiaries (together the ‘Group’) have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) to comply with the accounting standards specified under Section 133 of the Companies Act, 2013 (“the Act”), read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

b) Principles of consolidation:

The consolidated financial statements relate to Indiabulls Ventures Limited (the ‘Company’) and its subsidiaries (together the “Group”). The consolidated financial statements have been prepared on the following basis:

- (i) The financial statements of the subsidiaries used in the consolidation are drawn upto the same reporting date as that of the Company, i.e., March 31, 2018 or upto date of disposal of subsidiaries, if any.
- (ii) The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses.

c) Goodwill / capital reserve on consolidation:

Goodwill / capital reserve represents the difference between the Company’s share in the net worth of subsidiaries, and the cost of acquisition at each point of time of making the investment in the subsidiaries. For this purpose, the Company’s share of net worth is determined on the basis of the latest financial statements prior to the acquisition after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition. Capital reserve on consolidation is adjusted against goodwill on consolidation, if any. The goodwill on consolidation is evaluated for impairment whenever events or changes in circumstances indicate that its carrying amount may have been impaired. The goodwill / capital reserve is determined separately for each subsidiary company and such amounts are not set off between different entities.

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amounts in ₹ unless stated otherwise)

d) Companies included in Consolidation:

Name of Subsidiaries (Ownership as on March 31, 2017)	Country of Incorporation	Year/Period ended included in Consolidation	% of Holding and voting power either directly or indirectly through subsidiary	Statutory Auditor
Indiabulls Commodities Limited	India	April 01, 2017 to March 31, 2018	100.00%	A Sardana & Co.
		April 01, 2016 to March 31, 2017	100.00%	A Sardana & Co.
India Ethanol And Sugar Limited (Subsidiary of Indiabulls Commodities Limited)	India	April 01, 2017 to March 31, 2018	100.00%	A Sardana & Co.
		April 01, 2016 to March 31, 2017	100.00%	A Sardana & Co.
Devata Tradelink Limited	India	April 01, 2017 to March 31, 2018	100.00%	Sumit Mohit & Company
		April 01, 2016 to March 31, 2017	100.00%	Sumit Mohit & Company
Indiabulls Investment Advisors Limited (formerly known as Indiabulls Brokerage Limited)	India	April 01, 2017 to March 31, 2018	100.00%	A Sardana & Co.
		April 01, 2016 to March 31, 2017	100.00%	A Sardana & Co.
Indiabulls Distribution Services Limited	India	April 01, 2017 to March 31, 2018	100.00%	A Sardana & Co.
		April 01, 2016 to March 31, 2017	100.00%	A Sardana & Co.
Auxesia Soft Solutions Limited (Subsidiary of Indiabulls Distribution Services Limited)	India	April 01, 2017 to March 31, 2018	100.00%	Sumit Mohit & Company
		April 01, 2016 to March 31, 2017	100.00%	Sumit Mohit & Company
Pushpanjali Finsolutions Limited (Subsidiary of Indiabulls Distribution Services Limited)	India	April 01, 2017 to March 31, 2018	100.00%	S A S & Co.
		April 01, 2016 to March 31, 2017	100.00%	S A S & Co.
Arbutus Constructions Limited (Subsidiary of Devata Tradelink Limited)	India	April 01, 2017 to March 31, 2018	100.00%	S A S & Co.
		April 01, 2016 to March 31, 2017	100.00%	S A S & Co.
Gyansagar Buildtech Limited (Subsidiary of Devata Tradelink Limited)	India	April 01, 2017 to March 31, 2018	100.00%	S A S & Co.
		April 01, 2016 to March 31, 2017	100.00%	S A S & Co.
IVL Finance Limited (formerly known as Shivshakti Financial Services Limited)	India	April 01, 2017 to March 31, 2018	100.00%	Walker Chandiook & Co LLP
		April 01, 2016 to March 31, 2017	100.00%	S A S & Co.
Astraea Constructions Limited (Subsidiary of Indiabulls Distribution Services Limited)	India	April 01, 2017 to March 31, 2018	100.00%	S A S & Co.
		April 01, 2016 to March 31, 2017	100.00%	S A S & Co.

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)

(All amounts in ₹ unless stated otherwise)

Name of Subsidiaries (Ownership as on March 31, 2017)	Country of Incorporation	Year/Period ended included in Consolidation	% of Holding and voting power either directly or indirectly through subsidiary	Statutory Auditor
Silenus Buildtech Limited (Subsidiary of Indiabulls Distribution Services Limited)	India	April 01, 2017 to March 31, 2018	100.00%	S A S & Co.
		<i>April 01, 2016 to March 31, 2017</i>	<i>100.00%</i>	<i>S A S & Co.</i>
Astilbe Builders Limited (Subsidiary of Indiabulls Distribution Services Limited)	India	April 01, 2017 to March 31, 2018	100.00%	S A S & Co.
		<i>April 01, 2016 to March 31, 2017</i>	<i>100.00%</i>	<i>S A S & Co.</i>
Pushpanjali Fincon Limited (50% held by Arbutus Constructions Limited and 50% held by Gyansagar Buildtech Limited)	India	April 01, 2017 to March 31, 2018	100.00%	S A S & Co.
		<i>April 01, 2016 to March 31, 2017</i>	<i>100.00%</i>	<i>S A S & Co.</i>
India Land and Properties Limited (Subsidiary of Indiabulls Distribution Services Limited upto March 16, 2017) (refer note 39)	India	<i>April 01, 2016 to March 16, 2017</i>	<i>100.00%</i>	<i>Harish Mittal & Company</i>
Positive Housings Private Limited (Subsidiary of Indiabulls Commodities Limited upto March 30, 2018) (refer note 39)	India	April 01, 2017 to March 30, 2018	100.00%	Sumit Mohit & Company
		<i>April 01, 2016 to March 31, 2017</i>	<i>100.00%</i>	<i>Sumit Mohit & Company</i>
Indiabulls Alternate Investments Limited (Subsidiary of Indiabulls Distribution Services Limited)	India	April 01, 2017 to March 31, 2018	100.00%	MRKS and Associates
		<i>April 01, 2016 to March 31, 2017</i>	<i>100.00%</i>	<i>Harish Mittal & Company</i>
Indiabulls Consumer Products Limited	India	April 01, 2017 to March 31, 2018	100.00%	A Sardana & Co.
		<i>July 5, 2016 to March 31, 2017</i>	<i>100.00%</i>	<i>A Sardana & Co.</i>
Indiabulls Asset Reconstruction Company Limited	India	April 01, 2017 to March 31, 2018	100.00%	Walker Chandiook & Co LLP
		<i>October 3, 2016 to March 31, 2017</i>	<i>100.00%</i>	<i>A Sardana & Co.</i>
Indiabulls Logistics Limited	India	April 01, 2017 to March 31, 2018	100.00%	MRKS and Associates
		<i>January 19, 2017 to March 31, 2017</i>	<i>100.00%</i>	<i>MRKS and Associates</i>
Indiabulls Infra Resources Limited	India	April 01, 2017 to March 31, 2018	100.00%	MRKS and Associates
		<i>February 1, 2017 to March 31, 2017</i>	<i>100.00%</i>	<i>MRKS and Associates</i>

(Previous year details are given in italics)

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amounts in ₹ unless stated otherwise)

The Consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the Holding Company for its independent financial statements.

- e) Information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013:

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit or (loss)	
	As % of consolidated net assets	Amount (₹)	As % of consolidated profit or loss	Amount (₹)
Parent Company				
Indiabulls Ventures Limited	13.21%	2,562,363,719	(3.02%)	(71,420,888)
Subsidiaries				
Indiabulls Commodities Limited	1.46%	282,470,607	0.73%	17,318,162
India Ethanol and Sugar Limited	0.00%	954,910	(0.01%)	(313,280)
Devata Tradelink Limited	0.01%	2,570,094	0.12%	2,938,829
Indiabulls Investment Advisors Limited	8.72%	1,690,972,179	12.69%	300,516,326
Indiabulls Distribution Services Limited	(16.76%)	(3,250,134,285)	6.01%	142,291,758
Auxesia Soft Solutions Limited	(0.02%)	(3,990,589)	(0.03%)	(668,061)
Pushpanjali Finsolutions Limited	0.32%	62,870,389	(0.07%)	(1,572,712)
Arbutus Constructions Limited	0.05%	10,084,311	(0.00%)	(64,207)
Gyansagar Buildtech Limited	0.18%	34,852,503	(0.60%)	(14,252,082)
IVL Finance Limited	86.39%	16,751,384,360	81.95%	1,940,087,877
Astraea Constructions Limited	0.00%	450,931	(0.00%)	(105,706)
Silenus Buildtech Limited	0.00%	764,862	(0.00%)	(48,209)
Astilbe Builders Limited	0.00%	721,130	(0.00%)	(53,245)
Pushpanjali Fincon Limited	0.48%	92,923,442	(0.08%)	(1,995,606)
Positive Housings Private Limited	0.00%	-	(0.02%)	(358,713)
Indiabulls Alternate Investments Limited	0.37%	72,162,091	0.68%	16,169,491
Indiabulls Consumer Products Limited	0.02%	3,271,653	0.04%	866,002
Indiabulls Asset Reconstruction Company Limited	5.39%	1,045,073,898	1.65%	39,082,003
Indiabulls Logistics Limited	0.00%	135,877	(0.00%)	(117,010)
Indiabulls Infra Resources Limited	0.16%	31,324,982	(0.03%)	(765,510)
Total	100.00%	19,391,227,064	100.00%	2,367,535,219

- f) Use of estimates:

The preparation of the consolidated financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)

(All amounts in ₹ unless stated otherwise)

g) Cash and cash equivalents (for purposes of cash flow statement):

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

h) Revenue recognition:

- Revenue from brokerage activities is accounted for on the trade date of the transaction.
- Income from brokerage from cross-selling of real estate is recognised on an accrual basis when the services are determined to be completed, generally set out under the terms of contract/agreements with respective customers.
- Revenue from interest charged to customers on margin funding is recognised on a daily/ monthly basis up to the last day of accounting period.
- Depository income is accounted on an accrual basis as and when the right to receive the income is established. Annual maintenance charges are recognised pro-rata over the period it is charged.
- Income from fee based advisory services and consultancy is recognised on an accrual basis.
- Interest Income from financing and other related activities is recognised on an accrual basis. In terms of the RBI Directions 2016, interest income on Non-performing assets (“NPAs”) is recognised only when it is actually recognised.
- Management and other related fee:
 - i) Management and other related fee is recognised on accrual basis based on contractual arrangements.
 - ii) Recognition of management fee is discontinued and such unrealised fee is reversed on earlier of the following situations:
 - (a) If the management fee remains unrealised after the expiry of 180 days from the end of planning period, wherever applicable or from the date of recognition, in other cases.
 - (b) If Net Assets Value (NAV) of the Security Receipts falls below 50% of the face value of security receipts.

In respect of such trusts no further management fee is recognised unless it is realised.

- Lease income from operating leases are recognised on a straight line basis over the lease term.
- Maintenance income is accounted on accrual basis upon rendering of services.
- Commission on mutual funds is recognised on an accrual basis.
- Income from trading account maintenance is accounted on an accrual basis and when the right to receive the income is established.
- Interest on fixed deposits is recognised on an accrual basis.

i) Other income:

- Dividend income on equity shares is recognised when the right to receive the dividend is unconditional as at the Balance Sheet date.
- Dividend income on units of mutual funds is recognised when the right to receive the dividend is unconditional as at the Balance Sheet date. Any gains/losses on sale / redemption of units are recognised on the date of sale / redemption.
- Interest income on inter-corporate deposits is recognised on an accrual basis.
- Interest income on other deposits is recognised on an accrual basis.

j) Commercial papers:

The liability is recognised at face value of the commercial paper at the time of issue of the commercial paper. The discount on issue of the commercial paper is amortised over the tenure of the instrument.

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amounts in ₹ unless stated otherwise)

k) Property, plant and equipment:

(i) Recognition and initial measurement:

Property, plant and equipment are stated at their cost of acquisition less accumulated depreciation/impairment losses, if any. Cost comprises purchase price and expense directly attributable to bringing the asset to its working condition and intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group. All other repair and maintenance costs are recognised in the Consolidated Statement Profit and Loss.

(ii) Depreciation and useful lives:

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on property, plant and equipment is provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. Leasehold Improvements are amortised over the duration of the lease. Depreciation on sale/ deduction from fixed assets is provided for up to the date of sale/ scrapping, as the case may be. Assets costing ₹ 5,000 or less per item are fully depreciated in the year of capitalisation.

(iii) De-recognition:

An item of property, plant and equipment initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of an asset (calculated as difference between the net disposal proceeds and carrying amount of an asset) is recognised in the Consolidated Statement Profit and Loss when an asset is derecognised.

(iv) Capital work in progress:

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

l) Intangible assets:

(i) Recognition and initial measurement:

Intangible assets are stated at their cost of acquisition less accumulated amortisation/ impairment losses, if any. Cost comprises purchase price and expense directly attributable to bringing the asset to its working condition and intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

(ii) Amortisation and useful lives

Intangible assets consisting of membership rights of the BSE Limited are amortised on a straight-line method basis over a period of five years from the date when the rights became available for use.

Intangible assets consisting of software are amortised on a straight line basis over a period of four years from the date when the assets are available for use.

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

(iii) Intangible assets under development:

Expenditure on development eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

m) Impairment of assets:

The carrying values of assets/ cash generating units at each Balance Sheet date are reviewed for impairment, if any indication of impairment exists.

If the carrying amount of these assets exceeds their recoverable amount, an impairment is recognised for such excess amount.

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)

(All amounts in ₹ unless stated otherwise)

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Consolidated Statement Profit and Loss, except in case of revalued assets, to the extent the amount was previously charged to the Consolidated Statement Profit and Loss.

n) Investments:

Investments are classified as long-term and current. Long-term investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

o) Foreign currency transactions and translations:

(i) Recognition & translation

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.

Monetary items denominated in foreign currencies at the year end are translated at year end exchange rates.

Non monetary foreign currency items are carried at cost.

Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Consolidated Statement Profit and Loss.

(ii) Exchange differences:

Exchange differences arising on a monetary item that in substance, forms part of the Group's net investment in a non-integral foreign operation is accumulated in the foreign currency translation reserve until the disposal of the net investment. On the disposal of such net investment, the cumulative amount of the exchange differences which have been deferred and which relate to that investment is recognised as income or as expenses in the same period in which the gain or loss on disposal is recognised.

The exchange differences arising on settlement/ restatement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period/ upto the date of settlement of such monetary items, whichever is earlier, and charged to the Consolidated Statement Profit and Loss except in case of exchange differences arising on net investment in non-integral foreign operations, where such amortisation is taken to foreign currency translation reserve until disposal/ recovery of the net investment. The unamortised exchange difference is carried forward as foreign currency monetary item translation difference account net of the tax effect thereon, where applicable.

Exchange differences arising on other long-term foreign currency monetary items are accumulated in the foreign currency monetary item translation difference account and amortised over the remaining life of the concerned monetary item.

All other exchange differences are recognised as income or as expenses in the period in which they arise.

p) Employee benefits:

i. Defined contribution plans:

The Group has a defined contribution plans namely provident fund, employees state insurance, labour welfare fund and employees national pension scheme. The contribution made by the Group in respect of these plans are charged to the Consolidated Statement Profit and Loss. In respect of these contributions, the Group has no further obligations beyond making the contribution, and hence, such employee benefit plans are classified as defined contribution plans.

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amounts in ₹ unless stated otherwise)

ii. Defined benefits plan:

The Group has unfunded gratuity as defined benefit where the amount that employee will receive on retirement is defined by reference to employee's length of service and last drawn salary. The liability recognised in the Consolidated Balance Sheet for defined benefit plan is the present value of defined benefit obligation at the reporting date. The present value of defined benefit obligation is determined on the basis of an actuarial valuation at the end of the year using the projected unit credit method. Actuarial gains/ losses comprise experience adjustments and the effects of change in actuarial assumptions and are recognised in the Consolidated Statement Profit and Loss as income or expenses as applicable.

iii. Other long-term benefit:

The Group also provides the benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to availed after one year from the Balance Sheet date is estimated in the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains/ losses comprise experience adjustments and the effects of change in actuarial assumptions and are recognised in the Consolidated Statement Profit and Loss as income or expenses as applicable.

q) Deferred employee's stock compensation cost:

The Group follows the intrinsic value method as per the Guidance Note on "Accounting for Employee Share-based Payments" issued by The Institute of Chartered Accountants of India for accounting for Employee Stock Options granted. Deferred employee stock compensation cost for stock options are recognised and measured by the difference between the intrinsic value of the Company's shares of the stock options at the grant date and the exercise price to be paid by the option holders. The compensation expense is amortised over the vesting period of the options. The fair value of options for disclosure purposes is measured on the basis of a fair valuation certified by an independent firm of Chartered Accountants in respect of the stock options granted.

r) Taxes on income:

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum alternate tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Consolidated Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Group.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Consolidated Statement Profit and Loss.

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)

(All amounts in ₹ unless stated otherwise)

s) Leases:

Assets leased by the Group in its capacity as a lessee, where substantially all the risks and rewards of ownership vest in the Group are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Consolidated Statement Profit and Loss on a straight-line basis.

t) Share issue expenses:

Share issue expenses are adjusted against the Securities Premium Account as permissible under Section 52 of the Companies Act, 2013, to the extent any balance is available for utilisation in the Securities Premium Account. Share issue expenses in excess of the balance in the Securities Premium Account is expensed in the Consolidated Statement Profit and Loss.

u) Borrowing costs:

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of cost of the asset. All other borrowing costs are charged to the Consolidated Statement Profit and Loss.

v) Segment reporting:

The Group identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Group. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segment on the basis of their relationship to the operating activities of the segments.

Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

w) Provisions and contingencies:

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the consolidated financial statements.

x) Derivative contracts:

Derivative contracts which are closely linked to the existing assets and liabilities are accounted as per the policy stated for Foreign currency transactions and translations.

y) Operating cycle:

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amounts in ₹ unless stated otherwise)

Note - 3 Share Capital	As at March 31, 2018		As at March 31, 2017	
	No. of shares	Amount (₹)	No. of shares	Amount (₹)
i. Authorised				
Equity Shares of face value of ₹ 2 each	1,000,000,000	2,000,000,000	500,000,000	1,000,000,000
Preference Shares of face value of ₹ 4.61 each	—	—	25,000,000	115,250,000
		2,000,000,000		1,115,250,000

During the year, the authorised capital of the Company was reclassified and increased from ₹ 1,115,250,000 divided into 500,000,000 equity shares of ₹ 2 each and 25,000,000 preference shares of ₹ 4.61 each to ₹ 2,000,000,000 divided into 1,000,000,000 equity shares of ₹ 2 each ranking *pari passu* with the existing shares.

	As at March 31, 2018		As at March 31, 2017	
	No. of shares	Amount (₹)	No. of shares	Amount (₹)
ii. Issued and subscribed				
Equity shares of face value of ₹ 2 each fully paid up	442,391,002	884,782,004	320,206,920	640,413,840
Equity shares of face value of ₹ 2 each, called and paid up value of ₹ 0.50	82,948,313	41,474,157	—	—
		926,256,161		640,413,840

iii. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:	As at March 31, 2018		As at March 31, 2017	
	No. of shares	Amount (₹)	No. of shares	Amount (₹)
Equity shares, fully paid-up				
Balance at the beginning of the year	320,206,920	640,413,840	292,869,542	585,739,084
Shares issued by exercise of Employee Stock Option Plan (ESOP)	2,278,500	4,557,000	2,687,378	5,374,756
Shares issued by exercise of warrants	33,650,000	67,300,000	24,650,000	49,300,000
Shares issued through preferential allotment	86,255,582	172,511,164	—	—
Balance at the end of the year	442,391,002	884,782,004	320,206,920	640,413,840
Equity shares, partly paid-up				
Balance at the beginning of the year	—	—	—	—
Shares issued on rights basis at called up and paid up value of ₹ 0.50 per share	82,948,313	41,474,157	—	—
Balance at the end of the year	82,948,313	41,474,157	—	—

- iv. Rights, preferences and restrictions attached to equity shares:**
- The Company has only one class of equity shares having a face value of ₹ 2 per share. Each holder of fully paid up equity share is entitled to one vote per share. Voting rights of each holder of partly paid up equity share is proportionate to the paid up amount of such share. The final dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting.
 - 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.

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)

(All amounts in ₹ unless stated otherwise)

- c. Holders of Global Depository Receipts ('GDRs') will be entitled to receive dividends, subject to the terms of the Deposit Agreement, to the same extent as the holders of equity shares, less the fees and expenses payable under such deposit agreement and any Indian tax applicable to such dividends. Holders of GDRs don't have voting rights with respect to the deposited shares. The GDRs can not be transferred to any person located in India including Indian residents or ineligible investors except as permitted by Indian laws and regulations.

v. **Shares held by shareholders each holding more than 5% shares:**

Name of shareholder	As at March 31, 2018		As at March 31, 2017	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Equity shares of ₹ 2 each fully paid up				
Sameer Gehlaut	40,158,292	9.08%	40,158,292	12.54%
Orthia Properties Private Limited	39,981,305	9.04%	39,981,305	12.49%
Orthia Constructions Private Limited	39,701,671	8.97%	24,401,671	7.62%
Zelkova Builders Private Limited	32,907,534	7.44%	18,557,534	5.80%
Tupelo Consultancy LLP	25,115,371	5.68%	25,115,371	7.84%
Cinnamon Capital Limited	38,865,582	8.79%	—	0.00%
Tamarind Capital Pte Ltd	47,390,000	10.71%	—	0.00%
	<u>264,119,755</u>	<u>59.71%</u>	<u>148,214,173</u>	<u>46.29%</u>
Equity shares of ₹ 2 each, partly paid up				
Sameer Gehlaut	9,408,927	11.34%	—	0.00%
Orthia Properties Private Limited	9,367,460	11.29%	—	0.00%
Orthia Constructions Private Limited	9,301,943	11.21%	—	0.00%
Zelkova Builders Private Limited	7,710,104	9.30%	—	0.00%
Tupelo Consultancy LLP	4,709,132	5.68%	—	0.00%
Cinnamon Capital Limited	7,287,296	8.79%	—	0.00%
Tamarind Capital Pte Ltd	11,103,288	13.39%	—	0.00%
	<u>58,888,150</u>	<u>71.00%</u>	<u>—</u>	<u>0.00%</u>

vi. **Shares reserved for issue under options:**

- a. 30,300,066 equity shares (Previous year 20,829,316 equity shares) of face value of ₹ 2 each are reserved under various option schemes of the Company (refer note - 31).
- b. 33,800,000 equity shares ((Previous year 33,650,000 equity shares) of face value of ₹ 2 each are reserved towards share warrants of the Company (refer note - 5(i)).

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amounts in ₹ unless stated otherwise)

Note - 4	As at	As at
Reserves and surplus	March 31, 2018	March 31, 2017
Capital reserve on consolidation		
Balance at the beginning of the year	228,667,777	228,490,531
(Less)/ add: Effect of changes in Group's interest (refer note 39 (a))	(152,301,923)	177,246
Balance at the end of the year	<u>76,365,854</u>	<u>228,667,777</u>
Capital redemption reserve		
Balance at the beginning and end of the year	370,036,184	370,036,184
Securities premium account		
Balance at the beginning of the year	1,191,904,089	712,980,968
Add: Premium on shares issued during the year	12,154,596,508	478,923,121
Less: Premium utilised for expenses on issue of partly paid up shares on rights basis	(112,086,264)	—
Balance at the end of the year	<u>13,234,414,333</u>	<u>1,191,904,089</u>
Foreign currency monetary item translation difference account ⁽ⁱ⁾		
Balance at the beginning of the year	7,932,645	13,553,894
Add/(less): Effect of foreign exchange rate variation during the year	220,665	(1,807,443)
Less: Amortised during the year	(2,475,304)	(3,813,806)
Less: Utilised during the year	(773,128)	—
Balance at the end of the year	<u>4,904,878</u>	<u>7,932,645</u>
Reserve fund (U/s 45-IC of RBI Act, 1934)		
Balance at the beginning of the year	35,641,366	22,253,297
Add: Additions during the year	383,042,044	13,388,069
Balance at the end of the year	<u>418,683,410</u>	<u>35,641,366</u>
General reserve		
Balance at the beginning and end of the year	419,755,476	419,755,476
Surplus in the Consolidated Statement of Profit and Loss		
Balance at the beginning of the year	1,586,630,093	962,894,562
Add: Profit for the year	2,367,535,219	1,022,517,114
Amount available for appropriation (a)	<u>3,954,165,312</u>	<u>1,985,411,676</u>
Less: Appropriations :		
Interim dividend on equity shares	—	320,206,920
Corporate dividend tax on interim dividend on equity shares	—	65,186,594
Amount transferred to reserve fund (U/s 45-IC of the RBI Act, 1934)	383,042,044	13,388,069
Total appropriations (b)	<u>383,042,044</u>	<u>398,781,583</u>
Balance of profit carried forward (a)-(b)	<u>3,571,123,268</u>	<u>1,586,630,093</u>
	<u>18,095,283,403</u>	<u>3,840,567,630</u>

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)

(All amounts in ₹ unless stated otherwise)

- (i) Pursuant to the notification dated December 29, 2011 issued by the Ministry of Corporate Affairs amending Accounting Standard 11 - 'Accounting for the Effects of Changes in Foreign Exchange Rates' the Company has exercised the option as per Paragraph 46A inserted in the said Accounting Standard for amortisation of foreign exchange gain/loss on long-term monetary items over the remaining life of the concerned monetary items. Consequently, an amount of ₹ 4,904,878 (Previous year ₹ 7,932,645) is carried forward in the foreign exchange monetary item translation difference account as on March 31, 2018, net of forex gain amounting to ₹ 2,475,304 (Previous year ₹ 3,813,806) amortised in the Consolidated Statement of Profit and Loss and ₹ 773,128 (Previous year ₹ Nil) utilised towards the partial amount received from the Escrow Account through Consolidated Statement of Profit and Loss.

Note - 5	As at	As at
Money received against share warrants	March 31, 2018	March 31, 2017
Money received against share warrants	369,687,500	166,146,875
	369,687,500	166,146,875

- (i) During the year ended March 31, 2017, the Board of Directors had resolved to create, offer, issue and allot up to 58,300,000 warrants, convertible into 58,300,000 equity shares of ₹ 2 each on a preferential allotment basis at a conversion price of ₹ 19.75 per equity share to the certain promoter entities and to an executive director ("the warrant holders").

Terms of the Issue:

- 25% application money is payable upfront at the time of allotment.
- warrants were to be converted into equivalent number of equity shares on payment of the balance amount at any time on or before February 9, 2018.
- In the event the warrants are not converted into equity shares within the said period, the Company is eligible to forfeit the amounts received towards the warrants.

During the year ended March 31, 2017, the Company had allotted 24,650,000 equity shares on conversion of equivalent number of warrants in accordance with the terms of the issue. Further, during the year ended March 31, 2018, the Company has allotted 33,650,000 equity shares on conversion of equivalent number of warrants in accordance with the terms of the issue.

- (ii) During the year ended March 31, 2018, the Board of Directors had resolved to create, offer, issue and allot up to 33,800,000 warrants, convertible into 33,800,000 equity shares of ₹ 2 each on a preferential allotment basis at a conversion price of ₹ 43.75 per equity share of the Company to the certain promoter entities ("the warrant holders").

Terms of the Issue:

- 25% application money is payable upfront at the time of allotment.
- warrants were to be converted into equivalent number of equity shares on payment of the balance amount at any time on or before October 28, 2018.
- In the event the warrants are not converted into equity shares within the said period, the Company is eligible to forfeit the amounts received towards the warrants.

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amounts in ₹ unless stated otherwise)

Note - 6 Share application money pending allotment ⁽ⁱ⁾	As at March 31, 2018			As at March 31, 2017	
	Amount per share	Number of shares	Amount	Number of shares	Amount
Indiabulls Ventures Limited Employees Stock Option Scheme - 2009" ("IBVL ESOP - 2009")	31.35	—	—	250,000	7,837,500
"Indiabulls Ventures Limited Employees Stock Option Scheme - 2008" ("IBVL ESOP - 2008")	17.40	—	—	45,100	784,740
					<u>8,622,240</u>

- (i) As at March 31, 2017, the Company had sufficient authorised share capital to cover the allotment of these shares. During the year ended March 31, 2018, the company has issued and allotted equity shares to the concerned employees.

Note - 7 Long-term borrowings	As at March 31, 2018	As at March 31, 2017
Term loans from banks (secured) ⁽ⁱ⁾	26,903,846,154	—
Vehicle loans from banks (secured) ⁽ⁱⁱ⁾	17,440,075	7,500,980
Less: Current maturity of long-term borrowings (refer note - 12)	(821,210,420)	(1,785,905)
	<u>26,100,075,809</u>	<u>5,715,075</u>

- (i) Term loans from banks* as at March 31, 2018 includes:

Terms of repayment	Balance as at March 31, 2018	Nature of security and interest rate applicable
a) Repayable in 2 equal annual installments with moratorium period of 36 months from the date of disbursement. Loan repayment commencing from September 2021 with last installment falling due in year 2022-23.	5,000,000,000	Secured by way of first pari-passu charge over loans and advances, receivables and current assets (including cash & cash equivalents, investments in debt mutual funds and liquid mutual funds) and future book debts of IVL Finance Limited. Interest rate varies from 8.00% to 9.50% per annum.
b) Repayable in 16 quarterly installments with moratorium period of 1 years from the date of disbursement. Loan repayment commencing from December 2018 with last installment falling due in year 2022-23	1,000,000,000	
c) Repayable in 13 quarterly installments commencing from December 2017 with last installment falling due in year 2020-21	1,480,769,230	
d) Repayable in 13 quarterly installments commencing from December 2017 with last installment falling due in year 2020-21	423,076,924	
e) Repayable in 2 equal annual installments with moratorium period of 36 months from the date of disbursement. Loan repayment commencing from September 2021 with last installment falling due in year 2022-23.	3,000,000,000	

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)

(All amounts in ₹ unless stated otherwise)

Terms of repayment	Balance as at March 31, 2018	Nature of security and interest rate applicable
f) Repayable in payable in one installment in April 2019	1,500,000,000	
g) Repayable in 2 equal annual installments with moratorium period of 36 months from the date of disbursement. Loan repayment commencing from September 2021 with last installment falling due in year 2022-23.	3,000,000,000	
h) Repayable in payable in one installment in September 2019	10,000,000,000	
i) Repayable in payable in one installment in April 2019	1,500,000,000	Secured against receivables and current assets (including cash and cash equivalents and investments) of Indiabulls Ventures Limited. The loan carries interest rate of 3 months MIBOR plus spread equivalent to 9.42% p.a. as at March 31, 2018
Total	26,903,846,154	

- (ii) Term loans of ₹ 17,440,075 (previous year ₹ 7,500,980) (including current maturities) are secured against hypothecation of the vehicles purchased. The rate of interest of such term loans ranges between 8.50% p.a. to 9% p.a. The term loans are repayable in equated monthly installments of upto 5 years.
- (iii) There is no continuing default as at March 31, 2018 (Previous year ₹ Nil) in the repayment of the respective loan or interest amounts.

Note - 8 Other long-term liabilities	As at March 31, 2018	As at March 31, 2017
Security deposits	15,000,000	—
Lease equalisation reserve	21,025,794	—
	36,025,794	—

Note - 9 Long-term provisions	As at March 31, 2018	As at March 31, 2017
Provision for employee benefits		
Provision for gratuity (refer note - 32)	94,689,288	72,548,837
Provision for compensated absences (refer note - 32)	26,029,453	18,877,534
Other provisions		
Provision for loan assets	2,373,311	13,785,299
Contingent provisions against standard assets	124,908,727	2,627,549
	248,000,779	107,839,219

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amounts in ₹ unless stated otherwise)

Note - 10	As at	As at
Short-term borrowings	March 31, 2018	March 31, 2017
Secured loans repayable on demand		
From banks:		
Bank overdraft ⁽ⁱ⁾	8,263,240,915	6,583,272,050
Working capital loan ⁽ⁱⁱ⁾	650,000,000	650,000,000
Term loan ⁽ⁱⁱⁱ⁾	2,500,000,000	—
From others:		
8.50% non-convertible debentures ^(iv)	1,000,000,000	—
Unsecured loans		
From others:		
Commercial papers	10,000,000,000	5,000,000,000
Inter corporate deposits	—	2,950,000,000
	22,413,240,915	15,183,272,050

- (i) Bank overdrafts amounting to ₹ 8,263,240,915 (Previous year ₹ 6,583,272,050) are secured against fixed deposits placed with respective banks.
- (ii) Working capital loan amounting to ₹ 650,000,000 (Previous year ₹ 650,000,000) are secured against book debts and loans and advances of Indiabulls Ventures Limited.
- (iii) Term loan is repayable in one installment in September 2018. The term loan is secured by way of first *pari-passu* charge on loan receivables & all current assets (including cash & cash equivalents) of the IVL Finance Limited, both present and future; and on present and future loan assets of IVL Finance Limited. It carries interest rate of 8.35% per annum.
- (iv) Non-convertible debentures are secured by way of first ranking *pari-passu* charge on the current assets (including investments) of the IVL Finance Limited, both present and future; and on present and future loan assets of the IVL Finance Limited, including all monies receivable for the principal amount and interest thereon. These debentures are repayable in one installment in March 2019.

Note - 11	As at	As at
Trade payables	March 31, 2018	March 31, 2017
(a) Dues to micro and small enterprises ⁽ⁱ⁾	1,244,695	—
(b) Dues to others	351,079,721	54,450,498
	352,324,416	54,450,498

- (i) Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006:

	As at	As at
	March 31, 2018	March 31, 2017
Principal amount remaining unpaid	1,244,695	—
Interest due thereon	—	—
Interest paid by the Group in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year	—	—
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	—	—
Interest accrued and remaining unpaid as at end of the period	—	—

The above information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of the information available with the Group. This has been relied upon by the Auditors.

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)

(All amounts in ₹ unless stated otherwise)

Note - 12	As at	As at
Other current liabilities	March 31, 2018	March 31, 2017
Current maturity of term loans (refer note - 7)	821,210,420	1,785,905
Interest accrued but not due on borrowings	6,710,087	996,370
Income received in advance	13,455,732	11,049,903
Unclaimed dividends ⁽ⁱ⁾	23,252,643	346,620,897
Margin from customers	1,126,042,983	1,265,120,861
Temporary overdrawn bank balances as per books	6,819,462,414	11,573,816
Statutory dues payables	323,521,358	157,159,134
Others:		
Payable for capital goods	3,657,745	2,363,186
Other payables	172,634,507	122,113,455
Employee related payables	14,440,605	1,933,466
Lease equalisation reserve	—	4,140,528
Amount received from Depository for GDR	—	99,786,644
	9,324,388,494	2,024,644,165

- (i) In respect of amounts mentioned under Section 124 (5) of the Companies Act, 2013, the Company has credited ₹ 4,172,466 (Previous year ₹ 1,960,204) to the Investor Education and Protection Fund. Further, no dues were required to be credited to the Investor Education and Protection Fund as at March 31, 2018 (previous year ₹ Nil).

Note - 13	As at	As at
Short-term provisions	March 31, 2018	March 31, 2017
Provision for employee benefits		
Provision for gratuity (refer note - 32)	2,870,059	1,906,806
Provision for compensated absences (refer note - 32)	885,535	529,751
Provisions - others		
Provision for taxation (net of advance tax ₹ 1,339,251,850, Previous year ₹ 1,117,015,421)	92,154,710	113,043,279
Provision for loan assets	—	5,502,735
Provision for contingencies	7,500,000	—
Contingent provisions against standard assets	38,107,075	1,048,850
	141,517,379	122,031,421

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amounts in ₹ unless stated otherwise)

Note: 14 Fixed Assets

Particulars	GROSS BLOCK AT COST						DEPRECIATION						NET BLOCK	
	As at April 01, 2017	Additions	Adjustments/ deletions	Adjustment on disposal of subsidiary (refer note 39 (a))	As at March 31, 2018	As at April 01, 2017	For the year	Adjustments/ deletions	Adjustment on disposal of subsidiary	As at March 31, 2018	As at March 31, 2018			
i. Property, plant and equipment														
Free hold land	671,748,376	—	—	671,748,376	—	—	—	—	—	—	—	—	—	—
Furniture and fixtures	36,594,012	28,501,783	778,752	—	64,317,043	20,289,255	3,173,402	773,151	—	22,689,506	41,627,537			
Vehicles*	76,907,491	18,425,193	8,393,184	—	86,939,500	46,212,360	7,485,653	8,082,254	—	45,615,759	41,323,741			
Office equipment	146,246,108	26,355,947	6,332,259	—	166,269,796	138,642,979	4,472,577	6,327,388	—	136,788,168	29,481,628			
Computers	392,133,628	162,264,850	16,960,944	—	537,437,534	371,327,900	30,367,027	16,896,340	—	384,798,587	152,638,947			
Leasehold improvements	85,667,213	—	10,279,644	—	75,387,569	64,743,090	5,178,047	9,825,534	—	60,095,603	15,291,966			
	1,409,296,828	235,547,773	42,744,783	671,748,376	930,351,442	641,215,584	50,676,706	41,904,667	—	649,987,623	280,363,819			
* Includes vehicles having original cost of ₹ 22,851,563 (Previous year ₹ 11,790,189) which are hypothecated to banks against the loans.														
Particulars	GROSS BLOCK AT COST						AMORTISATION						NET BLOCK	
	As at April 01, 2017	Additions	Adjustments/ deletions	Adjustment on disposal of subsidiary (refer note 39 (a))	As at March 31, 2018	As at April 01, 2017	For the year	Adjustments/ deletions	Adjustment on disposal of subsidiary	As at March 31, 2018	As at March 31, 2018			
ii. Intangible Assets														
Membership rights of BSE Limited	7,005,000	—	—	—	7,005,000	7,005,000	—	—	—	7,005,000	—			
Software	707,979,952	356,036,818	—	—	1,064,016,770	650,690,454	69,790,263	—	—	720,480,717	343,536,053			
Indiabulls.com website	5,262,584	—	—	—	5,262,584	5,262,584	—	—	—	5,262,584	—			
	720,247,536	356,036,818	—	—	1,076,284,354	662,958,038	69,790,263	—	—	732,748,301	343,536,053			
iii. Intangible assets under development														
Intangible assets under development														
iv. Capital work in progress														
Capital work in progress (at cost)														

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
 (All amounts in ₹ unless stated otherwise)

Note: 14
Fixed assets (continued):

Particulars	GROSS BLOCK AT COST					DEPRECIATION				NET BLOCK
	As at April 01, 2016	Additions	Adjustments/ deletions	Adjustment on disposal of subsidiary (refer note 39 (b))	As at March 31, 2017	As at April 01, 2016	For the year	Adjustments/ deletions	Adjustment on disposal of subsidiary (refer note 39 (b))	As at March 31, 2017
i. Property, plant and equipment										
Free hold land	1,121,748,376	—	—	450,000,000	671,748,376	—	—	—	—	671,748,376
Furniture and fixtures	30,859,607	6,567,855	833,450	—	36,594,012	18,796,733	2,325,550	833,028	—	20,289,255
Vehicles*	81,661,820	7,440,995	11,946,561	248,763	76,907,491	48,711,298	6,322,757	8,658,310	163,385	46,212,360
Office equipment	164,785,950	4,418,339	6,561,663	16,396,518	146,746,108	157,368,837	4,006,084	6,497,675	16,234,267	138,642,979
Computers	396,785,072	11,113,242	10,729,434	5,015,252	392,133,628	376,702,497	9,915,659	10,729,434	4,560,822	371,327,900
Leasehold improvements	105,215,623	5,000,000	20,048,410	—	85,667,213	75,737,973	9,033,600	20,028,483	—	64,743,090
Temporary erections	595,632	—	—	595,632	—	595,632	—	—	595,632	—
One Indiabulls Park **:										
Building	3,490,698,154	154,480,150	—	3,645,178,304	—	345,011,137	57,568,089	—	402,579,226	—
Furniture	247,299,922	91,899,994	—	339,199,916	—	125,641,113	35,067,071	—	160,708,184	—
Plant and machinery	1,184,633,490	158,718,678	—	1,343,352,168	—	359,720,133	87,808,683	—	447,528,816	—
	6,824,263,646	435,139,253	50,119,518	5,799,986,553	1,409,296,828	1,508,285,353	212,047,493	46,746,930	1,032,370,332	641,215,584

* Includes vehicles having original cost of ₹ 12,039,282, which are hypothecated to banks against the loans.

Particulars	GROSS BLOCK AT COST				AMORTISATION				NET BLOCK	
	As at April 01, 2016	Additions	Adjustments/ deletions	Adjustment on disposal of subsidiary (refer note 39 (b))	As at March 31, 2017	As at April 01, 2016	For the year	Adjustments/ deletions	Adjustment on disposal of subsidiary (refer note 39 (b))	As at March 31, 2017
ii. Intangible Assets										
Membership rights of BSE Limited	7,005,000	—	—	—	7,005,000	7,005,000	—	—	—	7,005,000
Software	697,342,492	13,287,302	—	2,649,842	707,979,932	627,039,256	26,265,940	—	2,614,742	650,690,454
Indiabulls.com website	5,262,584	—	—	—	5,262,584	5,262,584	—	—	—	5,262,584
	709,610,076	13,287,302	—	2,649,842	720,247,536	639,306,840	26,265,940	—	2,614,742	662,958,038
iii. Intangible assets under development										
Intangible assets under development	—	—	—	—	—	371,000	—	—	—	371,000
						371,000				371,000
iv. Capital work in progress										
Capital work in progress (at cost)	—	—	—	—	—	—	—	—	—	—
						78,747,522				363,399,919
						78,747,522				363,399,919

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amounts in ₹ unless stated otherwise)

Note - 15	As at	As at
Goodwill on consolidation	March 31, 2018	March 31, 2017
Balance at the beginning of the year	31,977,072	1,216,719,114
Less: On disposal of subsidiary (refer note 39(b))	—	(1,184,742,042)
Balance at the end of the year	31,977,072	31,977,072
Note - 16	As at	As at
Non-current investments	March 31, 2018	March 31, 2017
Long-term - Trade - Quoted (at cost unless otherwise stated)		
Investments in equity instruments:		
65,000 (Previous year 65,000) fully paid up equity shares of face value of ₹ 2 each in BSE Limited	10,000	10,000
Long-term - Trade - Unquoted (at cost unless otherwise stated)		
Investments in Alternative Investment Fund		
Indiabulls India Opportunities Fund	25,000,000	—
Investments in Government or trust securities :		
Investment in 6 Years National Saving Certificate VIII Issue ⁽ⁱ⁾ (Including interest accrued thereon)	—	42,760
Available for sale - Investment in security receipts (SR) of the trusts:		
229,500 SR of Indiabulls ARC- I Trust of face value of ₹ 422.21 per SR	96,897,195	—
240,000 SR of Indiabulls ARC- II Trust of face value of ₹ 1,000 per SR	240,000,000	—
89,055 SR of Indiabulls ARC- III Trust of face value of ₹ 1,000 per SR	89,055,000	—
	425,952,195	—
Less : Current portion of investments	(96,897,195)	—
	329,055,000	—
Long-term - Non trade - Quoted (at cost unless otherwise stated)		
Investments in equity instruments:		
820,000 (Previous year Nil) fully paid up equity shares of face value of ₹ 10 each in Reliance Industries Limited	676,549,694	—
	1,030,614,694	52,760
(i) Investment in 6 Years National Saving Certificate (VIII Issue) is pledged with sales tax authorities.		
Aggregate market value of quoted investments	772,967,000	63,547,250
Aggregate book value of quoted investments	676,559,694	10,000
Aggregate book value of unquoted investments	354,055,000	42,760
Aggregate provision for diminution in value of investments	—	—

Note - 17

Deferred tax assets (net)

In compliance with Accounting Standard - 22 'Accounting for Taxes on Income', deferred tax (net) of ₹ 15,033,311 has been debited (Previous year credited ₹ 8,549,908) to the Statement of Profit and Loss for the year ended March 31, 2017. The breakup of deferred tax into major components is as under:

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)

(All amounts in ₹ unless stated otherwise)

	As at March 31, 2018	As at March 31, 2017
Deferred tax assets:		
Provision for doubtful debts and advances	7,633,142	21,019,934
Contingent provisions against standard assets	22,747,808	—
Disallowances u/s. 43B of the Income-Tax Act, 1961	8,783,814	6,678,432
Disallowances u/s. 40A(7) of the Income-Tax Act, 1961	31,190,361	25,593,114
Difference between written down value as per Income Tax Act, 1961 and net block of fixed assets as per the Companies Act, 2013	34,321,278	48,408,680
Tax losses carried forward *	57,696,067	57,141,297
Others	6,669,097	7,437,298
(a)	169,041,567	166,278,755
Deferred tax liability:		
Difference between net block of fixed assets as per the Companies Act, 2013 and written down value as per Income Tax Act, 1961	31,677,254	13,881,131
(b)	31,677,254	13,881,131
Deferred tax assets (net)	(a) - (b)	137,364,313
	137,364,313	152,397,624

* During the year ended March 31, 2018, Indiabulls Distribution Services Limited (a wholly owned subsidiary of the Company) has recognized deferred tax assets of ₹ 57,696,067 (Previous year ₹ 57,141,297), due to temporary differences arising on account of tax losses carried forward. Based on projections of future profitability, the Board of Directors of Indiabulls Distribution Services Limited is virtually certain, that sufficient future taxable income will be earned against which such deferred tax assets can be realised; on which assertion the auditors have placed reliance.

Note - 18 Long-term loans and advances (Unsecured and considered good, unless otherwise stated)	As at March 31, 2018	As at March 31, 2017
Capital advances	27,175,186	10,850,751
Security deposits		
(a) Deposits (including margin money) with exchanges	36,543,489	37,743,489
(b) Deposits for underwriting/distribution of real estate projects	1,728,326,541	—
(c) Deposits with others		
Considered good	138,163,134	59,423,280
Considered doubtful	2,225,382	2,225,382
	140,388,516	61,648,662
Less: Provision for doubtful deposits	2,225,382	2,225,382
	138,163,134	59,423,280
Loans and other credit facilities		
Secured loans	15,937,808,212	—
Unsecured loans	14,842,860,126	295,366,414
Loan notes, escrow receivable account and others ⁽ⁱ⁾		
Considered good	69,843,789	72,491,012
Considered doubtful	—	395,976
	69,843,789	72,886,988
Less: Provision for doubtful advances	69,843,789	395,976
	—	72,491,012
Advance income tax/ tax deducted at source (Net of provision for tax ₹ 405,689,262; Previous year ₹ 3,113,130)	214,243,351	89,209,942
Minimum Alternate Tax credit entitlement	130,778,170	122,232,697
Prepaid expenses	35,387,357	19,556,832
	33,161,129,355	706,874,417

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amounts in ₹ unless stated otherwise)

- (i) During the year ended March 31, 2012, the Company had sold 586,193 shares held by it in Copal Partners Limited to Moody's Group UK LTD for the consideration of ₹ 231,992,806 vide the Share Purchase Deed. Out of the total consideration of ₹ 231,992,806 receivable from Moody's Group UK LTD, ₹ 52,705,971 (excluding foreign exchange gain of ₹ 17,137,817) [Previous year ₹ 59,369,946 (excluding foreign exchange gain of ₹ 19,056,102)] is outstanding as at March 31, 2018 in the form of Loan Notes of the Moody's Group UK LTD and Escrow account which will be due in FY 2020-21 and FY 2019-20 respectively. During the year ended March 31, 2018, the Company had received partial amount of ₹ 6,663,975 (excluding foreign exchange gain of ₹ 2,087,549) (Previous year ₹ Nil) towards Escrow Account.

Note - 19	As at	As at
Other non-current assets	March 31, 2018	March 31, 2017
Unsecured, considered good		
Long term trade receivables	1,902,504,281	—
In fixed deposit accounts with banks (refer note - 22(ii))	14,627,204	4,563,945
	1,917,131,485	4,563,945

Note - 20	As at	As at
Current investments	March 31, 2018	March 31, 2017
(At lower of cost and fair value, unless otherwise stated)		
Non Trade - Unquoted (at cost unless otherwise stated)		
Investments in mutual funds - unquoted		
Indiabulls Liquid Fund - Direct Growth (at current NAV) No. of units: 589,508.14 (Previous year : 1,023,113.272) NAV: ₹ 1,698.2479 (Previous year: ₹ 1,588.4988) per unit	1,001,130,970	1,625,000,000
Indiabulls Short Term Fund - Direct Plan - Growth No. of units: 141,599.705 (Previous year : Nil) NAV: ₹ 1,512.3023 (Previous year: NA) per unit	214,141,560	—
Invesco India Liquid Fund - Direct Plan Growth No. of units: 511,333.461 (Previous year : Nil) NAV: ₹ 2,445.9619 (Previous year: NA) per unit	1,250,702,164	—
JM Equity Fund-Monthly Dividend Option No. of units: 35,793,030.381 (Previous year : Nil) NAV: ₹ 11.9538 (Previous year: NA) per unit	428,030,954	—
JM Balance Fund - Direct - Annual Dividend No. of units: 43,853,812.56 (Previous year : Nil) NAV: ₹ 19.8487 (Previous year: NA) per unit	870,441,169	—
Trade investments - Unquoted (at cost)		
Available for sale - Investment in security receipts (SR) of the trusts: 229,500 SR of Indiabulls ARC- I Trust of face value of ₹ 422.21 per SR	96,897,195	—
	3,861,344,012	1,625,000,000
Aggregate book value of unquoted investments	3,861,344,012	1,625,000,000
Aggregate provision for diminution in value of investments	—	—

Consolidated Notes forming part of the Financial Statements

for the year ended March 31, 2018 (contd.)

(All amounts in ₹ unless stated otherwise)

Note - 21	As at	As at
Trade receivables	March 31, 2018	March 31, 2017
Unsecured		
Outstanding for a period exceeding six months		
Considered good	1,674,626,131	1,749,111,342
Considered doubtful	23,375,375	58,461,501
	<u>1,698,001,506</u>	<u>1,807,572,843</u>
Less: Provision for doubtful debts	23,375,375	58,461,501
	<u>1,674,626,131</u>	<u>1,749,111,342</u>
Others		
Considered good	654,353,018	1,620,741,376
	<u>2,328,979,149</u>	<u>3,369,852,718</u>
Note - 22	As at	As at
Cash and cash equivalents	March 31, 2018	March 31, 2017
Cash on hand	157,007	98,515
Balance with banks		
- in current accounts	6,391,929,532	813,428,612
- in fixed deposits with original maturity of less than three months ⁽ⁱ⁾	12,815,223,032	6,500,000,000
	<u>19,207,152,564</u>	<u>7,313,428,612</u>
Other bank balances		
- in fixed deposit having original maturity of more than three months ⁽ⁱ⁾	3,206,600,616	1,396,465,000
- in earmarked accounts		
- in unpaid dividend account	23,252,643	346,620,897
	<u>3,229,853,259</u>	<u>1,743,085,897</u>
	<u>22,437,162,830</u>	<u>9,056,613,024</u>
(i) Fixed deposits includes:		
a. Deposits pledged with the banks against bank guarantees for base capital and additional base capital to the National Stock Exchange of India, BSE Limited, the National Securities Clearing Corporation Limited, Multi Commodity Exchange of India Limited and National Commodity and Derivative Exchange Limited.	1,663,750,000	938,750,000
b. Deposits pledged with the National Stock Exchange of India, BSE Limited and National Securities Clearing Corporation Limited, Multi Commodity Exchange of India Limited and National Commodity and Derivative Exchange Limited for the purpose of base capital and additional base capital.	139,625,000	19,625,000
c. Deposits pledged with banks for overdraft facilities availed by the Group	13,438,008,648	6,936,700,000
d. Deposits pledged with bank against bank guarantees issued in favour of Unique Identification Authority of India.	5,000,000	—
e. Deposits pledged for arbitration matters	4,402,204	4,338,945
f. Deposits pledged with State Commission, New Delhi for appeal filed by the Company in a consumer dispute matter.	25,000	25,000
g. Deposits pledged with VAT / Sales tax authorities	290,000	290,000
h. Deposits pledged with bank against bank guarantee issued in favour of National Stock Exchange of India Limited for the rights issue of the equity shares of the Company.	170,000,000	—
	<u>15,421,100,852</u>	<u>7,899,728,945</u>

Consolidated Notes forming part of the Financial Statements

for the year ended March 31, 2018 (contd.)
(All amounts in ₹ unless stated otherwise)

Note - 23	As at	As at
Short-term loans and advances	March 31, 2018	March 31, 2017
Inter-corporate deposits given (unsecured, considered good)	—	204,731,277
Margin funding loan receivables (secured, considered good)	1,071,729,472	26,643,120
Less: Margin received	191,687,262	4,041,693
	<u>880,042,210</u>	<u>22,601,427</u>
Loans and other credit facilities		
Secured loans (Considered good)	2,868,344,256	—
Unsecured loans (Unsecured, considered good)	6,369,320,293	170,158,343
Security deposits (Unsecured, considered good)	836,834,514	4,784,036,078
Deposits (including margin money) with stock exchanges, (unsecured, considered good)	101,429,489	399,756,506
Goods and service tax credit and cenvat credit receivable	151,506,607	21,804,582
Advance to suppliers	214,108,246	125,396,562
Prepaid expenses	162,315,122	65,729,090
Loans and advances to employees	10,110,316	1,819,200
Others advances	1,095,035	18,710,599
Advance income tax / tax deducted at source (Net of provision for tax ₹ 699,400,833; Previous year ₹ 696,189,655)	251,714,189	363,989,410
	<u>11,846,820,277</u>	<u>6,178,733,074</u>

Note - 24	As at	As at
Other current assets	March 31, 2018	March 31, 2017
Others		
Interest accrued on fixed deposits	70,751,126	10,527,913
Interest accrued on loans	289,104,138	61,453,037
Marked to market margin (futures and options)	15,142,799	—
Hedge adjustment account on investment	46,588,644	—
Other receivable	43,256,515	51,168,165
	<u>464,843,222</u>	<u>123,149,115</u>

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)

(All amounts in ₹ unless stated otherwise)

Note - 25	For the year ended	For the year ended
Revenue from operations	March 31, 2018	March 31, 2017
(a) Sale of services ⁽ⁱ⁾	7,754,121,669	3,621,968,056
(b) Other operating revenues ⁽ⁱⁱ⁾	572,340,232	471,470,083
	8,326,461,901	4,093,438,139
(i) Sale of Services include:		
Brokerage income	2,383,709,657	2,296,351,662
Interest on margin funding / delayed payments	164,619,456	65,228,882
Interest from financing activities	3,360,815,892	60,306,166
Financial services and other service fees	1,573,511,740	400,000,000
Foreclosure fees and other related income	39,220,392	—
Management fee	35,967,837	12,158,618
Recovery incentive	23,465,997	—
Income from depository services	62,569,191	49,408,390
Rental income	—	526,365,975
Maintenance income	—	143,395,717
Other charges including transaction charges	54,580,611	34,156,880
Stamp duty recoveries	55,660,896	34,595,766
	7,754,121,669	3,621,968,056
(ii) Other operating revenues include:		
Interest on deposits	229,582,780	105,895,988
Interest on earnest money deposits	—	67,961,299
Consultancy fees and advisory income	334,048,606	294,601,148
Income from IPO commission, mutual funds commission, account opening and other miscellaneous income	8,708,846	3,011,648
	572,340,232	471,470,083
Note - 26	For the year ended	For the year ended
Other income	March 31, 2018	March 31, 2017
Interest income		
Interest on inter-corporate deposits	—	22,862,936
Interest on income tax refund	14,554,302	3,344,439
Interest on bonds/ commercial papers	29,959,805	—
	44,514,107	26,207,375
Dividend income		
Dividend income on other long-term investments	1,820,000	845,000
Dividend income on current investments	1,969,244,280	508,178
	1,971,064,280	1,353,178

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amounts in ₹ unless stated otherwise)

Note - 26	For the year ended	For the year ended
Other income (Continued)	March 31, 2018	March 31, 2017
Other non-operating income		
Excess provision for expenses no longer required written back	19,159,265	71,557,737
Provision for gratuity and compensated absences written back	1,411,244	—
Sundry credit balances written back	111,879,369	30,732,589
Gain on foreign exchange fluctuations (refer note - 4(i))	3,197,031	3,813,806
Bad debt recovered	1,085,251	89,650,444
Profit on sale of current investments	—	12,887,441
Profit on sale of rights	—	135,000,000
Profit on disposal of subsidiary company	50,465,484	622,583,304
Profit on sale of fixed assets	2,707,653	690,581
Miscellaneous income	4,650,989	3,214,481
	<u>194,556,946</u>	<u>970,130,383</u>
	<u>2,210,135,333</u>	<u>997,690,936</u>
Note - 27	For the year ended	For the year ended
Employee benefits expense	March 31, 2018	March 31, 2017
Salaries	1,391,105,519	845,537,589
Contribution to provident fund and other funds	12,926,002	5,450,384
Staff welfare expenses	25,424,405	17,801,904
Provision for gratuity (refer note - 32)	27,170,727	23,567,467
Provision for compensated absences (refer note - 32)	7,170,480	2,895,636
	<u>1,463,797,133</u>	<u>895,252,980</u>
Note - 28	For the year ended	For the year ended
Finance costs	March 31, 2018	March 31, 2017
Other borrowing costs	77,472,189	29,315,537
Interest on inter-corporate deposits	310,195,281	526,739,997
Interest on bank overdraft	25,107,125	43,141,621
Interest on working capital loans	39,011,507	25,062,466
Interest on term loans ⁽ⁱ⁾	1,328,404,693	371,866,391
Interest on vehicle loans	1,243,481	526,414
Interest on commercial papers	481,355,554	381,458,234
Interest on taxes	11,652,773	8,083,851
Interest on non convertible debentures	932,000	—
	<u>2,275,374,603</u>	<u>1,386,194,511</u>

(i) During the year ended March 31, 2018 borrowing cost of ₹ Nil (Previous year ₹ 6,562,979) has been transferred to capital work in progress.

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)

(All amounts in ₹ unless stated otherwise)

Note - 29 Other expenses	For the year ended March 31, 2018	For the year ended March 31, 2017
Stamp duty / stamp paper charges	90,414,369	36,956,864
SEBI charges	2,878,606	2,303,497
Commission	333,806,542	170,687,988
Depository charges	8,498,064	7,956,380
Transaction charges	51,874,007	32,565,744
Membership fees	4,940,534	3,573,760
Web hosting expenses	8,713,130	8,477,428
Leased line expenses	9,114,928	5,636,745
Content expenses	902,106	953,509
Software expenses	18,479,098	2,904,287
Lease rent (refer note - 35)	172,525,263	77,755,265
Rates and taxes	29,663,852	20,643,767
Electricity	20,090,621	31,293,376
Insurance	1,238,042	3,659,765
Communication	41,771,140	19,762,163
Legal and professional	301,731,198	36,041,470
Director's sitting fee	1,800,000	—
Travelling & conveyance	23,679,477	14,923,436
Recruitment	9,117,080	—
Printing and stationery	13,374,776	10,142,914
Office maintenance	56,427,229	21,075,675
Repairs and maintenance - others	20,706,881	70,458,014
Business promotion	186,702,095	37,814,174
Payment to statutory auditors' (net of goods and service tax)		
- For statutory audit	6,353,526	6,892,562
- For tax audit	15,000	75,000
- For certification	807,600	670,000
- Reimbursement of expenses	—	600,000
Donation (refer note - 37)	9,648,000	39,201,000
Loss on mutual funds	1,477,975,744	—
Loss in Derivatives	23,068,279	—
Loss on sale/ scrapping of fixed assets	—	1,423,572
Provision for contingencies	7,500,000	—
Contingent provisions / loan assets written off	262,549,587	414,431,645
Provision for doubtful debts, advances and security deposits	15,000,000	12,385,000
Bad debts / advances written off	317,498,360	23,466,039
Less : Adjusted against provision of earlier years	50,086,126	5,100,312
	267,412,234	18,365,727
Miscellaneous	2,307,789	2,473,786
	3,481,086,797	1,112,104,513

* Excluding fees of ₹ 3,500,000 (previous year ₹ Nil) paid to statutory auditors for audit of interim financial statements for the six months period ended September 30, 2017 and other certifications related to issue of shares on rights basis which has been adjusted with securities premium account.

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amounts in ₹ unless stated otherwise)

Note - 30

A. Contingent liabilities not provided for in respect of:

Particulars	As at March 31, 2018	As at March 31, 2017
- Claims against the Group not acknowledged as debts in respect of:		
Penalty for synchronised trading under SEBI regulations ⁽ⁱ⁾	—	1,500,000
Cases under Arbitration and Conciliation Act, 1996 (ii)	3,329,885	2,803,646

- (i) During the year ended March 31, 2011, the Securities Appellate Tribunal (“SAT”) had passed an order dated October 26, 2010 in favour of the Company setting aside the penalty imposed by SEBI. However, during the year ended March 31, 2012, SEBI had preferred an appeal against the judgment of the SAT before the Honourable Supreme Court of India. During the year ended March 31, 2018, the Honourable Supreme Court of India has passed order in favor of the Company.
- (ii) The Company is involved in various legal proceedings as respondents/ defendants for various claims including those related to conduct of its business. In respect of these claims, the Company believes, these claims do not constitute material litigation matters and with its meritorious defenses the ultimate disposition of these matters will not have material adverse effect on its financial statements/ position.

B. Commitments :

Particulars	As at March 31, 2018	As at March 31, 2017
Capital commitments for purchase of fixed assets (net of capital advances paid)	2,295,257,307	2,114,131,162

Note - 31

Employee stock option schemes:

a) Employees Stock Option Scheme - 2008

During the financial year ended March 31, 2009, the Company had issued an Employee Stock Option Scheme titled “Employee Stock Option Scheme - 2008” in accordance with the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (“SEBI Guidelines”).

Under the Scheme, the Company was authorised to grant 20,000,000 Equity settled options to eligible employees including its directors (other than promoter directors) and employees of its subsidiary companies including their director. All options under the Scheme are exercisable for Equity Shares of the Company. Employees covered by the plan were granted an option to purchase shares of the Company subject to the requirements of vesting.

A Compensation Committee constituted by the Board of Directors of the Company administered the plan. The Compensation Committee had granted, under the “Indiabulls Ventures Limited Employees Stock Option Scheme - 2008” (“IBVL ESOP - 2008”), 20,000,000 stock options representing an equal number of equity shares of face value ₹ 2 each in the Company, to the eligible employees, at an exercise price of ₹ 17.40, being the latest available closing market price on the National Stock Exchange of India Limited, as on January 23, 2009. As the options have been granted at intrinsic value, there is no employee stock compensation expense on account of the same. The stock options so granted, shall vest in the eligible employees over a period of 10 years beginning from January 25, 2010 being the first vesting date. The options granted under each of the slabs, can be exercised by the grantees within a period of five years from the relevant vesting date.

Further, during the year ended March 31, 2017, the Compensation Committee had regranted 9,700,000 stock options (surrendered and lapsed options eligible for regrant) representing an equal number of equity shares of

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)

(All amounts in ₹ unless stated otherwise)

face value ₹ 2 each in the Company, to the eligible employees, at an exercise price of ₹ 24.15, being the latest available closing market price on the National Stock Exchange of India Limited, as on June 30, 2016. As the options have been granted at intrinsic value, there is no employee stock compensation expense on account of the same. The stock options so granted, shall vest uniformly over a period of 5 years beginning from July 2, 2017, the first vesting date. The options vested under each of the slabs, can be exercised within a period of five years from the relevant vesting date.

Further, during the year ended March 31, 2018, the Compensation Committee has regranted 500,000 and 880,600 stock options (surrendered and lapsed options eligible for regrant) representing an equal number of equity shares of face value ₹ 2 each in the Company, to the eligible employees, at an exercise price of ₹ 219.65 and ₹ 254.85 respectively, being the latest available closing market price on the National Stock Exchange of India Limited, as on August 31, 2017 and March 23, 2018 respectively. As the options have been granted at intrinsic value, there is no employee stock compensation expense on account of the same. The stock options so granted, shall vest uniformly over a period of 5 years beginning from September 2, 2018 and March 25, 2019 respectively, the first vesting date, the options vested under each of the slabs, can be exercised within a period of five years from the relevant vesting date.

	IBVL ESOP - 2008			
	20,000,000 Options	9,700,000 Options Regranted	500,000 Options Regranted	880,600 Options Regranted
1 Exercise price	17.40	24.15	219.65	254.85
2 Expected volatility *	79.00%	42.97%	46.70%	47.15%
3 Expected forfeiture percentage on each vesting date	Nil	Nil	Nil	Nil
4 Option Life (Weighted Average)	11	6	6	6
5 Expected Dividends yield	22.99%	10.82%	1.27%	1.10%
6 Risk Free Interest rate	6.50%	7.45%	6.54%	7.56%
7 Fair value of the options **	0.84	4.31	106.31	130.05

* The expected volatility was determined based on historical volatility data.

** Fair value of the options is computed using the Black Scholes Merton Option Pricing Model and is certified by an independent firm of Chartered Accountants.

b) Employees Stock Option Scheme - 2009

During the financial year ended March 31, 2010, the Company had issued Employee Stock Option Scheme titled as 'Indiabulls Ventures Limited Employees Stock Option Scheme - 2009' ("IBVL ESOP - 2009"). Under the Scheme, the Company was authorised to grant 20,000,000 options, representing equivalent number of equity shares of face value ₹ 2 each in one or more tranches at a price and on such terms and conditions as may be decided by the Compensation Committee, to the eligible employees of the Company and its subsidiaries.

During the year ended March 31, 2010, the Compensation Committee constituted granted 10,000,000 stock options representing an equal number of Equity Shares of face value ₹ 2 each in the Company, at an exercise price of ₹ 35.25, being the latest available closing market price on the National Stock Exchange of India Limited, as on November 30, 2009. The stock options so granted, shall vest uniformly over 10 years beginning from December 2, 2010 being the first vesting date. The option granted under each of the slabs, can be exercised within a period of five years from the relevant vesting date.

During the year ended March 31, 2011, the Compensation Committee had further granted 2,050,000 Stock Options representing an equal number of equity shares of face value ₹ 2 each in the Company, at an exercise price of ₹ 31.35, being the latest available closing market price on the National Stock Exchange of India Limited, as on

Summary of significant accounting policies and other explanatory information

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April 9, 2010. As the options have been granted at intrinsic value, there is no employee stock compensation expense on account of the same. The Stock Options so granted, shall vest uniformly over 10 years beginning from April 13, 2011 being the first vesting date. The options granted under each of the slabs, can be exercised within a period of five years from the relevant vesting date.

During the year ended March 31, 2016, the Compensation Committee had regranted under the IBVL ESOP - 2009 10,000,000 stock options (surrendered and lapsed options eligible for regrant) representing an equal number of equity shares of face value of ₹ 2 each in the Company, at an exercise price of ₹ 27.45, being the latest available closing market price on the National Stock Exchange of India Limited, as on August 24, 2015. As the options have been granted at intrinsic value, there is no employee stock compensation expense on account of the same. The stock options so granted, shall vest uniformly over a period of 5 years beginning from August 26, 2016, the first vesting date. The options vested under each of the slabs, can be exercised within a period of five years from the relevant vesting date. During the year ended March 31, 2017, the Company had received the request from various option holders to surrender 10,000,000 stock options, which has been accepted by the Company.

During the year ended March 31, 2017, the Compensation Committee had further regranted 9,500,000 and 10,000,000 Stock Options (surrendered and lapsed options eligible for regrant) representing an equal number of equity shares of face value ₹ 2 each in the Company, to the Eligible Employees, at an exercise price of ₹ 16.00 and ₹ 24.15 respectively, being the latest available closing market price on the National Stock Exchange of India Limited, as on May 11, 2016 and June 30, 2016. As the options have been granted at intrinsic value, there is no employee stock compensation expense on account of the same. The stock options so granted, shall vest uniformly over a period of 5 years beginning from May 13, 2017 and July 2, 2017 respectively, the first vesting date. The options vested under each of the slabs, can be exercised within a period of five years from the relevant vesting date. During the year ended March 31, 2017, the Company has received the request from various option holders to surrender 10,000,000 stock options, which has been accepted by the Company.

During the year ended March 31, 2018, the Compensation Committee has regranted 10,000,000 and 669,400 Stock Options (surrendered and lapsed options eligible for regrant) representing an equal number of Equity Shares of face value ₹ 2 each in the Company, to the Eligible Employees, at an exercise price of ₹ 219.65 and ₹ 254.85 respectively, being the latest available closing market price on the National Stock Exchange of India Limited, as on August 31, 2017 and March 23, 2018 respectively. As the options have been granted at intrinsic value, there is no employee stock compensation expense on account of the same. The stock options so granted, shall vest uniformly over a period of 5 years beginning from September 2, 2018 and March 25, 2019 respectively, the first vesting date, the options vested under each of the slabs, can be exercised within a period of five years from the relevant vesting date.

S. No.	Particulars	IBVL ESOP – 2009						
		10,000,000 Options	2,050,000 Options	10,000,000 Options Regranted & Surrendered	9,500,000 Options Regranted	10,000,000 Options Regranted & Surrendered	10,000,000 Options Regranted	669,400 Options Regranted
1	Exercise price	₹ 35.25	₹ 31.35	₹ 27.45	₹ 16.00	₹ 24.15	219.65	254.85
2	Expected volatility *	77.00%	48.96%	38.59%	40.74%	42.97%	46.70%	47.15%
3	Expected forfeiture percentage on each vesting date	Nil	Nil	Nil	Nil	Nil	Nil	Nil
4	Option Life (Weighted Average)	10 Years	10 Years	7 Years	6 Years	6 Years	6 Years	6 Years
5	Expected Dividends yield	13.48%	6.86%	9.16%	16.33%	10.82%	1.27%	1.10%
6	Risk Free Interest rate	7.50%	8.05%	6.50%	7.45%	7.45%	6.54%	7.56%
7	Fair value of the options **	₹ 6.48	₹ 9.39	₹ 4.77	₹ 1.38	₹ 4.31	106.31	130.05

* The expected volatility was determined based on historical volatility data.

** Fair value of the options is computed using the Black Scholes Merton Option Pricing Model and is certified by an independent firm of Chartered Accountants.

Summary of significant accounting policies and other explanatory information

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Had the compensation cost for the stock options granted under the IBVL ESOP - 2008 and IBVL ESOP - 2009 been determined based on the fair value approach, the Company's net profit and Basic/Diluted earnings per Equity Share would have been as per the pro forma amounts indicated below:

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit attributable to Equity Shareholders (₹) (refer note - 36)	2,367,535,219	1,022,517,114
Less: Stock based compensation expense (₹) determined under the fair value based method	307,266,659	558,728
[Gross ₹ 1,385,283,607 (Previous Year ₹ 16,022,444)] (pro forma)		
Net profit considered for computing earnings per equity share (pro forma) (₹)	2,060,268,560	1,021,958,386
Basic / Diluted Earnings Per Equity Share:		
Weighted average number of equity shares used for computing basic earnings per equity share (refer note - 36)	429,300,268	295,000,363
Add: Potential number of equity shares that could arise on exercise of employee stock options (refer note - 36)	18,509,284	6,463,014
Add: Potential number of equity shares that could arise on exercise of warrants (refer note - 36)	26,900,554	10,156,973
Weighted average number of equity shares used for computing diluted earnings per equity share	474,710,106	311,620,350
Basic earnings per equity share (as reported) (refer note - 36) (₹)	5.51	3.47
Basic earnings per equity share (pro forma) (₹)	4.80	3.46
Diluted earnings per equity share (as reported) (refer note - 36) (₹)	4.99	3.28
Diluted earnings per equity share (pro forma) (₹)	4.34	3.28

The other disclosures in respect of the above Stock Option Schemes are as under:

Total Options under the Scheme (Nos.)	IBVL ESOP - 2008			
	20,000,000			
Options granted (Nos.)	20,000,000	9,700,000 (Regrant)	500,000 (Regrant)	880,600 (Regrant)
Vesting Period and Percentage	Ten years, 1st Year - 15% 2nd year to 9th year - 10% each year 10th year - 5%	Uniformly over a period of Five years	Uniformly over a period of Five years	Uniformly over a period of Five years
Vesting Date	January 25 th each year, commencing January 25, 2010	July 2 nd each year, commencing July 2, 2017	September 2 nd each year, commencing September 2, 2018	March 25 th each year, commencing March 25, 2019
Exercise price (₹)	17.40	24.15	219.65	254.85
Outstanding at the beginning of the year (Nos.)	1,526,316	9,700,000	—	—
Granted/ regranted during the year (Nos.)	—	—	500,000	880,600

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	IBVL ESOP - 2008						
Total Options under the Scheme (Nos.) (Continued)	20,000,000						
Options granted (Nos.)	20,000,000		9,700,000		500,000		880,600
			(Regrant)		(Regrant)		(Regrant)
Exercised during the year (Nos.)	220,400		—		—		—
Expired during the year (Nos.)	—		—		—		—
Surrendered and eligible for re-grant during the year (Nos.)	28,050		—		—		—
Outstanding at the end of the year (Nos.)	1,277,866		9,700,000		500,000		880,600
Vested and exercisable at the end of the year (Nos.)	922,314		1,940,000		—		—
Remaining contractual life (weighted months)	56		75		89		96
	IBVL ESOP - 2009						
Total options under the scheme (Nos.)	20,000,000						
Options granted (Nos.)	10,000,000	2,050,000	10,000,000	9,500,000	10,000,000	10,000,000	669,400
			(Regrant & Surrendered)	(Regrant)	(Regrant & Surrendered)	(Regrant)	(Regrant)
Vesting Period and Percentage	Uniformly over a period of Ten years	Uniformly over a period of Ten years	Uniformly over a period of Five years	Uniformly over a period of Five years	Uniformly over a period of Five years	Uniformly over a period of Five years	Uniformly over a period of Five years
Vesting Date	December 2 nd each year, commencing December 2, 2010	April 13 th each year, commencing April 13, 2011	August 26 th each year, commencing August 26, 2016	May 13 th each year, commencing May 13, 2017	July 2 nd each year, commencing July 2, 2017	September 2 nd each year, commencing September 2, 2018	March 25 th each year, commencing March 25, 2018
Exercise price (₹)	35.25	31.35	27.45	16.00	24.15	219.65	254.85
Outstanding at the beginning of the year (Nos.)	—	450,000	—	9,153,000	—	—	—
Granted/ regranted during the year (Nos.)	—	—	—	—	—	10,000,000	669,400
Exercised during the year (Nos.)	—	300,000	—	1,758,100	—	—	—
Expired during the year (Nos.)	—	—	—	—	—	—	—
Surrendered and eligible for re-grant during the year (Nos.)	—	—	—	242,400	—	30,000	—
Outstanding at the end of the year (Nos.)	—	150,000	—	7,152,500	—	9,970,000	669,400
Exercisable at the end of the year (Nos.)	—	—	—	72,500	—	—	—
Remaining contractual life (Weighted Months)	—	72	—	79	—	89	96

Note - 32

Employee benefits:

- i. During the year, the Group has recognized the following amounts in the Statement of Profit and Loss in respect of defined contribution plans:

	For the year ended March 31, 2018	For the year ended March 31, 2017
Contribution made to Employees' Provident Fund Organisation	6,036,749	3,772,280
Contribution made to Employees' State Insurance Corporation	3,441,016	1,009,759
Contribution to Labour Welfare Fund	146,968	93,692
Contribution to Employees' National Pension Scheme	3,301,269	574,653
	12,926,002	5,450,384

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)

(All amounts in ₹ unless stated otherwise)

- ii. Disclosures in respect of defined benefit plan i.e. funded and unfunded gratuity and other long term benefits i.e. compensated absences:

a. Reconciliation of liability recognised in the Balance Sheet :

	Gratuity (funded)		Gratuity (unfunded)		Compensated absences	
	For the year ended		For the year ended		For the year ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Present value of commitments (as per actuarial valuation)	—	—	97,559,347	74,455,643	26,914,988	19,407,285
Fair value of plans	—	—	—	—	—	—
Net liability in the Balance Sheet (as per actuarial valuation)	—	—	97,559,347	74,455,643	26,914,988	19,407,285

b. Expense recognised in the Statement of Profit and Loss :

	Gratuity (funded)		Gratuity (unfunded)		Compensated absences	
	For the year ended		For the year ended		For the year ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Current service cost	—	360,107	15,304,748	11,169,180	5,047,584	3,205,030
Past service cost	—	—	8,314,121	35,747	24,654	5,572
Interest cost	—	248,622	5,604,260	5,132,716	1,387,842	1,443,365
Expected return on plan assets	—	(90,627)	—	—	—	—
Actuarial losses / (gains)	—	(332,772)	(2,270,503)	7,153,827	(482,743)	(2,010,152)
Expense charged / (reversal) to the Statement of Profit and Loss	—	185,330	26,952,626	23,491,470	5,977,337	2,643,815

c. Return on plan assets :

	Gratuity (funded)		Gratuity (unfunded)		Compensated absences	
	For the year ended		For the year ended		For the year ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Acquired on consolidation during the year	—	—	—	—	—	—
Expected return on plan assets	—	90,627	—	—	—	—
Actuarial losses / (gains)	—	5,551	—	—	—	—
Actual return on plan assets	—	85,076	—	—	—	—

Summary of significant accounting policies and other explanatory information

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(All amounts in ₹ unless stated otherwise)

d. Reconciliation of present value of defined-benefit obligation:

	Gratuity (funded)		Gratuity (unfunded)		Compensated absences	
	For the year ended		For the year ended		For the year ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Present value of the obligation as at beginning of the year	—	3,107,781	74,455,643	61,138,947	19,407,285	19,494,737
Add: Current service cost	—	360,107	15,304,748	11,169,180	5,047,584	3,205,030
Add: Past service cost	—	—	8,314,121	35,747	24,654	5,572
Add: Interest cost	—	248,622	5,604,260	5,132,716	1,387,842	1,443,365
Add/(less): Adjustment on consolidation / acquisition adjustment on transfer of employees	—	(691,053)	5,676,226	691,053	1,731,561	—
Less: Adjustment on disposal of subsidiary company	—	(2,687,134)	—	—	—	(894,868)
Less: Benefits paid	—	—	(9,525,148)	(10,865,827)	(201,195)	(1,836,399)
Less: Expected return on plan assets	—	(90,627)	—	—	—	—
Add: Actual return on plan assets	—	85,076	—	—	—	—
Add/(less): Actuarial losses / (gains)	—	(332,772)	(2,270,503)	7,153,827	(482,743)	(2,010,152)
Present value of obligations as at end of the year	—	—	97,559,347	74,455,643	26,914,988	19,407,285

e. Reconciliation of plan assets :

	Gratuity (funded)		Gratuity (unfunded)		Compensated absences	
	For the year ended		For the year ended		For the year ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Plan assets as at beginning of the year	—	1,132,837	—	—	—	—
Add: Expected return on plan assets	—	90,627	—	—	—	—
Add: Contributions during the year	—	—	—	—	—	—
Less: Benefits paid	—	—	—	—	—	—
Add: Actuarial losses / (gains)	—	5,551	—	—	—	—
Less: Adjustment on disposal of subsidiary company	—	(1,229,015)	—	—	—	—
Plan assets as at end of the year	—	—	—	—	—	—

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)

(All amounts in ₹ unless stated otherwise)

f. Experience adjustment:

	Gratuity (funded and unfunded)				
	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
On plan liabilities ((losses) /gains))	(4,357,810)	(139,180)	(4,297,270)	(5,939,583)	(9,018,049)
On plan assets (gains/ (losses))	—	—	(6,796)	(3,458)	—
Present value of benefit obligation	97,559,347	74,455,643	64,246,728	53,054,521	40,025,926
Fair value of plan assets	—	—	1,132,837	1,045,535	—
Excess of obligation over plan assets / (plan assets over obligation)	97,559,347	74,455,643	63,113,891	52,008,986	40,025,926
	Compensated Absences				
	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
On plan liabilities (gains / (losses))	1,353,433	2,678,783	(924,277)	80,297	80,297
On plan assets (gains/ (losses))	—	—	—	—	—
Present value of benefit obligation	26,914,988	19,407,285	19,494,737	13,542,521	11,543,325
Fair value of plan assets	—	—	—	—	—
Excess of obligation over plan assets / (plan assets over obligation)	26,914,988	19,407,285	19,494,737	13,542,521	11,543,325

- g. The actuarial calculations used to estimate the present value of obligations and expenses in respect of gratuity and compensated absences are based on the following assumptions:

	For the year ended March 31, 2018	For the year ended March 31, 2017
Discount rate	7.80%	7.35%
Expected return on plan assets	NA	NA
Expected rate of salary increase	5.00%	5.00%
Mortality	IALM (2006 - 08)	IALM (2006 - 08)

- f. The employer's best estimate of contributions expected to be paid during the annual period beginning after the Balance Sheet Date towards:

	As at March 31, 2018	As at March 31, 2017
Gratuity (unfunded)	43,123,168	22,450,624
Compensated absences	12,041,495	6,023,004

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(All amounts in ₹ unless stated otherwise)

Note - 33

Segment reporting:

Segment information for the year ended March 31, 2018 as per Accounting Standard 17 - 'Segment Reporting':

(a) Primary segment information (by Business Segments):

	Broking & related activities	Lease Rentals & related activities	Financing & related activities	Other Operations	Total
(i) Segment revenue	2,945,773,695 2,944,524,671	— 674,014,386	4,999,891,810 460,306,166	380,796,396 14,592,916	8,326,461,901 4,093,438,139
(ii) Segment results	1,489,288,231 1,511,681,329	— 456,538,227	2,524,955,064 124,317,755	— —	4,014,243,295 2,092,537,311
Add: Unallocated income net of other unallocated expenditure					113,109,579 723,605,301
Less: Interest expenditure					931,481,142 1,356,878,974
Less: Income taxes					828,336,513 436,746,524
Less: Minority interest					— —
Total profit after tax					2,367,535,219 1,022,517,114
(iii) Segment assets	20,664,146,387 11,195,694,097	— 672,035,407	55,090,108,225 497,543,273	— —	75,754,254,612 12,365,272,777
Unallocated corporate assets					2,252,546,038 9,788,430,236
Total assets					78,006,800,650 22,153,703,013
(iv) Segment liabilities	20,118,198,123 9,666,380,631	— 500,000,000	38,356,748,437 23,939,056	— —	58,474,946,560 10,190,319,687
Unallocated corporate liabilities					140,627,026 7,307,632,741
Total liabilities					58,615,573,586 17,497,952,428
(v) Capital expenditure including capital advances given (net)	114,012,696 42,314,240	— 76,973,581	545,895,122 —	— —	659,907,818 119,287,821
Unallocated capital expenditure including capital advances					33,122,496 21,524,527
Total capital expenditure including capital advances					693,030,314 140,812,348

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)

(All amounts in ₹ unless stated otherwise)

	Broking & related activities	Lease Rentals & related activities	Financing & related activities	Other Operations	Total
(vi) Depreciation and amortisation	64,007,594	—	56,082,267	—	120,089,861
	<i>55,842,139</i>	<i>180,921,356</i>	<i>94,772</i>	—	<i>236,858,267</i>
Unallocated depreciation and amortisation					377,108
					<i>1,455,166</i>
Total depreciation and amortisation					120,466,969
					<i>238,313,433</i>
(vii) Non cash expenditure other than depreciation	31,724,086	—	283,716,711	—	315,440,797
	<i>25,929,031</i>	<i>1,901,402</i>	<i>414,714,190</i>	—	<i>442,544,623</i>
Unallocated non cash expenditure other than depreciation					220,197
					<i>(3,242,426)</i>
Non cash expenditure other than depreciation					315,660,994
					<i>439,302,197</i>

(Previous year's figures are stated in Italics)

- (b) The Group operates solely in one Geographic segment namely "Within India" and hence no separate information for Geographic segment wise disclosure is required.
- (c) The Group's primary business segments are reflected based on principal business activities carried on by the Company. The Group's primary businesses are 'Broking and Related activities', 'Financing and Related activities' and 'Lease Rentals & Related activities'. Broking and related activities include business as a stock broker on the National Stock Exchange of India Limited and the BSE Limited, business as a commodity broker on the Multi Commodity Exchange of India Limited and the National Commodity and Derivative Exchange Limited, brokerage on cross-selling of real estate, and other ancillary services relating to broking activities. Lease rental and related activities include business of developing, operating and maintaining of industrial parks. Lease rental and related activities were carried upto March 16, 2017. Financing and related activities include business financing loans and other ancillary services.
- (d) Segment revenue, results, assets and liabilities include amounts identifiable to each segment and amounts allocated on a reasonable basis.
- (e) The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparation of financial information as disclosed in Note - 2.

Note - 34

Related party disclosures :

(a) Detail of related parties :

Nature of relationship

Key Management Personnel

Name of the related party

Mr. Divyesh B. Shah, Whole Time Director & Chief Executive Officer
 Mr. Pinank Jayant Shah, Whole Time Director (w.e.f. August 28, 2017)
 Mr. Amiteshwar Choudhary, Whole Time Director (w.e.f. September 28, 2016 and upto August 28, 2017)
 Mr. Ashok Sharma, Whole Time Director (upto August 26, 2016)

Person exercising significant influence

Mr. Sameer Gehlaut

Summary of significant accounting policies and other explanatory information

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(All amounts in ₹ unless stated otherwise)

(b) Transactions with related parties:

Nature of transaction	Key management personnel		Person exercising significant influence		Total	
	For the year ended		For the year ended		For the year ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Income						
i. Brokerage income						
- Mr. Divyesh B. Shah	172	2,443	—	—	172	2,443
- Mr. Sameer Gehlaut	—	—	—	313,268	—	313,268
- Mr. Amiteshwar Choudhary	3,000	—	—	—	3,000	—
ii. Interest on margin funding / delayed payments						
- Mr. Amiteshwar Choudhary	167,783	—	—	—	167,783	—
Expenses						
i. Remuneration *						
- Mr. Divyesh B. Shah	41,247,295	39,810,552	—	—	41,247,295	39,810,552
- Mr. Amiteshwar Choudhary	4,820,524	5,937,864	—	—	4,820,524	5,937,864
- Mr. Pinank Jayant Shah	17,454,581	—	—	—	17,454,581	—
Finance						
i. Money received against ESOP						
- Mr. Divyesh B. Shah	1,567,500	33,937,500	—	—	1,567,500	33,937,500
- Mr. Amiteshwar Choudhary	2,560,000	2,436,000	—	—	2,560,000	2,436,000
ii. Money received against share warrants						
- Mr. Divyesh B. Shah	—	19,750,000	—	—	—	19,750,000
iii. Money received against conversion of share warrants						
- Mr. Divyesh B. Shah	59,250,000	—	—	—	59,250,000	—
iv. Equity shares issued						
- Mr. Divyesh B. Shah	118,901,220	—	—	—	118,901,220	—
- Mr. Sameer Gehlaut	—	—	564,535,620	—	564,535,620	—

* including remuneration paid by subsidiary companies from the date of appointment of director and upto the period of resignation of directorship.

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)

(All amounts in ₹ unless stated otherwise)

(c) Balance outstanding as at March 31, 2018:

Nature of transaction	Key management personnel		Person exercising significant influence		Total	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
i. Money received against share warrants						
- Mr. Divyesh B. Shah	—	19,750,000	—	—	—	19,750,000
ii. Money received against ESOP						
- Mr. Divyesh B. Shah	—	7,837,500	—	—	—	7,837,500

Related party relationships as given above are as identified by the Group.

Note - 35

Leases

The Group has taken office premises on operating lease at various locations in India and lease rent in respect of the same amounting to ₹ 172,525,263 (Previous year ₹ 77,755,265) has been charged to the Statement of Profit and Loss. The agreements are executed for a period ranging from 11 months to 10 years (including lock in period in certain cases) with a renewable clause and in many cases, it also provides for termination at will by either party giving a prior notice period between 30 to 90 days. The minimum lease rental outstanding are as under:

	As at March 31, 2018	As at March 31, 2017
Future minimum lease payments		
Not later than one year	223,992,595	69,676,746
Later than one year and not later than five years	808,827,568	175,070,514
Later than five years	316,385,981	14,667,250

Note - 36

Earnings per equity share (EPS)

The basic earnings per equity share is computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting year. Partly paid-up equity shares are treated as a fraction of an equity share to the extent they are entitled to participate in dividend relative to a fully paid-up equity share during the reporting period. Diluted earnings per equity share is computed by considering the weighted average number of equity shares and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value.

Dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. The number of equity shares and potential dilutive equity shares are adjusted for the potential dilutive effect of employee stock option plan and warrants as appropriate.

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amounts in ₹ unless stated otherwise)

	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit available for equity shareholders (₹)	2,367,535,219	1,022,517,114
Weighted average number of equity shares used for computing basic earnings per equity share	429,300,268	295,000,363
Add: Potential number of equity shares that could arise on exercise of employee stock options	18,509,284	6,463,014
Add: Potential number of equity shares that could arise on exercise of warrants	26,900,554	10,156,973
Weighted average number of equity shares used in computing diluted earnings per equity share	474,710,106	311,620,350
Face value of equity share (₹)	2.00	2.00
Earnings per equity share - basic (₹)	5.51	3.47
Earnings per equity share - diluted (₹)	4.99	3.28

Note - 37

Donation includes:

i. Corporate social responsibility expenses

In accordance with the provisions of section 135 of the Companies Act 2013, the Board of Directors of the Company (where CSR provisions are applicable) had constituted a Corporate Social Responsibility (CSR) Committee. In terms with the provisions of the said Act, the Group was to spend a sum of ₹ 9,498,000 (previous year ₹ 21,301,000) towards CSR activities during the year ended March 31, 2018. The details of amount actually spent by the Group are:

	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Gross amount required to be spent by the Group	9,498,000	21,301,000
(b) Amount spent on		
- Construction/acquisition of any asset	—	—
- Any other purpose other than above	9,498,000	21,301,000
- Yet to be paid	—	—
	9,498,000	21,301,000

ii. ₹ Nil (previous year ₹ 10,000,000) towards amount paid to Satya Electoral Trust.

Note - 38

Derivative instruments:

Market risk- price risk

a) Exposure

The Group's exposure to equity securities risk arises from investments held by the Company and classified in the balance sheet.

The Group's risk management policy is to hedge 100% of its market price fluctuation in respect of equity securities. The Group hedges its exposure to variability of expected fair value of the investments by entering into equity futures contract on a recognised stock exchange as part of its risk management policies with a maturity of less than one year from the reporting date. Such contracts are generally designated as fair value hedges.

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)

(All amounts in ₹ unless stated otherwise)

The Group's equity investment are publicly traded and are included in the NSE Nifty 50 index.

Valuation techniques used to measure fair values

Specific valuation technique used to arrive at fair value of derivative contracts include the use of quoted market prices or dealer quotes or similar instruments.

Impact of hedging activities

a) Disclosure of effects of hedge accounting on financial position:

Type of hedge and risk	Changes in fair value of hedging instrument	Maturity date	Hedge ratio	Change in the value of hedged item used as the basis for recognising hedge effectiveness
Fair value hedge				
Market price risk				
Equity futures (loss)/gain	(44,029,709)	26-Apr-18	1:1	46,588,644

b) Disclosure of effects of hedge accounting on financial performance

Type of hedge	Changes in fair value of hedging instrument	Change in fair value of hedged item	Hedge ineffectiveness recognised in statement of profit and loss
Fair value hedge			
Equity futures (loss)/gain	(44,029,709)	46,588,644	2,558,935

The Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, and so a qualitative assessment of effectiveness is performed.

The Group has not entered into any derivative contract for hedging any foreign currency exposure. The year end foreign currency exposures that have not been hedged by derivative instruments or otherwise are given below :

	For the year ended March 31, 2018	For the year ended March 31, 2017
Amount receivable on loan notes and escrow receivable account (in USD)	1,073,792	1,209,558
Amount receivable on loan notes and escrow receivable account (in INR)	69,843,789	78,426,049

Note - 39

- During the year ended March 31, 2018, Indiabulls Commodities Limited (a wholly owned subsidiary of IBVL) had sold its 100% stake in equity shares in Positive Housings Private Limited for a total sale consideration of ₹ 59,000,000 and profit of ₹ 50,465,484 was recognised in the consolidated statement of profit and loss.
- During the previous year ended March 31, 2017, Indiabulls Distribution Services Limited (a wholly owned subsidiary of IBVL) had sold its 100% stake in equity shares and preference share in India Land and Properties Limited to Indiabulls Infrastructure Limited for a total sale consideration of ₹ 5,978,100,000 and profit of ₹ 622,583,304 was recognised in the consolidated statement of profit and loss.

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amounts in ₹ unless stated otherwise)

Note - 40

As per the best estimate of the Management, no provision is required to be made as per Accounting Standard 29 - 'Provisions, Contingent Liabilities and Contingent Assets', in respect of any present obligation as a result of a past event that could lead to a probable outflow of resources which would be required to settle the obligation.

Note - 41

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosures.

In terms of our report attached

For Walker Chandiok & Co LLP
Chartered Accountants

per **Lalit Kumar**
Partner

Place: Gurugram
Date: April 23, 2018

For and on behalf of the Board of Directors

Divyesh B. Shah
Whole Time Director &
Chief Executive Officer
DIN: 00010933

Place: Mumbai
Date: April 23, 2018

Pinank Jayant Shah
Whole Time Director
DIN: 07859798

Rajeev Lochan Agrawal
Chief Financial Officer

Lalit Sharma
Company Secretary

Independent Auditor's Report

To the Members of Indiabulls Ventures Limited Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of Indiabulls Ventures Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

2. 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 prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. 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.
5. 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

these standalone financial statements are free from material misstatement.

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

Opinion

8. 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 31 March 2018 and its profit and its cash flows for the year ended on that date.

Other Matter

9. The audit of standalone financial statements for the year ended 31 March 2017 was carried out and reported by Deloitte Haskins & Sells LLP vide their unmodified audit report dated 27 April 2017, whose audit report has been furnished to us by the management of the Company. Our opinion is not modified in respect of this matter

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. Further to our comments in Annexure I, as required by Section 143(3) of the Act, we report that:

Independent Auditor's Report

for the financial year ended 31 March, 2018 (contd.)

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 standalone financial statements 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 prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
- e. on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act;
- f. we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 23 April 2018 as per Annexure II expresses an unmodified opinion;
- g. 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, as detailed in Note 30 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and
 - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016 which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

per **Lalit Kumar**
Partner
Membership No.:095256

Place: Gurugram
Date: 23 April 2018

Annexure “I” to the Independent Auditor’s Report

Annexure I to the Independent Auditor’s Report of even date to the members of Indiabulls Ventures Limited, on the standalone financial statements for the year ended 31 March 2018

Annexure I

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) The Company does not hold any immovable property (in the nature of ‘fixed assets’). Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company’s services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees’ state insurance, income-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.
- (b) The dues outstanding in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Statement of Disputed Dues

Name of the statute	Nature of dues	Amount (₹)	Amount paid under Protest (₹)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Disallowance u/s 32	1,736,810	Nil	2012-13	Commissioner of Income Tax (Appeals)

- (viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institutions or government during the year. The Company did not have any outstanding debentures during the year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has applied moneys raised by way of rights issue and term loan for the purposes for which these were raised other than temporary deployment pending application of proceeds.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) Managerial remuneration has been paid/ provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a *Nidhi* Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

Annexure “I” to the Independent Auditor’s Report

for the financial year ended 31 March, 2018 (contd.)

- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) During the year, the company has made preferential allotment of equity shares. In respect of the same, in our opinion, the company has complied with the requirement of Section 42 of the Act and the Rules framed thereunder. Further, in our opinion, the amounts so raised have been used for the purposes for which the funds were raised. During the year, the company did not make preferential allotment/private placement of fully/partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm’s Registration No.: 001076N/N500013

per **Lalit Kumar**
Partner
Membership No.:095256

Place: Gurugram
Date: 23 April 2018

Annexure “II” to the Independent Auditor’s Report

Annexure II to the Independent Auditor’s Report of even date to the members of Indiabulls Ventures Limited on the standalone financial statements for the year ended 31 March 2018

Independent Auditor’s Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (‘the Act’)

1. In conjunction with our audit of the standalone financial statements of Indiabulls Ventures Limited (‘the Company’) as at and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting (‘IFCoFR’) of the Company as at that date.

Management’s Responsibility for Internal Financial Controls

2. The Company’s Board of Directors is responsible for establishing and maintaining internal financial controls based on IFCoFR criteria established by the Company considering the essential components of internal financial controls 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 (‘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 the Company’s business, including adherence to the 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

3. Our responsibility is to express an opinion on the Company’s IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India (‘ICAI’) and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (‘the Guidance Note’) 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, 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.

5. 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 IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

6. A Company’s IFCoFR 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 IFCoFR include 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

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2018, based on IFCoFR criteria established by the Company considering the essential components of internal financial controls 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 (‘ICAI’).

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm’s Registration No.: 001076N/N500013

per **Lalit Kumar**
Partner
Membership No.: 095256

Place: Gurugram
Date: 23 April 2018

Balance Sheet

as at March 31, 2018
(All amount in ₹ unless stated otherwise)

	Note No.	As at March 31, 2018	As at March 31, 2017
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	3	926,256,161	640,413,840
(b) Reserves and surplus	4	14,602,346,802	2,041,667,622
(c) Money received against share warrants	5	369,687,500	166,146,875
		15,898,290,463	2,848,228,337
(2) Share application money pending allotment			
	6	—	8,622,240
(3) Non - current liabilities			
(a) Long-term borrowings	7	1,503,360,384	—
(b) Other long-term liabilities	8	2,721,555	—
(c) Long-term provisions	9	48,924,273	37,306,014
		1,555,006,212	37,306,014
(4) Current liabilities			
(a) Short-term borrowings	10	8,314,350,505	6,058,272,210
(b) Trade payables	11		
(i) Total outstanding due to micro enterprises and small enterprises		525,000	—
(ii) Total outstanding due to creditors other than micro enterprises and small enterprises		70,183,796	27,688,525
(c) Other current liabilities	12	1,231,338,616	1,756,027,538
(d) Short-term provisions	13	10,974,336	68,756,488
		9,627,372,253	7,910,744,761
TOTAL		27,080,668,928	10,804,901,352
II. ASSETS			
(1) Non - current assets			
(a) Fixed assets	14		
(i) Property, plant and equipment		54,817,497	27,092,014
(ii) Intangible assets		10,081,693	7,341,633
(iii) Intangible assets under development		48,626,238	371,000
		113,525,428	34,804,647
(b) Non-current investments	15	13,296,492,115	592,510,000
(c) Deferred tax assets	16	55,139,954	81,395,710
(d) Long-term loans and advances	17	162,201,254	172,807,134
(e) Other non-current assets	18	14,427,204	4,363,945
		13,641,785,955	885,881,436
(2) Current assets			
(a) Trade receivables	19	610,590,762	418,994,416
(b) Cash and cash equivalents	20	11,623,209,091	85,49,507,159
(c) Short-term loans and advances	21	1,155,552,529	940,789,718
(d) Other current assets	22	49,530,591	9,728,623
		13,438,882,973	9,919,019,916
TOTAL		27,080,668,928	10,804,901,352

Notes 1 - 39 form an integral part of these financial statements

This is Balance Sheet referred to in our report of even date
For **Walker Chandio & Co LLP** For and on behalf of the Board of Directors
Chartered Accountants

per **Lalit Kumar**
Partner
Place: Gurugram
Date: April 23, 2018

Divyesh B. Shah
Whole Time Director &
Chief Executive Officer
DIN: 00010933
Place: Mumbai
Date: April 23, 2018

Pinank Jayant Shah
Whole Time Director
DIN: 07859798

Rajeev Lochan Agrawal
Chief Financial Officer

Lalit Sharma
Company Secretary

Statement of Profit and Loss

for the year ended March 31, 2018
(All amount in ₹ unless stated otherwise)

	Note No.	For the year ended March 31, 2018	For the year ended March 31, 2017
I. Revenue from operations	23	1,286,336,190	835,989,001
II. Other income	24	736,988,772	678,191,714
III. Total revenue (I + II)		2,023,324,962	1,514,180,715
IV. Expenses:			
Employee benefits expense	25	437,226,184	267,713,324
Finance costs	26	597,663,904	434,146,193
Depreciation and amortisation expense	14	16,502,768	16,226,995
Other expenses	27	268,869,999	203,317,083
Total expenses		1,320,262,855	921,403,595
V. Profit before tax (III - IV)		703,062,107	592,777,120
VI. Tax expense/ (benefit):			
(1) Current tax		153,500,000	122,400,000
(2) Current tax - earlier years		2,109,648	724,028
(3) Deferred tax	16	26,255,756	(1,276,437)
		181,865,404	121,847,591
VII. Profit for the year (V - VI)		521,196,703	470,929,529
VIII. Earnings per equity share:	28		
(1) Basic		1.21	1.60
(2) Diluted		1.10	1.51
Face value per equity share		2.00	2.00

Notes 1 - 39 form an integral part of these financial statements

This is Statement of Profit and Loss referred to in our report of even date

For **Walker Chandiook & Co LLP**
Chartered Accountants

For and on behalf of the Board of Directors

per **Lalit Kumar**
Partner
Place: Gurugram
Date: April 23, 2018

Divyesh B. Shah
Whole Time Director &
Chief Executive Officer
DIN: 00010933
Place: Mumbai
Date: April 23, 2018

Pinank Jayant Shah
Whole Time Director
DIN: 07859798

Rajeev Lochan Agrawal
Chief Financial Officer

Lalit Sharma
Company Secretary

Cash Flow Statement

for the year ended March 31, 2018
(All amount in ₹ unless stated otherwise)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
A Cash flows from operating activities:		
Profit before tax	703,062,107	592,777,120
Adjustments for:		
Depreciation and amortisation expense	16,502,768	16,226,995
Provision for gratuity and compensated absences	11,927,773	8,165,064
Provision for doubtful debts	15,000,000	12,000,000
Bad debts, advances and security deposits written off	8,625	10,938,303
Profit on sale/ scrapping of fixed assets	(2,707,653)	(690,581)
Sundry credit balances written back	(111,817,520)	(19,513,331)
Excess provision for expenses no longer required written back	(9,104,406)	(7,765,956)
Unrealised gain on foreign exchange fluctuations	(3,248,432)	(3,813,806)
Lease equalisation reserve	(1,418,973)	2,983,883
Dividend income on investments	(1,820,000)	(246,045,000)
Interest income from inter corporate deposits	(603,537,339)	(399,862,749)
Interest income from non-convertible debentures	—	(8,709)
Finance cost	573,606,654	421,077,862
	(116,608,503)	(206,308,025)
Operating Profit before working capital changes	586,453,604	386,469,095
Adjustments for:		
Increase in trade receivables	(206,596,346)	(106,945,624)
Increase in loans and advances	(579,350,674)	(429,942,974)
Increase/ decrease in other non-current assets	(10,063,259)	9,714,744
Increase in other current assets	(1,177,301,968)	(320,210,640)
Increase in trade payables	52,124,677	9,229,269
(Decrease)/ increase in other liabilities	(90,663,070)	634,756,474
	(2,011,850,640)	(203,398,751)
Cash (utilised in)/ generated from operations	(1,425,397,036)	183,070,344
Income tax paid (including tax deducted at sources)	(213,701,314)	(84,089,174)
	(213,701,314)	(84,089,174)
Net cash (utilised in)/ generated from operating activities	(1,639,098,350)	98,981,170
B Cash flows from investing activities:		
Purchase of fixed assets (including capital advances given)	(89,306,814)	(13,834,154)
Proceeds from sale of fixed assets	3,547,769	966,848
Proceeds from escrow account	8,802,927	—
Dividend income on investments	1,820,000	845,000
Dividend income from subsidiary companies	—	245,200,000
Investment in subsidiary companies	(12,703,982,115)	(531,000,000)
Inter-corporate deposits (given) / received back from subsidiary (net)	389,500,000	(209,400,000)
Interest income from inter-corporate deposits	603,537,339	399,862,749
Interest income from non-convertible debentures	—	8,709
Net cash utilised in investing activities	(11,786,080,894)	(107,350,848)

Cash Flow Statement

for the year ended March 31, 2018 (contd.)
(All amount in ₹ unless stated otherwise)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
C Cash flows from financing activities:		
Finance cost paid	(598,771,940)	(414,537,787)
Dividend paid	(319,195,788)	(293,847)
Amount transferred to investor education and protection fund	(4,172,466)	(1,960,204)
Corporate dividend tax on interim dividend on equity shares	—	(15,269,644)
Proceeds from long term bank borrowings	1,504,695,400	—
Repayment of long term bank borrowings (Repayment of) / proceeds from short term bank borrowings (net)	(243,921,705)	154,282,785
Proceeds from commercial papers (net)	2,500,000,000	—
Proceeds from issue of fully paid equity shares (including securities premium)	6,790,330,309	46,760,377
Proceeds from issue of partly paid equity shares (including securities premium), net of share issue expenses of ₹ 112,086,264 (previous year ₹ Nil)	4,864,812,516	—
Proceeds from conversion of share warrants (including securities premium)	498,440,625	365,128,125
Proceeds from share application money	—	8,622,240
Money received against Share Warrants	369,687,500	287,856,250
Net cash generated from financing activities	15,361,381,176	430,588,295
D Net Increase in cash and cash equivalents (A+B+C)	1,936,201,932	422,218,617
E Cash and cash equivalents at the beginning of the year	7,178,882,159	6,756,663,542
F Cash and cash equivalents at the end of the year (D+E) (Refer Note - 2 below)	9,115,084,091	7,178,882,159

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 on 'Cash Flow Statements'.
- Cash and cash equivalents at the end of the year include:

	As at March 31, 2018	As at March 31, 2017
Cash and cash equivalents (refer note - 20)	11,623,209,091	8,549,507,159
Less: In fixed deposit accounts having maturity of more than three months	2,508,125,000	1,370,625,000
Cash and cash equivalents as restated	9,115,084,091	7,178,882,159

- Cash and cash equivalents includes following balances not available for use by the Company:

	As at March 31, 2018	As at March 31, 2017
Unpaid dividend accounts	23,252,643	346,620,897
Deposits pledged with bank for overdraft facilities availed by Indiabulls Distribution Services Limited, wholly owned subsidiary company	9,000,000,000	6,500,000,000

Notes 1 - 39 form an integral part of these financial statements
This is Cash Flow Statement referred to in our report of even date

For **Walker Chandio & Co LLP** Chartered Accountants For and on behalf of the Board of Directors

per **Lalit Kumar**
Partner
Place: Gurugram
Date: April 23, 2018

Divyesh B. Shah
Whole Time Director &
Chief Executive Officer
DIN: 00010933
Place: Mumbai
Date: April 23, 2018

Pinank Jayant Shah
Whole Time Director
DIN: 07859798

Rajeev Lochan Agrawal
Chief Financial Officer

Lalit Sharma
Company Secretary

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018
(All amount in ₹ unless stated otherwise)

Note - 1

Corporate information:

Indiabulls Ventures Limited (“IBVL” or “the Company”, CIN: L74999DL1995PLC069631) carries on the business as stock broker on the National Stock Exchange of India Limited (“NSE”) and the BSE Limited (“BSE”); depository participants and renders other related ancillary services. On February 1, 1996 IBVL received a certificate of registration from the Securities and Exchange Board of India (“SEBI”) under sub-section 1 of Section 12 of the Securities and Exchange Board of India Act, 1992 to carry on the business as a stock broker. Accordingly, all provisions of the Securities and Exchange Board of India Act, 1992, and Rules and Regulations relating thereto are applicable to the Company. On April 2, 2008 the Equity shares of the Company were listed on the NSE and the BSE after the demerger of the Company from Indiabulls Financial Services Limited (erstwhile holding company) vide Scheme of Arrangement.

Note - 2

Significant accounting policies:

- a) Basis of accounting and preparation of financial statements:
The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) to comply with the accounting standards specified under Section 133 of the Companies Act, 2013 (“the Act”), read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The financial statements have been prepared on an 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.
- b) Use of estimates:
The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise.
- c) Cash and cash equivalents (for purposes of Cash Flow Statement):
Cash comprises cash on hand and balances with banks in current and deposits accounts. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.
- d) Revenue recognition:
 - Revenue from brokerage activities is accounted for on the trade date of the transaction.
 - Revenue from interest charged to customers on margin funding is recognised on a daily/ monthly basis up to the last day of accounting period.
 - Depository income is accounted on accrual basis as and when the right to receive the income is established. Annual maintenance charges are recognised on pro-rata basis over the period it is charged.
 - Income from trading account maintenance is accounted on accrual basis and when the right to receive the income is established.
 - Revenue from interest on fixed deposits is recognised on accrual basis.
 - Commission on mutual funds is recognised on accrual basis.
- e) Other income:
 - Dividend income on equity shares is recognised when the right to receive the dividend is unconditional as at the Balance Sheet date.
 - Dividend income on units of mutual funds is recognised when the right to receive the dividend is unconditional as at the Balance Sheet date. Any gains/ losses on sale/ redemption of units are recognised on the date of sale/ redemption.
 - Interest income on inter corporate deposits is recognised on accrual basis.

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amount in ₹ unless stated otherwise)

- f) **Commercial papers:**
The liability is recognised at face value of the commercial paper at the time of issue of the commercial paper. The discount on issue of the commercial paper is amortised over the tenure of the instrument.
- g) **Property, plant and equipment:**
- i. **Recognition and initial measurement:**
Property, plant and equipment are stated at their cost of acquisition less accumulated depreciation/ impairment losses, if any. Cost comprises purchase price and expense directly attributable to bringing the asset to its working condition and intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in the Statement of Profit and Loss.
 - ii. **Depreciation and useful lives:**
Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on property, plant and equipment is provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. Leasehold Improvements are amortised over the duration of the lease. Depreciation on sale/ deduction from fixed assets is provided for up to the date of sale/ scrapping, as the case may be. Assets costing ₹ 5,000 or less per item are fully depreciated in the year of capitalisation.
 - iii. **De-recognition:**
An item of property, plant and equipment initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of an asset (calculated as difference between the net disposal proceeds and carrying amount of an asset) is recognised in the Statement of Profit and Loss when an asset is derecognised.
- h) **Intangible assets:**
- i. **Recognition and initial measurement:**
Intangible assets are stated at their cost of acquisition less accumulated amortisation/ impairment losses, if any. Cost comprises purchase price and expense directly attributable to bringing the asset to its working condition and intended use. Any trade discount and rebates are deducted in arriving at the purchase price.
 - ii. **Amortisation and useful lives:**
Intangible assets consisting of membership rights of the BSE Limited are amortised on a straight-line method basis over a period of five years from the date when the rights became available for use.
Intangible assets consisting of software are amortised on a straight line basis over a period of four years from the date when the assets are available for use.
The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.
 - iii. **Intangible assets under development:**
Expenditure on development eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.
- i) **Impairment of assets:**
The carrying values of assets/ cash generating units at each balance sheet date are reviewed for impairment, if any indication of impairment exists.

If the carrying amount of these assets exceeds their recoverable amount, an impairment is recognised for such excess amount.

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)

(All amount in ₹ unless stated otherwise)

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets, to the extent the amount was previously charged to the Statement of Profit and Loss.

j) Investments:

Investments are classified as long-term and current. Long-term investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

k) Foreign currency transactions and translations:

i. Recognition & translation

- Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.
- Monetary items denominated in foreign currencies at the year end are translated at year end exchange rates.
- Non monetary foreign currency items are carried at cost.
- Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss.

ii. Exchange differences

- Exchange differences arising on a monetary item that in substance, forms part of the Company's net investment in a non-integral foreign operation is accumulated in the foreign currency translation reserve until the disposal of the net investment. On the disposal of such net investment, the cumulative amount of the exchange differences which have been deferred and which relate to that investment is recognised as income or as expenses in the same period in which the gain or loss on disposal is recognised.
- The exchange differences arising on settlement/ restatement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period/ upto the date of settlement of such monetary items, whichever is earlier, and charged to the Statement of Profit and Loss except in case of exchange differences arising on net investment in non-integral foreign operations, where such amortisation is taken to foreign currency translation reserve until disposal/ recovery of the net investment. The unamortised exchange difference is carried in the Balance Sheet as foreign currency monetary item translation difference account net of the tax effect thereon, where applicable.
- Exchange differences arising on other long-term foreign currency monetary items are accumulated in the foreign currency monetary item translation difference account and amortised over the remaining life of the concerned monetary item.
- All other exchange differences are recognised as income or as expenses in the period in which they arise.

l) Employee benefits:

i. Defined contribution plans:

The Company has a defined contribution plans namely provident fund, employees state insurance, labour welfare fund and employees national pension scheme. The contribution made by the Company in respect of these plans are charged to the Statement of Profit and Loss. In respect of these contributions, the Company has no further obligations beyond making the contribution, and hence, such employee benefit plans are classified as defined contribution plans.

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amount in ₹ unless stated otherwise)

- ii. **Defined benefits plan:**
The Company has unfunded gratuity as defined benefit where the amount that employee will receive on retirement is defined by reference to employee's length of service and last drawn salary. The liability recognised in the balance sheet for defined benefit plan is the present value of defined benefit obligation at the reporting date. The present value of defined benefit obligation is determined on the basis of an actuarial valuation at the end of the year using the projected unit credit method. Actuarial gains/ losses comprise experience adjustments and the effects of change in actuarial assumptions and are recognised in the Statement of Profit and Loss as income or expenses as applicable.
- iii. **Other long-term benefit:**
The Company also provides the benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to be availed after one year from the Balance Sheet date is estimated in the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains/ losses comprise experience adjustments and the effects of change in actuarial assumptions and are recognised in the Statement of Profit and Loss as income or expenses as applicable.
- m) **Deferred employee's stock compensation cost:**
The Company follows the intrinsic value method as per the Guidance Note on "Accounting for Employee Share-based Payments" issued by The Institute of Chartered Accountants of India for accounting for Employee Stock Options granted. Deferred employee stock compensation cost for stock options are recognised and measured by the difference between the intrinsic value of the Company's shares of the stock options at the grant date and the exercise price to be paid by the option holders. The compensation expense is amortised over the vesting period of the options. The fair value of options for disclosure purposes is measured on the basis of a fair valuation certified by an independent firm of Chartered Accountants in respect of the stock options granted.
- n) **Taxes on income:**
 - i. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.
 - ii. Minimum alternate tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.
 - iii. Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets are reviewed at each balance sheet date for their realisability.
 - iv. Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.
- o) **Leases:**
 - i. Assets leased by the Company in its capacity as a lessee, where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)

(All amount in ₹ unless stated otherwise)

- liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.
- ii. Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.
- p) Share issue expenses:
Share issue expenses are adjusted against the securities premium account as permissible under Section 52 of the Companies Act, 2013, to the extent any balance is available for utilisation in the securities premium account. Share issue expenses in excess of the balance in the securities premium account is expensed in the Statement of Profit and Loss.
- q) Borrowing costs:
Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised during the time period that is necessary to complete and prepare an asset for its intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss.
- r) Segment reporting:
- The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/ loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.
 - The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segment on the basis of their relationship to the operating activities of the segments.
 - Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under “unallocated revenue / expenses / assets / liabilities”.
- s) Provisions and contingencies:
A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date.
- i. Contingent liability is disclosed for;
- Possible obligations which will be confirmed only by future events not wholly within the control of the Company; or
 - Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation can not be made.
- ii. Contingent Assets are not recognised in the financial statements.
- t) Operating cycle:
Based on the nature of products/ activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amount in ₹ unless stated otherwise)

Note - 3

Share capital

i. Authorised

Equity shares of face value of ₹ 2 each

Preference shares of face value of ₹ 4.61 each

As at March 31, 2018		As at March 31, 2017	
No. of shares	Amount (₹)	No. of shares	Amount (₹)
1,000,000,000	2,000,000,000	500,000,000	1,000,000,000
—	—	25,000,000	115,250,000
	2,000,000,000		1,115,250,000

During the year, the authorised capital of the Company was reclassified and increased from ₹ 1,115,250,000 divided into 500,000,000 equity shares of ₹ 2 each and 25,000,000 preference shares of ₹ 4.61 each to ₹ 2,000,000,000 divided into 1,000,000,000 equity shares of ₹ 2 each ranking *pari passu* with the existing shares.

ii. Issued and subscribed

Equity shares of face value of ₹ 2 each fully paid up
Equity shares of face value of ₹ 2 each, called up and
paid up value of ₹ 0.50

As at March 31, 2018		As at March 31, 2017	
No. of shares	Amount (₹)	No. of shares	Amount (₹)
442,391,002	884,782,004	320,206,920	640,413,840
82,948,313	41,474,157	—	—
	926,256,161		640,413,840

iii. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year: Equity shares, fully paid-up

Balance at the beginning of the year
Shares issued by exercise of employee stock
option plan (ESOP)
Shares issued by exercise of warrants
Shares issued through preferential allotment

As at March 31, 2018		As at March 31, 2017	
No. of shares	Amount (₹)	No. of shares	Amount (₹)
320,206,920	640,413,840	292,869,542	585,739,084
2,278,500	4,557,000	2,687,378	5,374,756
33,650,000	67,300,000	24,650,000	49,300,000
86,255,582	172,511,164	—	—
442,391,002	884,782,004	320,206,920	640,413,840

Equity shares, partly paid-up

Balance at the beginning of the year
Shares issued on rights basis at called up and
paid up value of ₹ 0.50 per share

As at March 31, 2018		As at March 31, 2017	
No. of shares	Amount (₹)	No. of shares	Amount (₹)
—	—	—	—
82,948,313	41,474,157	—	—
82,948,313	41,474,157	—	—

iv. Rights, preferences and restrictions attached to the equity shares:

- The Company has only one class of equity shares having a face value of ₹ 2 per share. Each holder of fully paid up equity share is entitled to one vote per share. Voting rights of each holder of partly paid up equity share is proportionate to the paid up amount of such share. The final dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- 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.

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)

(All amount in ₹ unless stated otherwise)

- c. Holders of Global Depository Receipts ('GDRs') will be entitled to receive dividends, subject to the terms of the deposit agreement, to the same extent as the holders of equity shares, less the fees and expenses payable under such deposit agreement and any Indian tax applicable to such dividends. Holders of GDRs don't have voting rights with respect to the deposited shares. The GDRs can not be transferred to any person located in India including Indian residents or ineligible investors except as permitted by Indian laws and regulations.

v. Shares held by shareholders each holding more than 5% shares:

Name of the shareholder	As at March 31, 2018		As at March 31, 2017	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Equity shares of ₹ 2 each fully paid up				
Sameer Gehlaut	40,158,292	9.08%	40,158,292	12.54%
Orthia Properties Private Limited	39,981,305	9.04%	39,981,305	12.49%
Orthia Constructions Private Limited	39,701,671	8.97%	24,401,671	7.62%
Zelkova Builders Private Limited	32,907,534	7.44%	18,557,534	5.80%
Tupelo Consultancy LLP	25,115,371	5.68%	25,115,371	7.84%
Cinnamon Capital Limited	38,865,582	8.79%	—	0.00%
Tamarind Capital Pte Ltd	47,390,000	10.71%	—	0.00%
	264,119,755	59.71%	148,214,173	46.29%
Equity shares of ₹ 2 each, partly paid up				
Sameer Gehlaut	9,408,927	11.34%	—	0.00%
Orthia Properties Private Limited	9,367,460	11.29%	—	0.00%
Orthia Constructions Private Limited	9,301,943	11.21%	—	0.00%
Zelkova Builders Private Limited	7,710,104	9.30%	—	0.00%
Tupelo Consultancy LLP	4,709,132	5.68%	—	0.00%
Cinnamon Capital Limited	7,287,296	8.79%	—	0.00%
Tamarind Capital Pte Ltd	11,103,288	13.39%	—	0.00%
	58,888,150	71.00%	—	0.00%

vi. Shares reserved for issue under options:

30,300,366 equity shares (Previous year 20,829,316 equity shares) of face value of ₹ 2 each are reserved under various option schemes of the Company (refer note - 31).

33,800,000 equity shares ((Previous year 33,650,000 equity shares) of face value of ₹ 2 each are reserved towards share warrants of the Company (refer note - 5 (i)).

Note - 4	As at	As at
Reserves and surplus	March 31, 2018	March 31, 2017
Capital redemption reserve		
Balance at the beginning and end of the year	360,036,184	360,036,184
Securities premium account		
Balance at the beginning of the year	1,191,904,089	712,980,968
Add: Premium on shares issued during the year	12,154,596,508	478,923,121
Less: Premium utilised for expenses on issue of partly paid-up shares on rights basis	(112,086,264)	—
Balance at the end of the year	13,234,414,333	1,191,904,089

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amount in ₹ unless stated otherwise)

Foreign currency monetary item translation difference account ⁽ⁱ⁾

Balance at the beginning of the year	7,932,645	13,553,894
Add/ (Less): Effect of foreign exchange rate variation during the year	220,665	(1,807,443)
Less: Amortised during the year	(2,475,304)	(3,813,806)
Less: Utilised during the year	(773,128)	—
Balance at the end of the year	4,904,878	7,932,645

- (i) Pursuant to the notification dated December 29, 2011 issued by the Ministry of Corporate Affairs amending Accounting Standard 11 - 'Accounting for the Effects of Changes in Foreign Exchange Rates' the Company has exercised the option as per Paragraph 46A inserted in the said Accounting Standard for amortisation of foreign exchange gain/loss on long-term monetary items over the remaining life of the concerned monetary items. Consequently, an amount of ₹ 4,904,878 (Previous year ₹ 7,932,645) is carried forward in the foreign exchange monetary item translation difference account as on March 31, 2018, net of forex gain amounting to ₹ 2,475,304 (Previous year ₹ 3,813,806) amortised in the Statement of Profit and Loss and ₹ 773,128 (Previous year ₹ Nil) utilised towards the partial amount received from the Escrow Account through Statement of Profit and Loss.

	As at March 31, 2018	As at March 31, 2017
General reserve		
Balance at the beginning and end of the year	338,177,977	338,177,977
Surplus in the Statement of Profit and Loss		
Balance at the beginning of the year	143,616,727	8,163,762
Add: Profit for the year	521,196,703	470,929,529
Amount available for appropriation (a)	664,813,430	479,093,291
Less: Appropriations:		
Interim dividend on equity shares	—	320,206,920
Corporate dividend tax on interim dividend on equity shares	—	15,269,644
Total appropriations (b)	—	335,476,564
Balance at the end of the year (a)-(b)	664,813,430	143,616,727
	14,602,346,802	2,041,667,622

Note - 5

Money received against share warrants

	As at March 31, 2018	As at March 31, 2017
Money received against share warrants	369,687,500	166,146,875
	369,687,500	166,146,875

- (i) During the year ended March 31, 2017, the Board of Directors had resolved to create, offer, issue and allot up to 58,300,000 warrants, convertible into 58,300,000 equity shares of ₹ 2 each on a preferential allotment basis at a conversion price of ₹ 19.75 per equity share to the certain promoter entities and to an executive director ("the warrant holders").

Terms of the issue:

- 25% application money is payable upfront at the time of allotment.
- warrants were to be converted into equivalent number of equity shares on payment of the balance amount at any time on or before February 9, 2018.
- In the event the warrants are not converted into equity shares within the said period, the Company is eligible to forfeit the amounts received towards the warrants.

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)

(All amount in ₹ unless stated otherwise)

During the year ended March 31, 2017, the Company had allotted 24,650,000 equity shares on conversion of equivalent number of warrants in accordance with the terms of the issue. Further, during the year ended March 31, 2018, the Company has allotted 33,650,000 equity shares on conversion of equivalent number of warrants in accordance with the terms of the issue.

- (ii) During the year ended March 31, 2018, the Board of Directors had resolved to create, offer, issue and allot up to 33,800,000 warrants, convertible into 33,800,000 equity shares of ₹ 2 each on a preferential allotment basis at a conversion price of ₹ 43.75 per equity share of the Company to the certain promoter entities (“the warrant holders”).

Terms of the issue:

- 25% application money is payable upfront at the time of allotment.
- warrants were to be converted into equivalent number of equity shares on payment of the balance amount at any time on or before October 28, 2018.
- In the event the warrants are not converted into equity shares within the said period, the Company is eligible to forfeit the amounts received towards the warrants.

Note - 6 Share application money pending allotment ⁽ⁱ⁾	Amount per share	As at March 31, 2018		As at March 31, 2017	
		Number of shares	Amount	Number of shares	Amount
“Indiabulls Ventures Limited Employees Stock Option Scheme - 2009” (“IBVL ESOP - 2009”)	31.35	—	—	250,000	7,837,500
“Indiabulls Ventures Limited Employees Stock Option Scheme - 2008” (“IBVL ESOP - 2008”)	17.4	—	—	45,100	784,740
					8,622,240

- (i) As at March 31, 2017, the Company had sufficient authorised share capital to cover the allotment of these shares. During the year ended March 31, 2018, the company has issued and allotted equity shares to the concerned employees.

Note - 7 Long-term borrowings	As at March 31, 2018	As at March 31, 2017
Term loan from banks (secured) ⁽ⁱ⁾	1,500,000,000	—
Vehicle loans from banks (secured) ⁽ⁱⁱ⁾	4,172,125	—
Less: Current maturity of long-term borrowings (refer note - 12)	(811,741)	—
	1,503,360,384	—

- (i) Term loan of ₹ 1,500,000,000 is secured against receivables and current assets (including cash and cash equivalents and investments). The loan carries interest rate of 3 months MIBOR plus spread equivalent to 9.42% p.a. as at March 31, 2018 and is repayable in one bullet payment in April 2019.
- (ii) Term loans of ₹ 4,172,125 (including current maturities amounting to ₹ 811,741) are secured against hypothecation of the vehicles purchased. The rate of interest of such term loans ranges between 8.50% to 8.75% p.a. The term loans are repayable in equated monthly installments of 5 years.

Note - 8 Other long-term liabilities	As at March 31, 2018	As at March 31, 2017
Lease equalisation reserve	2,721,555	—
	2,721,555	—

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amount in ₹ unless stated otherwise)

Note - 9	As at	As at
Long-term provisions	March 31, 2018	March 31, 2017
Provision for employee benefits		
Provision for gratuity (refer note - 34)	38,735,881	29,181,945
Provision for compensated absences (refer note - 34)	10,188,392	8,124,069
	48,924,273	37,306,014
Note - 10	As at	As at
Short-term borrowings	March 31, 2018	March 31, 2017
Secured loans repayable on demand		
From banks		
Bank overdraft ⁽ⁱ⁾	164,350,505	408,272,210
Working capital loan ⁽ⁱⁱ⁾	650,000,000	650,000,000
Unsecured loans		
From others		
Commercial papers	7,500,000,000	5,000,000,000
	8,314,350,505	6,058,272,210

- (i) Bank overdraft facilities amounting to ₹ 164,350,505 (Previous year ₹ 408,272,210) are secured against fixed deposits.
- (ii) Working capital loans amounting to ₹ 650,000,000 (Previous year ₹ 650,000,000) are secured against book debts and loans and advances.

Note - 11	As at	As at
Trade payables	March 31, 2018	March 31, 2017
Total outstanding due to micro enterprises and small enterprises ⁽ⁱ⁾	525,000	-
Total outstanding due to creditors other than micro enterprises and small enterprises	70,183,796	27,688,525
	70,708,796	27,688,525

- (i) On the basis of confirmations obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the following are the details:

Principal amount remaining unpaid	525,000	-
Interest due thereon	-	-
Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year	-	-
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
Interest accrued and remaining unpaid as at end of the year	-	-

The above information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of the information available with the Company. This has been relied upon by the Auditors.

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)

(All amount in ₹ unless stated otherwise)

Note - 12	As at	As at
Other current liabilities	March 31, 2018	March 31, 2017
Current maturity of long-term borrowings (refer note 7)	811,741	—
Interest accrued but not due on borrowings	4,190,520	996,370
Brokerage/depository income received in advance	10,162,247	7,401,396
Unpaid dividends ⁽ⁱ⁾	23,252,643	346,620,897
Margin from customers	1,122,199,707	1,246,984,926
Temporary overdrawn bank balances as per books	19,772,493	11,543,425
Amount received from depository for GDR	—	99,786,644
Statutory dues payables	26,874,738	5,391,160
Employee related payables	5,105,551	1,933,466
Lease equalisation reserve	—	4,140,528
Payable for capital goods	3,657,745	2,363,186
Other payables	15,311,231	28,865,540
	1,231,338,616	1,756,027,538

(i) In respect of amounts mentioned under Section 124 (5) of the Companies Act, 2013, the Company has credited ₹ 4,172,466 (Previous year ₹ 1,960,204) to the Investor Education and Protection Fund. Further, no dues were required to be credited to the Investor Education and Protection Fund as at March 31, 2018 (previous year ₹ Nil).

Note - 13	As at	As at
Short-term provisions	March 31, 2018	March 31, 2017
Provision for employee benefits:		
Provision for gratuity (refer note - 34)	1,027,210	785,361
Provision for compensated absences (refer note - 34)	272,653	204,988
Other provisions		
Provision for taxation (net of advance tax/ tax deducted at source of ₹ 760,242,608 (Previous year ₹ 671,050,942))	9,674,473	67,766,139
	10,974,336	68,756,488

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amount in ₹ unless stated otherwise)

Note: 14 Fixed Assets

	Gross block (at cost)				Depreciation				Net block	
	As at April 1, 2017	Additions	Adjustments/deletions	As at March 31, 2018	As at April 1, 2017	For the year	Adjustments/deletions	As at March 31, 2018	As at March 31, 2018	
i. Property, plant and equipment										
Furniture and fixtures	15,867,813	—	778,752	15,089,061	14,689,434	267,500	773,151	14,183,783	905,278	
Vehicles *	34,016,359	6,052,396	8,393,184	31,675,571	32,469,938	1,224,763	8,082,254	25,612,447	6,063,124	
Office equipment	128,246,751	2,376,089	6,332,259	124,290,581	126,906,984	846,322	6,327,388	121,425,918	2,864,663	
Computers	357,121,720	33,320,900	16,960,944	373,481,676	355,018,396	5,667,154	16,896,340	343,789,210	29,692,466	
Leasehold improvements	85,667,213	—	10,279,644	75,387,569	64,743,090	5,178,047	9,825,534	60,095,603	15,291,966	
	620,919,856	41,749,385	42,744,783	619,924,458	593,827,842	13,183,786	41,904,667	565,106,961	54,817,497	
* Includes vehicles having carrying cost of ₹ 5,128,302 (Previous year ₹ Nil) which are hypothecated to banks against the respective loans.										
ii. Intangible assets										
Membership rights of BSE Limited	7,005,000	—	—	7,005,000	7,005,000	—	—	7,005,000	—	
Software	601,882,870	6,059,042	—	607,941,912	594,541,237	3,318,982	—	597,860,219	10,081,693	
Indiabulls.com website	5,262,584	—	—	5,262,584	5,262,584	—	—	5,262,584	—	
	614,150,454	6,059,042	—	620,209,496	606,808,821	3,318,982	—	610,127,803	10,081,693	
iii. Intangible assets under development										
								Net block As at March 31, 2018	Net block As at March 31, 2017	
								48,626,238	371,000	
								48,626,238	371,000	

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amount in ₹ unless stated otherwise)

Note: 14 Fixed Assets (Continued)

i. Property, plant and equipment	Gross block (at cost)					Depreciation			Net block
	As at April 1, 2016	Additions	Adjustments/deletions	As at March 31, 2017	As at April 1, 2016	For the year	Adjustments/deletions	As at March 31, 2017	As at March 31, 2017
Furniture and fixtures	16,701,263	—	833,450	15,867,813	15,143,182	379,280	833,028	14,689,434	1,178,379
Vehicles *	41,273,634	—	7,257,275	34,016,359	38,397,474	1,085,309	7,012,845	32,469,938	1,546,421
Office equipment	134,076,760	679,154	6,509,163	128,246,751	131,229,703	2,174,956	6,497,675	126,906,984	1,339,767
Computers	367,769,154	—	10,647,434	357,121,720	363,835,953	1,829,877	10,647,434	355,018,396	2,103,324
Leasehold improvements	105,215,623	500,000	20,048,410	85,667,213	75,737,973	9,033,600	20,028,483	64,743,090	20,924,123
	665,036,434	1,179,154	45,295,732	620,919,856	624,344,285	14,503,022	45,019,465	593,827,842	27,092,014

* Includes vehicles having carrying cost of ₹ Nil which are hypothecated to banks against the respective loans.

ii. Intangible assets	Gross block (at cost)					Amortisation			Net block
	As at April 1, 2016	Additions	Adjustments/deletions	As at March 31, 2017	As at April 1, 2016	For the year	Adjustments/deletions	As at March 31, 2017	As at March 31, 2017
Membership rights of BSE Limited	7,005,000	—	—	7,005,000	7,005,000	—	—	7,005,000	—
Software	597,148,310	4,734,560	—	601,882,870	592,817,264	1,723,973	—	594,541,237	7,341,633
Indiabulls.com website	5,262,584	—	—	5,262,584	5,262,584	—	—	5,262,584	—
	609,415,894	4,734,560	—	614,150,454	605,084,848	1,723,973	—	606,808,821	7,341,633

iii. Intangible assets under development	Net block	
	As at March 31, 2017	As at March 31, 2016
Intangible assets under development	371,000	—
	371,000	—

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amount in ₹ unless stated otherwise)

Note - 15

Non-current investments

Long-term - Trade - Quoted

(at cost unless otherwise stated)

Investments in fully paid up equity shares of BSE Limited

Total (A)

	Face value per share	As at March 31, 2018		As at March 31, 2017	
		Number of shares	Amount	Number of shares	Amount
Investments in fully paid up equity shares of BSE Limited	2	65,000	10,000	65,000	10,000
Total (A)			10,000		10,000

Long-term - Others - Unquoted (at cost unless otherwise stated)

Investments in fully paid-up equity shares of wholly owned subsidiary companies:

	Face value per share	As at March 31, 2018		As at March 31, 2017	
		Number of shares	Amount	Number of shares	Amount
Indiabulls Commodities Limited	10	600,000	6,000,000	600,000	6,000,000
Indiabulls Investment Advisor Limited (formerly known as Indiabulls Brokerage Limited)	10	5,500,000	55,000,000	5,500,000	55,000,000
Indiabulls Distribution Services Limited	10	50,000	500,000	50,000	500,000
Indiabulls Consumer Products Limited	10	50,000	500,000	50,000	500,000
Indiabulls Asset Reconstruction Company Limited ⁽ⁱ⁾	10	55,000,000	1,000,000,000	50,000,000	500,000,000
Indiabulls Logistics Limited	10	50,000	500,000	50,000	500,000
Indiabulls Infra Resources Limited	10	3,000,000	30,000,000	3,000,000	30,000,000
IVL Finance Limited ⁽ⁱⁱ⁾	10	24,551,565	12,203,982,115	—	—
Devata Tradelink Limited	10	50,000	500,000	50,000	500,000
Less: Provision for diminution in the value of investment			(500,000)		(500,000)
Total (B)			13,296,482,115		592,500,000
Total (A)+(B)			13,296,492,115		592,510,000

Aggregate market value of quoted investments

49,153,000

63,547,250

Aggregate book value of quoted investments

10,000

10,000

Aggregate book value of unquoted investments

13,296,982,115

593,000,000

Aggregate provision for diminution in value of investments

500,000

500,000

(i) During the year ended March 31, 2018, the Company has invested ₹ 500,000,000 in the equity share capital of Indiabulls Asset Reconstruction Company Limited.

(ii) During the year ended March 31, 2018, the Company has acquired 100% holding in equity shares of IVL Finance Limited (formerly known as Shivshakti Financial Services Limited) from Indiabulls Distribution Services Limited (a wholly owned subsidiary of the Company) for consideration of ₹ 2,176,323,000. Subsequent to this, the Company has further invested ₹ 10,027,659,115 in the equity share capital of IVL Finance Limited.

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amount in ₹ unless stated otherwise)

Note - 16

Deferred tax assets

In compliance with Accounting Standard 22 - 'Accounting for Taxes on Income', deferred tax (net) of ₹ 26,255,756 has been debited (Previous year credited ₹ 1,276,437) to the Statement of Profit and Loss for the year ended March 31, 2018. The breakup of deferred tax into major components is as under:

	As at March 31, 2018	As at March 31, 2017
Deferred tax assets:		
Provision for doubtful debts, advances and security deposits	6,106,666	19,400,143
Disallowances u/s. 43B of the Income Tax Act, 1961	3,046,256	2,882,520
Disallowances u/s. 40A(7) of the Income Tax Act, 1961	11,579,012	10,371,085
Difference between net block of fixed assets as per the Companies Act, 2013 and written down value as per Income Tax Act, 1961	34,077,573	47,934,528
Others	330,447	807,434
	55,139,954	81,395,710

Note - 17

Long-term loans and advances (unsecured)

	As at March 31, 2018	As at March 31, 2017
Capital advances, considered good	4,950,334	10,412,626
Security deposits		
Deposits (including margin money) with stock exchanges, (considered good)	25,250,000	25,450,000
Deposits with others		
Considered good	60,074,306	55,807,056
Considered doubtful	425,400	425,400
	60,499,706	56,232,456
(Less): Provision for doubtful deposits	(425,400)	(425,400)
	60,074,306	55,807,056
Loan notes and escrow receivable, considered good ⁽ⁱ⁾	69,843,789	78,426,049
Prepaid expenses	2,082,825	2,711,403
Other advances, considered doubtful	395,976	395,976
(Less): Provision for doubtful advances	(395,976)	(395,976)
	162,201,254	172,807,134

- (i) During the year ended March 31, 2012, the Company had sold 586,193 shares held by it in Copal Partners Limited to Moody's Group UK LTD for the consideration of ₹ 231,992,806 vide the Share Purchase Deed. Out of the total consideration of ₹ 231,992,806 receivable from Moody's Group UK LTD, ₹ 52,705,971 (excluding foreign exchange gain of ₹ 17,137,818) [Previous year ₹ 59,369,946 (excluding foreign exchange gain of ₹ 19,056,103)] is outstanding as at March 31, 2018 in the form of Loan Notes of the Moody's Group UK LTD and Escrow account which will be due in FY 2020-21 and FY 2019-20 respectively. During the year ended March 31, 2018, the Company had received partial amount of ₹ 6,663,975 (excluding foreign exchange gain of ₹ 2,087,549) (Previous year ₹ Nil) towards Escrow Account.

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amount in ₹ unless stated otherwise)

Note - 18	As at	As at
Other non-current assets	March 31, 2018	March 31, 2017
In fixed deposit accounts with banks (refer note 20 (i))	14,427,204	4,363,945
	<u>14,427,204</u>	<u>4,363,945</u>
	<u>14,427,204</u>	<u>4,363,945</u>
	<u>14,427,204</u>	<u>4,363,945</u>
Note - 19	As at	As at
Trade receivables	March 31, 2018	March 31, 2017
Unsecured		
Outstanding for a period exceeding six months		
Considered good	171,400,476	188,301,604
Considered doubtful	20,149,315	55,235,441
	<u>191,549,791</u>	<u>243,537,045</u>
Less: Provision for doubtful debts	20,149,315	55,235,441
	<u>171,400,476</u>	<u>188,301,604</u>
Others		
Considered good	439,190,286	230,692,812
	<u>610,590,762</u>	<u>418,994,416</u>
	<u>610,590,762</u>	<u>418,994,416</u>
	<u>610,590,762</u>	<u>418,994,416</u>
Note - 20	As at	As at
Cash and cash equivalents	March 31, 2018	March 31, 2017
Cash on hand	24,159	37,695
Balance with banks		
- in current accounts	91,807,289	332,223,567
- in earmarked unpaid dividend accounts	23,252,643	346,620,897
- in fixed deposits with original maturity of less than three months ⁽ⁱ⁾	9,000,000,000	6,500,000,000
	<u>9,115,059,932</u>	<u>7,178,844,464</u>
Other bank balances		
- in fixed deposit accounts having original maturity of more than three months ⁽ⁱ⁾	2,508,125,000	1,370,625,000
	<u>11,623,209,091</u>	<u>8,549,507,159</u>
	<u>11,623,209,091</u>	<u>8,549,507,159</u>
(i) Fixed deposits includes:		
a. Deposits pledged with the National Stock Exchange of India, BSE Limited and National Securities Clearing Corporation Limited for the purpose of base capital and additional base capital.	13,875,000	13,875,000
b. Deposits pledged with the banks against bank guarantees for base capital and additional base capital to the National Stock Exchange of India, BSE Limited and the National Securities Clearing Corporation Limited.	1,643,750,000	918,750,000
c. Deposits pledged with banks for overdraft facilities availed by the Company	686,700,000	436,700,000

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)

(All amount in ₹ unless stated otherwise)

d. Deposits pledged with bank for overdraft facilities availed by Indiabulls Distribution Services Limited	9,000,000,000	6,500,000,000
e. Deposits pledged with bank against bank guarantees issued in favor of Unique Identification Authority of India.	2,500,000	—
f. Deposits pledged with bank against bank guarantees issued in favor of National Stock Exchange of India Limited for right issue of the Company	170,000,000	—
g. Deposits pledged for arbitration matters	4,402,204	4,338,945
h. Deposits pledged with State Commission, New Delhi for appeal filed by the Company in a consumer dispute matter.	25,000	25,000

Note - 21	As at	As at
Short-term loans and advances	March 31, 2018	March 31, 2017
Unsecured and considered good, unless otherwise stated		
Loans and advances to related parties ⁽ⁱ⁾		
Indiabulls Distribution Services Limited	—	455,600,000
Indiabulls Investment Advisors Limited	66,100,000	—
	<u>66,100,000</u>	<u>455,600,000</u>
Margin funding loan receivables, secured	1,071,729,472	26,643,120
Less: Margin received	191,687,262	4,041,693
	<u>880,042,210</u>	<u>22,601,427</u>
Security deposits	263,303	254,100
Deposits (including margin money) and advances with stock exchanges	101,429,489	399,756,506
Goods and service tax credit and cenvat credit receivable	17,134,091	4,904,419
Advance to suppliers	2,808,381	8,300,991
Prepaid expenses	85,715,886	47,057,578
Loans and advances to employees	471,850	269,192
Others advances	1,587,319	2,045,505
	<u>1,155,552,529</u>	<u>940,789,718</u>

(i) The company has given inter corporate deposit to Indiabulls Investment Advisors Limited (previous year Indiabulls Distribution Services Limited) (both wholly owned subsidiaries) for the general / corporate business purpose.

Note - 22	As at	As at
Other current assets	March 31, 2018	March 31, 2017
Interest accrued on fixed deposits	49,530,591	9,728,623
	<u>49,530,591</u>	<u>9,728,623</u>

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amount in ₹ unless stated otherwise)

Note - 23	For the year ended	For the year ended
Revenue from operations	March 31, 2018	March 31, 2017
(a) Sale of services ⁽ⁱ⁾	1,125,552,037	737,453,112
(b) Other operating revenues ⁽ⁱⁱ⁾	160,784,153	98,535,889
	1,286,336,190	835,989,001
(i) Sale of services includes:		
Brokerage income	792,054,203	556,687,670
Interest on margin funding/ delayed payments	164,577,512	65,223,240
Income from depository services	62,569,191	49,408,390
Other charges including transaction charges	51,855,675	32,363,208
Stamp duty recoveries	54,495,456	33,770,604
	1,125,552,037	737,453,112
(ii) Other operating revenues includes:		
Interest on fixed deposits and other deposits	152,196,995	95,596,461
Income from IPO commission, mutual funds commission, account opening and other miscellaneous income	8,587,158	2,939,428
	160,784,153	98,535,889
Note - 24	For the year ended	For the year ended
Other income	March 31, 2018	March 31, 2017
Interest income:		
Interest income from inter-corporate deposits	603,537,339	399,862,749
Interest income from non-convertible debentures	—	8,709
	603,537,339	399,871,458
Dividend income:		
Dividend income on other long-term investments	1,820,000	845,000
Dividend income from subsidiary companies	—	245,200,000
	1,820,000	246,045,000
Other non-operating income:		
Excess provision for expenses no longer required written back	9,104,406	7,765,956
Profit on sale/ scrapping of fixed assets	2,707,653	690,581
Sundry credit balances written back	111,817,520	19,513,331
Gain on foreign exchange fluctuations (refer note - 4 (i))	3,197,031	3,813,806
Bad debts recovered	1,085,251	241,582
Miscellaneous income	3,719,572	250,000
	131,631,433	32,275,256
	736,988,772	678,191,714

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)

(All amount in ₹ unless stated otherwise)

Note - 25	For the year ended	For the year ended
Employee benefits expense	March 31, 2018	March 31, 2017
Salaries ⁽ⁱ⁾	411,018,458	254,710,060
Contribution to provident fund and other funds	3067,349	1,561,545
Staff welfare expenses	8,733,639	203,384
Provision for gratuity (refer note - 34)	12,233,369	9,792,066
Provision for compensated absences (refer note - 34)	2,173,369	1,446,269
	437,226,184	267,713,324

- (i) During the year, personnel costs (excluding service tax) amounting to ₹ Nil (previous year ₹ 26,213,655) were apportioned to the Company by Indiabulls Distribution Services Limited - a wholly owned subsidiary of the Company.

Note - 26	For the year ended	For the year ended
Finance costs	March 31, 2018	March 31, 2017
Interest on bank overdraft	6,768,609	14,551,256
Interest on working capital loan	39,011,507	25,062,466
Interest on vehicle loans	228,559	5,906
Interest on commercial papers	461,136,554	381,458,234
Interest on term loans	65,510,425	—
Interest on taxes	6,513,453	3,249,002
Other borrowing costs	18,494,797	9,819,329
	597,663,904	434,146,193

Note - 27	For the year ended	For the year ended
Other expenses	March 31, 2018	March 31, 2017
Stamp duty	60,387,724	35,829,021
SEBI charges	2,730,699	2,148,244
Depository charges	8,498,064	7,956,380
Transaction charges	49,301,785	30,902,499
Membership fees	3,927,229	2,284,367
Web hosting expenses	5,822,135	8,477,428
Leased line expenses	8,592,728	5,138,633
Content expenses	902,106	953,509
Software expenses	3,571,485	1,428,637
Lease rent ^{(i) and (ii)} (Refer note 29)	13,510,351	15,551,570
Rates and taxes	19,129,516	1,836,903
Electricity	5,292,942	7,742,673
Insurance	669,494	700,517
Communication	12,044,700	11,972,337
Legal and professional	17,315,372	8,495,519
Director's sitting fee	1,200,000	—
Recruitment	2,864,939	461,621

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amount in ₹ unless stated otherwise)

Note - 27 Other expenses (Continued)	For the year ended March 31, 2018	For the year ended March 31, 2017
Travelling and conveyance	3,885,439	768,018
Printing and stationery	4,922,204	5,766,457
Office maintenance ^{(i) and (ii)}	5,180,283	3,947,818
Repairs and maintenance - others	8,481,794	10,249,184
Business promotion	4,513,927	1,137,584
Payment to Statutory Auditors (net of goods and service tax) *		
- For statutory audit	3,000,000	6,075,000
- For certification	—	670,000
- Reimbursement of expenses	—	600,000
Donation (Refer note - 36)	7,129,000	7,929,000
Provision for doubtful debts	15,000,000	12,000,000
Bad debts, advances and security deposits written off	50,094,751	16,038,615
Less: Adjusted against provision of earlier years	50,086,126	5,100,312
	8,625	10,938,303
Miscellaneous expenses	987,458	1,355,861
	268,869,999	2 03,317,083

* Excluding fees of ₹ 3,500,000 (previous year ₹ Nil) paid to statutory auditors for audit of interim financial statements for the six months period ended September 30, 2017 and other certifications related to issue of shares on rights basis which has been adjusted with securities premium account.

(i) Expenses apportioned by the Company to subsidiary companies (excluding goods and service tax/ service tax):

	For the year ended March 31, 2018	For the year ended March 31, 2017
Lease rent:		
Indiabulls Distribution Services Limited	7,688,152	30,818,690
Indiabulls Investment Advisors Limited	27,375,144	—
Office maintenance:		
Indiabulls Distribution Services Limited	1,116,110	4,457,880
Indiabulls Investment Advisors Limited	3,400,624	—

(ii) Expenses apportioned by subsidiary companies to the Company (excluding goods and service tax/ service tax):

	For the year ended March 31, 2018	For the year ended March 31, 2017
Lease rent:		
Indiabulls Distribution Services Limited	1,938,930	1,691,440
Indiabulls Investment Advisors Limited	201,922	—
Office maintenance:		
Indiabulls Distribution Services Limited	326,400	153,109
Indiabulls Investment Advisors Limited	8,329	—

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)

(All amount in ₹ unless stated otherwise)

Note - 28

Earnings per equity share (EPS)

Disclosure in respect of Accounting Standard – 20 'Earnings Per Share' :

The basic earnings per equity share is computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting year. Partly paid-up equity shares are treated as a fraction of an equity share to the extent they are entitled to participate in dividend relative to a fully paid-up equity share during the reporting period. Diluted earnings per equity share is computed by considering the weighted average number of equity shares and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value.

Dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. The number of equity shares and potential dilutive equity shares are adjusted for the potential dilutive effect of employee stock option plan and warrants as appropriate.

	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit available for equity shareholders (₹)	521,196,703	470,929,529
Basic / diluted earnings per equity share:		
Weighted average number of equity shares used for computing basic earnings per equity share	429,300,268	295,000,363
Add: Potential number of equity shares that could arise on exercise of employee stock options	18,509,284	6,463,014
Add: Potential number of equity shares that could arise on exercise of warrants	26,900,554	10,156,973
Weighted average number of equity shares used in computing diluted earnings per equity share	474,710,106	311,620,350
Face value of equity share (₹)	2.00	2.00
Earnings per equity share - basic (₹)	1.21	1.60
Earnings per equity share - diluted (₹)	1.10	1.51

Note - 29

Leases

The Company has taken office premises on operating lease at various locations in India and lease rent in respect of the same amounting to ₹ 13,510,351 (Previous Year ₹ 15,551,570) net of apportionment has been charged to the Statement of Profit and Loss. (refer note - 27(i) & (ii)). The agreements are executed for a period ranging from 11 months to 10 years with a renewable clause and in many cases, it also provides for termination at will by either party giving a prior notice period between 30 to 90 days. The minimum lease rental outstanding are as under:

	As at March 31, 2018	As at March 31, 2017
Future minimum lease payments:		
Not later than one year	50,713,539	41,425,906
Later than one year and not later than five years	172,472,805	102,886,490
Later than five years	2,873,560	—

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amount in ₹ unless stated otherwise)

Note - 30

A. Contingent liabilities not provided for in respect of:

	As at March 31, 2018	As at March 31, 2017
– Claims against the Company not acknowledged as debts in respect of:		
Penalty for synchronised trading under SEBI regulations ⁽ⁱ⁾	—	1,500,000
Cases under Arbitration and Conciliation Act, 1996 ⁽ⁱⁱ⁾	3,329,885	2,803,646
– Fixed deposits pledged against overdraft facility availed by Subsidiary Company (refer note - 20 (i) (d))	9,000,000,000	6,500,000,000
– Corporate guarantee for bank loans taken by subsidiary Company	31,000,000,000	—
i. During the year ended March 31, 2011, the Securities Appellate Tribunal (“SAT”) had passed an order dated October 26, 2010 in favour of the Company setting aside the penalty imposed by SEBI. However, during the year ended March 31, 2012, SEBI had preferred an appeal against the judgment of the SAT before the Honorable Supreme Court of India. During the year ended March 31, 2018, the Honorable Supreme Court of India has passed order in favor of the Company.		
ii. The Company is involved in various legal proceedings as respondents/ defendants for various claims including those related to conduct of its business. In respect of these claims, the Company believes, these claims do not constitute material litigation matters and with its meritorious defenses the ultimate disposition of these matters will not have material adverse effect on its financial statements/ position.		

B. Commitments:

	As at March 31, 2018	As at March 31, 2017
Commitments for purchase of fixed assets (net of capital advances paid)	15,204,034	15,362,864

Note - 31

Employee stock option schemes:

a) Employees Stock Option Scheme - 2008

During the financial year ended March 31, 2009, the Company had issued an Employee Stock Option Scheme titled “Employee Stock Option Scheme - 2008” in accordance with the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (“SEBI Guidelines”).

Under the Scheme, the Company was authorised to grant 20,000,000 Equity settled options to eligible employees including its directors (other than promoter directors) and employees of its subsidiary companies including their directors. All options under the Scheme are exercisable for Equity Shares of the Company. Employees covered by the plan were granted an option to purchase shares of the Company subject to the requirements of vesting.

A Compensation Committee constituted by the Board of Directors of the Company administered the plan. The Compensation Committee had granted, under the “Indiabulls Ventures Limited Employees Stock Option Scheme - 2008” (“IBVL ESOP - 2008”), 20,000,000 stock options representing an equal number of equity shares of face value ₹ 2 each in the Company, to the eligible employees, at an exercise price of ₹ 17.40, being the latest available closing market price on the National Stock Exchange of India Limited, as on January 23, 2009. As the options have been granted at intrinsic value, there is no employee stock compensation expense on account of the same. The stock options so granted, shall vest in the eligible employees over a period of 10 years beginning from January 25, 2010 being the first vesting date. The options granted under each of the slabs, can be exercised by the grantees within a period of five years from the relevant vesting date.

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amount in ₹ unless stated otherwise)

Further, during the year ended March 31, 2017, the Compensation Committee had regranted 9,700,000 stock options (surrendered and lapsed options eligible for regrant) representing an equal number of equity shares of face value ₹ 2 each in the Company, to the eligible employees, at an exercise price of ₹ 24.15, being the latest available closing market price on the National Stock Exchange of India Limited, as on June 30, 2016. As the options have been granted at intrinsic value, there is no employee stock compensation expense on account of the same. The stock options so granted, shall vest uniformly over a period of 5 years beginning from July 2, 2017, the first vesting date. The options vested under each of the slabs, can be exercised within a period of five years from the relevant vesting date.

Further, during the year ended March 31, 2018, the Compensation Committee has regranted 500,000 and 880,600 stock options (surrendered and lapsed options eligible for regrant) representing an equal number of equity shares of face value ₹ 2 each in the Company, to the eligible employees, at an exercise price of ₹ 219.65 and ₹ 254.85 respectively, being the latest available closing market price on the National Stock Exchange of India Limited, as on August 31, 2017 and March 23, 2018 respectively. As the options have been granted at intrinsic value, there is no employee stock compensation expense on account of the same. The stock options so granted, shall vest uniformly over a period of 5 years beginning from September 2, 2018 and March 25, 2019 respectively, the first vesting date, the options vested under each of the slabs, can be exercised within a period of five years from the relevant vesting date.

	IBVL ESOP - 2008			
	2,00,00,000 Options	97,00,000 Options Regranted	5,00,000 Options Regranted	8,80,600 Options Regranted
1. Exercise price (₹)	17.40	24.15	219.65	254.85
2. Expected volatility *	79.00%	42.97%	46.70%	47.15%
3. Expected forfeiture percentage on each vesting date	Nil	Nil	Nil	Nil
4. Option Life (Weighted Average) (in years)	11	6	6	6
5. Expected Dividends yield	22.99%	10.82%	1.27%	1.10%
6. Risk Free Interest rate	6.50%	7.45%	6.54%	7.56%
7. Fair value of the options **	0.84	4.31	106.31	130.05

* The expected volatility was determined based on historical volatility data.

** Fair value of the options is computed using the Black Scholes Merton Option Pricing Model and is certified by an independent firm of Chartered Accountants.

b) Employees Stock Option Scheme - 2009

During the financial year ended March 31, 2010, the Company had issued Employee Stock Option Scheme titled as 'Indiabulls Ventures Limited Employees Stock Option Scheme - 2009' ("IBVL ESOP - 2009"). Under the Scheme, the Company was authorised to grant 20,000,000 options, representing equivalent number of equity shares of face value ₹ 2 each in one or more tranches at a price and on such terms and conditions as may be decided by the Compensation Committee, to the eligible employees of the Company and its subsidiaries.

During the year ended March 31, 2010, the Compensation Committee constituted granted 10,000,000 stock options representing an equal number of Equity Shares of face value ₹ 2 each in the Company, at an exercise price of ₹ 35.25, being the latest available closing market price on the National Stock Exchange of India Limited, as on November 30, 2009. The stock options so granted, shall vest uniformly over 10 years beginning from December 2, 2010 being the first vesting date. The option granted under each of the slabs, can be exercised within a period of five years from the relevant vesting date.

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amount in ₹ unless stated otherwise)

During the year ended March 31, 2011, the Compensation Committee had further granted 2,050,000 Stock Options representing an equal number of equity shares of face value ₹ 2 each in the Company, at an exercise price of ₹ 31.35, being the latest available closing market price on the National Stock Exchange of India Limited, as on April 9, 2010. As the options have been granted at intrinsic value, there is no employee stock compensation expense on account of the same. The Stock Options so granted, shall vest uniformly over 10 years beginning from April 13, 2011 being the first vesting date. The options granted under each of the slabs, can be exercised within a period of five years from the relevant vesting date.

During the year ended March 31, 2016, the Compensation Committee had regranted under the IBVL ESOP - 2009 10,000,000 stock options (surrendered and lapsed options eligible for regrant) representing an equal number of equity shares of face value of ₹ 2 each in the Company, at an exercise price of ₹ 27.45, being the latest available closing market price on the National Stock Exchange of India Limited, as on August 24, 2015. As the options have been granted at intrinsic value, there is no employee stock compensation expense on account of the same. The stock options so granted, shall vest uniformly over a period of 5 years beginning from August 26, 2016, the first vesting date. The options vested under each of the slabs, can be exercised within a period of five years from the relevant vesting date. During the year ended March 31, 2017, the Company had received the request from various option holders to surrender 10,000,000 stock options, which has been accepted by the Company.

During the year ended March 31, 2017, the Compensation Committee had further regranted 9,500,000 and 10,000,000 Stock Options (surrendered and lapsed options eligible for regrant) representing an equal number of equity shares of face value ₹ 2 each in the Company, to the Eligible Employees, at an exercise price of ₹ 16.00 and ₹ 24.15 respectively, being the latest available closing market price on the National Stock Exchange of India Limited, as on May 11, 2016 and June 30, 2016. As the options have been granted at intrinsic value, there is no employee stock compensation expense on account of the same. The stock options so granted, shall vest uniformly over a period of 5 years beginning from May 13, 2017 and July 2, 2017 respectively, the first vesting date. The options vested under each of the slabs, can be exercised within a period of five years from the relevant vesting date. During the year ended March 31, 2017, the Company has received the request from various option holders to surrender 10,000,000 stock options, which has been accepted by the Company.

During the year ended March 31, 2018, the Compensation Committee has regranted 10,000,000 and 669,400 Stock Options (surrendered and lapsed options eligible for regrant) representing an equal number of Equity Shares of face value ₹ 2 each in the Company, to the Eligible Employees, at an exercise price of ₹ 219.65 and ₹ 254.85 respectively, being the latest available closing market price on the National Stock Exchange of India Limited, as on August 31, 2017 and March 23, 2018 respectively. As the options have been granted at intrinsic value, there is no employee stock compensation expense on account of the same. The stock options so granted, shall vest uniformly over a period of 5 years beginning from September 2, 2018 and March 25, 2019 respectively, the first vesting date, the options vested under each of the slabs, can be exercised within a period of five years from the relevant vesting date.

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)

(All amount in ₹ unless stated otherwise)

	IBVL ESOP – 2009						
	10,000,000 Options	2,050,000 Options	10,000,000 Options Regranted & Surrendered	9,500,000 Options Regranted	10,000,000 Options Regranted & Surrendered	10,000,000 Options Regranted	669,400 Options Regranted
1. Exercise price (₹)	35.25	31.35	27.45	16.00	24.15	219.65	254.85
2. Expected volatility *	77.00%	48.96%	38.59%	40.74%	42.97%	46.70%	47.15%
3. Expected forfeiture percentage on each vesting date	Nil	Nil	Nil	Nil	Nil	Nil	Nil
4. Option life (weighted average)	10 Years	10 Years	7 Years	6 Years	6 Years	6 Years	6 Years
5. Expected dividends yield	13.48%	6.86%	9.16%	16.33%	10.82%	1.27%	1.10%
6. Risk free interest rate	7.50%	8.05%	6.50%	7.45%	7.45%	6.54%	7.56%
7. Fair value of the options (₹)**	6.48	9.39	4.77	1.38	4.31	106.31	130.05

* The expected volatility was determined based on historical volatility data.

** Fair value of the options is computed using the Black Scholes Merton Option Pricing Model and is certified by an independent firm of Chartered Accountants.

Had the compensation cost for the stock options granted under the IBVL ESOP - 2008 and IBVL ESOP - 2009 been determined based on the fair value approach, the Company's net profit and Basic/Diluted earnings per Equity Share would have been as per the pro forma amounts indicated below:

	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit attributable to equity shareholders (refer note - 28) (₹)	521,196,703	470,929,529
Less: Stock based compensation expense (₹) determined under the fair value based method	307,266,659	558,728
[Gross ₹ 1,385,283,607 (Previous Year ₹ 16,022,444)] (pro forma)		
Net profit considered for computing earnings per equity share (pro forma) (₹)	213,930,044	470,370,801
Basic/ diluted earnings per equity share:		
Weighted average number of equity shares used for computing basic earnings per equity share (refer note 28)	429,300,268	295,000,363
Add: Potential number of equity shares that could arise on exercise of employee stock options (refer note 28)	18,509,284	64,63,014
Add: Potential number of equity shares that could arise on exercise of warrants (refer note 28)	26,900,554	10,156,973
Weighted average number of equity shares used for computing diluted earnings per equity share	474,710,106	311,620,350
Basic earnings per equity share (as reported) (refer note 28) (₹)	1.21	1.60
Basic earnings per equity share (pro forma) (₹)	0.50	1.59
Diluted earnings per equity share (as reported) (refer note 28) (₹)	1.10	1.51
Diluted earnings per equity share (pro forma) (₹)	0.45	1.51

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amount in ₹ unless stated otherwise)

The other disclosures in respect of the above stock option schemes are as under:

	IBVL ESOP - 2008			
	20,000,000			
	20,000,000	9,700,000 (Regrant)	500,000 (Regrant)	880,600 (Regrant)
Total options under the scheme (Nos.)				
Options granted (Nos.)				
Vesting period and percentage	Ten years, 1st Year - 15% 2nd year to 9th year - 10% each year 10th year - 5%	Uniformly over a period of Five years	Uniformly over a period of Five years	Uniformly over a period of Five years
Vesting date	January 25 th each year, commencing January 25, 2010	July 2 nd each year, commencing July 2, 2017	September 2 nd each year, commencing September 2, 2018	March 25 th each year, commencing March 25, 2019
Exercise price (₹)	17.40	24.15	219.65	254.85
Outstanding at the beginning of the year (Nos.)	1,526,316	9,700,000	—	—
Granted/ regranted during the year (Nos.)	—	—	500,000	880,600
Exercised during the year (Nos.)	220,400	—	—	—
Expired during the year (Nos.)	—	—	—	—
Surrendered and eligible for re-grant during the year (Nos.)	28,050	—	—	—
Outstanding at the end of the year (Nos.)	1,277,866	97,00,000	5,00,000	8,80,600
Vested and exercisable at the end of the year (Nos.)	9,22,314	19,40,000	—	—
Remaining contractual life (weighted months)	56	75	89	96

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)

(All amount in ₹ unless stated otherwise)

Total options under the Scheme (Nos.)	IBVL ESOP - 2009						
	20,000,000						
Options granted (Nos.)	10,000,000	2,050,000	10,000,000 (Regrant & Surrendered)	9,500,000 (Regrant)	10,000,000 (Regrant & Surrendered)	10,000,000 (Regrant)	669,400 (Regrant)
Vesting period and percentage	Uniformly over a period of Ten years	Uniformly over a period of Ten years	Uniformly over a period of Five years	Uniformly over a period of Five years	Uniformly over a period of Five years	Uniformly over a period of Five years	Uniformly over a period of Five years
Vesting date	December 2 nd each year, commencing December 2, 2010	April 13 th each year, commencing April 13, 2011	August 26 th each year, commencing August 26, 2016	May 13 th each year, commencing May 13, 2017	July 2 nd each year, commencing July 2, 2017	September 2 nd each year, commencing September 2, 2018	March 25 th each year, commencing March 25, 2018
Exercise price (₹)	35.25	31.35	27.45	16.00	24.15	219.65	254.85
Outstanding at the beginning of the year (Nos.)	—	450,000	—	9,153,000	—	—	—
Granted/ regranted during the year (Nos.)	—	—	—	-	—	10,000,000	669,400
Exercised during the year (Nos.)	—	300,000	—	1,758,100	—	—	—
Expired during the year (Nos.)	—	—	—	—	—	—	—
Surrendered and eligible for re-grant during the year (Nos.)	—	—	—	242,400	—	30,000	—
Outstanding at the end of the year (Nos.)	—	150,000	—	7,152,500	—	9,970,000	669,400
Exercisable at the end of the year (Nos.)	—	—	—	72,500	—	—	—
Remaining contractual life (Weighted Months)	—	72	—	79	—	89	96

Note - 32

Segment reporting

The Company operates in one reportable business segment i.e., “Broking & related activities” and operates in one reportable geographical segment, i.e. “within India”. Hence, no separate information for segment wise disclosure is required in accordance with the requirements of Accounting Standard (AS) 17 - “Segment Reporting” .

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amount in ₹ unless stated otherwise)

Note - 33

Related party disclosures

Nature of relationship	Name of the party
(a) Related parties where control exists:	
Subsidiary companies (including step-down subsidiaries)	Indiabulls Commodities Limited India Ethanol and Sugar Limited Devata Tradelink Limited Indiabulls Investment Advisors Limited (formerly known as Indiabulls Brokerage Limited) Indiabulls Infra Resources Limited (w.e.f. February 1, 2017) Indiabulls Logistics Limited (w.e.f. January 19, 2017) Indiabulls Consumer Products Limited (w.e.f. July 5, 2016) Indiabulls Distribution Services Limited Auxesia Soft Solutions Limited Pushpanjali Finsolutions Limited Arbutus Constructions Limited Gyansagar Buildtech Limited IVL Finance Limited (formerly known as Shivshakti Financial Services Limited) Astraea Constructions Limited Silenus Buildtech Limited Astilbe Builders Limited Pushpanjali Fincon Limited India Land and Properties Limited (upto March 16, 2017) Indiabulls Assets Reconstruction Company Limited (w.e.f. October 3, 2016) Positive Housings Private Limited (upto March 30, 2018) Indiabulls Alternate investments Limited
(b) Other related parties:	
(i) Key Management Personnel	Mr. Divyesh B. Shah, Whole Time Director & Chief Executive Officer Mr. Pinank Jayant Shah, Whole Time Director (w.e.f. August 28, 2017) Mr. Amiteshwar Choudhary, Whole Time Director (w.e.f. September 28, 2016 and resigned on August 28, 2017) Mr. Ashok Sharma, Whole Time Director (upto August 26, 2016)
(ii) Person exercising significant influence	Mr. Sameer Gehlaut

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amount in ₹ unless stated otherwise)

(c) Transactions with related parties during the year

	Subsidiary companies		Key management personnel		Person exercising significant influence		Total	
	For the year ended		For the year ended		For the year ended		For the year ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Income								
i. Brokerage income								
- Mr. Divyesh B. Shah	-	-	172	2,443	-	-	172	2,443
- Mr. Sameer Gehlaut	-	-	-	-	313,268	-	-	313,268
- Mr. Amiteshwar Choudhary	-	-	3,000	-	-	-	3,000	-
- IVL Finance Limited	3,545,736	-	-	-	-	-	3,545,736	-
ii. Interest income from non convertible debentures								
- Indiabulls Distribution Services Limited	-	8,709	-	-	-	-	-	8,709
iii. Interest on margin funding / delayed payments								
- Mr. Amiteshwar Choudhary	-	-	167,783	-	-	-	167,783	-
iv. Dividend income								
- Indiabulls Commodities Limited	-	145,200,000	-	-	-	-	-	145,200,000
- Indiabulls Distribution Services Limited	-	100,000,000	-	-	-	-	-	100,000,000
v. Interest income on Inter corporate deposits								
- Indiabulls Distribution Services Limited	563,103,668	399,862,749	-	-	-	-	563,103,668	399,862,749
- IVL Finance Limited	17,527,438	-	-	-	-	-	17,527,438	-
- Indiabulls Investment Advisors Limited	22,906,233	-	-	-	-	-	22,906,233	-
Expenses								
i. Reimbursement of expenses paid								
- India Land and Properties Limited	-	342,108	-	-	-	-	-	342,108
- Indiabulls Distribution Services Limited	2,265,330	28,058,204	-	-	-	-	2,265,330	28,058,204
- Indiabulls Investment Advisors Limited	210,251	-	-	-	-	-	210,251	-
ii. Reimbursement of expenses received								
- Indiabulls Consumer Products Limited	-	165,710	-	-	-	-	-	165,710
- Indiabulls Logistics Limited	-	228,598	-	-	-	-	-	228,598
- Indiabulls Infra Resources Limited	-	587,098	-	-	-	-	-	587,098
- Indiabulls Distribution Services Limited	8,804,262	35,276,570	-	-	-	-	8,804,262	35,276,570
- Indiabulls Asset Reconstruction Company Limited	2,761,200	-	-	-	-	-	2,761,200	-
- IVL Finance Limited	4,092,400	-	-	-	-	-	4,092,400	-
- Indiabulls Investment Advisors Limited	30,775,768	-	-	-	-	-	30,775,768	-
iii. Rent expense								
- India Land and Properties Limited	-	833,040	-	-	-	-	-	833,040

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amount in ₹ unless stated otherwise)

(c) Transactions with related parties during the year

	Subsidiary companies		Key management personnel		Person exercising significant influence		Total	
	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017
iv. Office maintenance expense								
- India Land and Properties Limited	-	262,404	-	-	-	-	-	262,404
v. Printing & stationery expenses								
- India Land and Properties Limited	-	400	-	-	-	-	-	400
vi. Remuneration								
- Mr. Divyesh B. Shah	-	-	41,247,295	3,140,302	-	-	41,247,295	3,140,302
Finance								
i. Inter corporate deposits given (Maximum balance outstanding during the year)								
- Indiabulls Distribution Services Limited	9,870,600,000	7,202,200,000	-	-	-	-	9,870,600,000	7,202,200,000
- IVL Finance Limited	2,449,500,000	-	-	-	-	-	2,449,500,000	-
- Indiabulls Investment Advisors Limited	462,400,000	-	-	-	-	-	462,400,000	-
ii. Money received against conversion of share warrants								
- Mr. Divyesh B. Shah	-	-	59,250,000	-	-	-	59,250,000	-
iii. Money received against share warrants								
- Mr. Divyesh B. Shah	-	-	-	19,750,000	-	-	-	19,750,000
iv. Money received against ESOP								
- Mr. Divyesh B. Shah	-	-	1,567,500	33,937,500	-	-	1,567,500	33,937,500
- Mr. Amiteshwar Choudhary	-	-	2,560,000	2,436,000	-	-	2,560,000	2,436,000
v. Equity shares issued								
- Mr. Divyesh B. Shah	-	-	118,901,220	-	-	-	118,901,220	-
- Mr. Sameer Gehlaut	-	-	-	-	564,535,620	-	564,535,620	-
Investment								
i. Investment in equity shares of subsidiary companies								
- Indiabulls Consumer Products Limited	-	500,000	-	-	-	-	-	500,000
- Indiabulls Logistics Limited	-	500,000	-	-	-	-	-	500,000
- Indiabulls Infra Resources Limited	-	30,000,000	-	-	-	-	-	30,000,000

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amount in ₹ unless stated otherwise)

(c) Transactions with related parties during the year

	Subsidiary companies		Key management personnel		Person exercising significant influence		Total	
	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017
- Indiabulls Asset Reconstruction Company Limited	500,000,000	449,000,000	-	-	-	-	500,000,000	449,000,000
- IVL Finance Limited	10,027,659,115	-	-	-	-	-	10,027,659,115	-
ii. Investment in non convertible debentures								
- Indiabulls Distribution Services Limited	-	9,515,000,000	-	-	-	-	-	9,515,000,000
iii. Redemption of investment non convertible debentures								
- Indiabulls Distribution Services Limited	-	9,515,000,000	-	-	-	-	-	9,515,000,000
iv. Purchase of Equity Shares of IVL Finance Limited								
- Indiabulls Distribution Services Limited	2,176,323,000	-	-	-	-	-	2,176,323,000	-
Liabilities								
i. Employee benefits liabilities paid								
- Indiabulls Distribution Services Limited	-	2,473,272	-	-	-	-	-	2,473,272
ii. Employee benefits liabilities received								
- India Land and Properties Limited	-	2,549,079	-	-	-	-	-	2,549,079
Contingent Liability								
i. Fixed deposits pledged against overdraft facility availed by subsidiary company								
- Indiabulls Distribution Services Limited	9,000,000,000	6,500,000,000	-	-	-	-	9,000,000,000	6,500,000,000
ii. Corporate guarantees given on behalf of subsidiary company								
- IVL Finance Limited	31,000,000,000	-	-	-	-	-	31,000,000,000	-
(d) Balance outstanding as at March 31, 2018:								
Inter-corporate deposits given								
- Indiabulls Distribution Services Limited	-	455,600,000	-	-	-	-	-	455,600,000
- Indiabulls Investment Advisors Limited	66,100,000	-	-	-	-	-	66,100,000	-
Money received against share warrants								
— Mr. Divyesh B. Shah	-	-	-	19,750,000	-	-	-	19,750,000
Money received against ESOP								

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amount in ₹ unless stated otherwise)

(c) Transactions with related parties during the year

	Subsidiary companies		Key management personnel		Person exercising significant influence		Total	
	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017
— Mr. Divyesh B. Shah	-	-	-	7,837,500	-	-	-	7,837,500
Margin received from customers								
— IVL Finance Limited	26,655,371	-	-	-	-	-	26,655,371	-
Fixed deposits received and pledged as margin money with stock exchange								
— IVL Finance Limited	120,000,000	-	-	-	-	-	-	-
Fixed deposits pledged against overdraft facility availed by subsidiary company								
— Indiabulls Distribution Services Limited	9,000,000,000	6,500,000,000	-	-	-	-	9,000,000,000	6,500,000,000
Corporate guarantees given on behalf of subsidiary company								
— IVL Finance Limited	31,000,000,000	-	-	-	-	-	31,000,000,000	-

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amount in ₹ unless stated otherwise)

Note - 34

Employee benefits

- i. During the year, the Company has recognized the following amounts in the Statement of Profit and Loss in respect of defined contribution plans:

	For the year ended March 31, 2018	For the year ended March 31, 2017
Contribution made to Employees' Provident Fund Organisation	10,49,505	863,421
Contribution made to Employees' State Insurance Corporation	3,69,146	142,856
Contribution to Labour Welfare Fund	60,762	37,935
Contribution to Employees' National Pension Scheme	1,587,936	517,333
	3,067,349	1,561,545

- ii. Disclosures in respect of defined benefit plan i.e. unfunded gratuity and other long term benefits i.e. compensated absences:

a. Reconciliation of Liability recognised in the Balance Sheet :

	Gratuity (unfunded) (For the year ended)		Compensated absences (For the year ended)	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Present value of commitments (as per actuarial valuation)	39,763,091	29,967,306	10,461,045	8,329,057
Fair Value	-	-	-	-
Net Liability in the Balance Sheet (as per actuarial valuation)	39,763,091	29,967,306	10,461,045	8,329,057

b. Expense recognised in the statement of Profit and Loss.

	Gratuity (unfunded) For the year ended		Compensated absences For the year ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Current service cost	5,175,927	3,707,203	1,501,488	1,001,002
Past service cost	1,743,315	-	-	-
Interest cost	2,313,802	2,013,227	615,606	472,181
Expected return on plan assets	-	-	-	-
Actuarial losses / (gains)	3,000,325	4,071,636	56,275	(26,914)
Expense charged to the Statement of Profit and Loss	12,233,369	9,792,066	2,173,369	1,446,269

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amount in ₹ unless stated otherwise)

c. Reconciliation of present value of defined benefit obligation.

	Gratuity (unfunded) For the year ended		Compensated absences For the year ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Present value of the obligation as at beginning of the year	29,967,306	24,075,702	8,329,057	6,055,597
Add: Current service cost	5,175,927	3,707,203	1,501,488	1,001,002
Add: Past service cost	1,743,315	-	-	-
Add: Interest cost	2,313,802	2,013,227	615,606	472,181
Less: Benefits paid	(2,229,738)	(3,094,928)	-	(54,150)
(Less)/ add: Acquisition adjustment on account of transfer of employees	(207,846)	(805,534)	(41,381)	881,341
Add/ (less): Actuarial losses/ (gains)	3,000,325	4,071,636	56,275	(26,914)
Present value of obligations as at end of the year	39,763,091	29,967,306	10,461,045	8,329,057

d. Experience adjustment:

	Gratuity (unfunded) For the year ended				
	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
On plan liabilities (losses)	(5,714,561)	(1,495,931)	(2,397,855)	(2,146,701)	(2,659,739)
On plan assets (gains/ (losses))	—	—	—	—	—
Present value of benefit obligation	39,763,091	29,967,306	24,075,702	20,460,755	17,412,601
Fair value of plan assets	—	—	—	—	—
Excess of obligation over plan assets/ (plan assets over obligation)	39,763,091	29,967,306	24,075,702	20,460,755	17,412,601

	Compensated absences For the year ended				
	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
On plan liabilities gain/ (losses)	(766,226)	559,124	(1,020,390)	746,059	940,374
On plan assets (gains/ (losses))	—	—	—	—	—
Present value of benefit obligation	10,461,045	8,329,057	6,055,597	5,795,350	5,378,411
Fair value of plan assets	—	—	—	—	—
Excess of obligation over plan assets / (plan assets over obligation)	10,461,045	8,329,057	6,055,597	5,795,350	5,378,411

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amount in ₹ unless stated otherwise)

- e. The actuarial calculations used to estimate the present value of obligations and expenses in respect of gratuity and compensated absences are based on the following assumptions:

	For the year ended March 31, 2018	For the year ended March 31, 2017
Discount rate	7.80%	7.35%
Expected return on plan assets	NA	NA
Expected rate of salary increase	5.00%	5.00%
Mortality	IALM (2006 - 08)	IALM (2006 - 08)

- f. The employer's best estimate of contributions expected to be paid during the annual period beginning after the Balance Sheet Date towards:

	For the year ended March 31, 2018	For the year ended March 31, 2017
Gratuity (unfunded)	12,712,937	8,704,760
Compensated absences	3,268,171	2,327,621

Note - 35

(a) Earnings in foreign currency:

	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest on escrow account receivable	1,199,151	—

(b) Expenditure in foreign currency:

	For the year ended March 31, 2018	For the year ended March 31, 2017
Amount paid for development of software	2,108,203	—
Legal and professional expenses *	7,143,286	—

* Legal and professional expenses has been adjusted against securities premium account as share issue expenses for rights issue of equity shares of the Company.

Note - 36

In accordance with the provisions of section 135 of the Companies Act 2013, the Board of Directors of the Company had constituted a Corporate Social Responsibility (CSR) Committee. In terms with the provisions of the said Act, the Company was to spend a sum of ₹ 7,129,000 (previous year ₹ 7,529,000) towards CSR activities during the year ended March 31, 2018. The details of amount actually spent by the Company are:

	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Gross amount required to be spent by the company	7,129,000	7,529,000
(b) Amount spent on		
— Construction/acquisition of any asset	—	—
— Any other purpose other than above	7,129,000	7,529,000
— Yet to be paid	—	—
	7,129,000	7,529,000

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2018 (contd.)
(All amount in ₹ unless stated otherwise)

Note - 37

The Company has not entered into any derivative contract for hedging any foreign currency exposure. The year end foreign currency exposures that have not been hedged by derivative instruments or otherwise are given below :

	For the year ended March 31, 2018	For the year ended March 31, 2017
Amount receivable on loan notes and escrow receivable account (in USD)	1,073,792	1,209,558
Amount receivable on loan notes and escrow receivable account (in INR)	69,843,789	80,233,492

Note - 38

As per the best estimate of the Management, no provision is required to be made as per Accounting Standard 29 - 'Provisions, Contingent Liabilities and Contingent Assets', in respect of any present obligation as a result of a past event that could lead to a probable outflow of resources which would be required to settle the obligation.

Note - 39

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/ disclosures.

For **Walker Chandiok & Co LLP**
Chartered Accountants

per **Lalit Kumar**
Partner
Place: Gurugram
Date: April 23, 2018

For and on behalf of the Board of Directors

Divyesh B. Shah
Whole Time Director &
Chief Executive Officer
DIN: 00010933
Place: Mumbai
Date: April 23, 2018

Pinank Jayant Shah
Whole Time Director
DIN: 07859798

Rajeev Lochan Agrawal
Chief Financial Officer

Lalit Sharma
Company Secretary

Statement Pursuant to Section 129 of the Companies Act, 2013

**ANNEXURE: STATEMENT CONTAINING THE SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES / ASSOCIATE COMPANIES / JOINT VENTURES
[FORM AOC-1: PURSUANT TO SUB-SECTION (3) OF SECTION 129 OF THE COMPANIES ACT, 2013, READ WITH RULE 5 OF THE COMPANIES (ACCOUNTS) RULES, 2014]**

Part A: Subsidiaries													
Sr. No.	Name of the Subsidiary Companies	Reporting Period	Share Capital	Reserves and Surplus (Surplus / Deficit)	Total Assets	Total Liabilities	Investments	Turnover	Profit / (Loss) before Taxation	Provision for Taxation / (Tax Credit)	Profit / (Loss) after Taxation	Proposed Dividend (including Corporate Dividend Tax)	% of shareholding
1	Indiabulls Commodities Limited	2017-18	6,000,000	278,370,607	319,765,994	37,295,387	1,900,000	59,456,869	14,717,731	181,753	14,535,978	-	100%
2	India Ethanol And Sugar Limited	2017-18	1,900,000	(945,090)	971,341	16,431	-	97,995	(271,518)	41,762	(313,280)	-	100%
3	Devata Tradelink Limited	2017-18	500,000	(1,806,738,452)	2,057,602	1,829,306,054	21,010,000	2,875,000	409,127	(367,767)	776,894	-	100%
4	Indiabulls Investment Advisors Limited (formerly known as Indiabulls Brokerage Limited)	2017-18	55,000,000	113,072,179	2,246,953,606	2,078,881,427	-	720,227,264	167,608,634	48,357,591	119,251,043	-	100%
5	Indiabulls Distribution Services Limited	2017-18	500,000	1,272,415,257	6,814,862,925	8,404,547,669	2,862,600,000	1,430,535,805	39,884,811	(9,586,130)	49,420,941	-	100%
6	Auxesia Soft Solutions Limited	2017-18	500,000	(40,490,589)	593,115	40,583,704	-	25,000	(45,956,886)	61,463	(46,018,349)	-	100%
7	Pushpanji Finsolutions Limited	2017-18	60,100,000	2,770,389	63,699,680	829,291	-	5,328,091	5,101,714	1,346,335	3,755,379	-	100%
8	Arbutus Constructions Limited	2017-18	1,100,000	486,298	582,407	19,046,109	20,050,000	1,375,497	(1,635,212)	-	(1,635,212)	-	100%
9	Gyansagar Buildtech Limited	2017-18	1,100,000	(10,245,510)	25,550,540	54,746,050	20,050,000	255,290,900	(20,153,419)	(447)	(20,152,972)	-	100%
10	IVL Finance Limited (Formerly known as Shiwshakti Financial Services Limited)	2017-18	300,515,650	16,478,199,780	50,763,760,235	38,426,717,015	4,441,672,173	7,000,705,608	2,497,821,365	582,611,091	1,915,210,274	-	100%
11	Astraea Constructions Limited	2017-18	500,000	(49,069)	473,931	23,000	-	22,570	(110,095)	45,611	(155,706)	-	100%
12	Silenus Buildtech Limited	2017-18	500,000	264,862	787,862	23,000	-	36,123	(98,021)	188	(98,209)	-	100%
13	Astilbe Builders Limited	2017-18	500,000	221,130	744,130	23,000	-	34,206	(103,545)	(300)	(103,245)	-	100%
14	Pustpanji Fincon Limited	2017-18	40,100,000	(39,244,558)	95,137,236	94,281,794	-	8,000,000	(420,029)	-	(420,029)	-	100%

Statement Pursuant to Section 129 of the Companies Act, 2013 (contd..)

ANNEXURE: STATEMENT CONTAINING THE SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES / ASSOCIATE COMPANIES / JOINT VENTURES [FORM AOC-1: PURSUANT TO FIRST PROVISIO TO SUB-SECTION (3) OF SECTION 129 OF THE COMPANIES ACT, 2013, READ WITH RULE 5 OF THE COMPANIES (ACCOUNTS) RULES, 2014]

Part A: Subsidiaries

Sr. No.	Name of the Subsidiary Companies	Reporting Period	Share Capital	Reserves and Surplus (Surplus / Deficit)	Total Assets	Total Liabilities	Investments	Turnover	Profit / (Loss) before Taxation	Provision for Taxation / (Tax Credit)	Profit / (Loss) after Taxation	Proposed Dividend (including Corporate Dividend Tax)	% of shareholding
15	Positive Housings Private Limited ¹	2017-18	-	(11,743,262)	-	-	-	150,000	(233,713)	-	(233,713)	-	100%
16	Indiabulls Alternate Investments Limited	2017-18	50,500,000	21,662,091	59,591,450	12,429,359	25,000,000	32,043,463	21,815,145	5,808,246	16,006,899	-	100%
17	Indiabulls Asset Reconstruction Company Limited	2017-18	550,000,000	495,073,868	632,758,070	13,636,397	425,952,195	93,606,988	58,735,226	17,264,431	41,470,795	-	100%
18	Indiabulls Consumer Products Limited	2017-18	500,000	1,071,653	3,529,683	1,958,030	-	8,708,188	700,905	57,881	643,024	-	100%
19	Indiabulls Logistics Limited	2017-18	500,000	(364,123)	150,877	15,000	-	-	(117,010)	-	(117,010)	-	100%
20	Indiabulls Infra Resources Limited	2017-18	30,000,000	1,324,982	31,989,402	664,420	-	2,638,430	2,522,020	649,420	1,872,600	-	100%

Notes:

1. Positive Housings Private Limited ceased to be Subsidiary of the Company w.e.f. March 30, 2018

For and on behalf of the Board

Divvish B. Shah

Whole Time Director & Chief Executive Officer

Mumbai, April 23, 2018

Pinank Jayant Shah

Whole Time Director

Rajeev Lochan Agrawal

Chief Financial Officer

Lalit Sharma

Company Secretary



Indiabulls
VENTURES

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