INDEPENDENT AUDITOR'S REPORT

To the Members of
Indiabulls Investment Advisors Limited
(formerly Indiabulls Brokerage Limited)
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Indiabulls Investment Advisors Limited (formerly Indiabulls Brokerage Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss, including Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the loss and other comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act ("SAs"). Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Financial Statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Directors' report, but does not include the financial statements and our auditor's report thereon.

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

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these Financial Statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Other Matters

The comparative financial statements of the Company for the year ended March 31, 2019 were audited by the predecessor auditors, M/s A Sardana & Co., who have expressed an unmodified opinion on those financial statements vide their audit report dated April 24, 2019. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account;

(d) In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(g) In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid/provided any remuneration to its directors during the year ended March 31, 2020;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) The Company does not have any pending litigations which would impact 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Ajay Sardana Associates
Chartered Accountants
Firm Registration No. 016827N

Rahul Mukhi
Partner
Membership No.099719
Gurugram, Haryana, June 23, 2020
UDIN: 20099719AAAAAV8380

Annexure A to the Independent Auditor's Report of even date on the Financial Statements of Indiabulls Investment Advisors Limited (formerly Indiabulls Brokerage Limited) for the year ended March 31, 2020

Report on the statement of matters specified in paragraphs 3 and 4 of the Order.

(i) ln respect of its Fixed Assets:

(a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) These fixed assets have been physically verified by the management at reasonable intervals in accordance with a regular programme of verification. According to the information and explanation given to us, no material discrepancies were noticed on such verification;

(c) The Company does not own immovable properties.

(ii) The Company does not have any inventories; accordingly, the provisions of clause 3 (ii) of the Order are not applicable to the Company.

(iii) According to information and explanations given to us, the Company has not granted loans secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(iv) In our opinion and according to information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, to the extent applicable to it. The Company has not entered into any transactions in respect of investments, security and guarantees covered under section 185 and 186 of the Companies Act, 2013.

(v) According to information and explanations given to us, the Company has not accepted any deposits from the public during the year within the meaning of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013. Accordingly, the provisions of clause 3 (v) are not applicable to the Company.

(vi) Having regard to the nature of the Company's business / activities, reporting under 3 (vi) pertaining to the maintenance of cost records is not applicable to the Company.

(vii) (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities, to the extent applicable to it. There are no arrears of outstanding statutory dues as at March 31, 2020 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, the Company did not have any dues of income tax or sales tax or goods and service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks. The Company did not have any dues in respect of loans or borrowing to debenture holders, financial institution or government.

(ix) According to the information and explanations given to us, the Company has not raised moneys raised by way of public issue, follow-on offer (including debt instruments) and term loans, during the year under audit.

(x) Based upon the audit procedures performed for the purpose of reporting on the true and fair view of the financial statements and according to the information and explanations given to us by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given to us, the Company has not paid or provided any managerial remuneration in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company. Accordingly, the provisions of clause 3 (xii) are not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 to the extent applicable and the details have been disclosed in Note 46 to the Financial Statements as required by the accounting standards and Companies Act, 2013.

(xiv) According to the information and explanations given to us, the Company has made private placement of equity shares during the year under review. The Company has not made any preferential allotment / private placement of fully or partly convertible debentures during the year under review.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them as referred to in section 192 of the Act.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Ajay Sardana Associates
Chartered Accountants
Firm Registration No. 016827N

Rahul Mukhi
Partner
Membership No.099719
Gurugram, Haryana, June 23, 2020
UDIN: 20099719AAAAAV8380

Annexure B to the Independent Auditor's Report of even date on the Financial Statements of Indiabulls Investment Advisors Limited (formerly Indiabulls Brokerage Limited) for the year ended March 31, 2020

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

We have audited the internal financial controls over financial reporting of Indiabulls Investment Advisors Limited (formerly Indiabulls Brokerage Limited) ("the Company") as of March 31, 2020 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, as prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls over financial reporting with reference to these Financial Statements.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the Company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these Financial Statements and such internal financial controls over financial reporting with reference to these Financial Statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Ajay Sardana Associates
Chartered Accountants
Firm Registration No. 016827N

Rahul Mukhi
Partner
Membership No.099719
Gurugram, Haryana, June 23, 2020
UDIN: 20099719AAAAAV8380

Indiabulls Investment Advisors Limited
Balance Sheet as at 31 March 2020
(All amounts in Rs.Lakhs unless stated otherwise)

	Note	As at 31 March 2020	As at 31 March 2019
Assets			
Non-current assets			
Property, plant and equipment	4(a)	179.33	229.57
Intangible assets	4(b)	56.83	74.36
Right-of-Use Assets	4(c)	333.49	-
Financial assets			
Loans	5	2,090.75	2,501.65
Trade receivables	6	2,221.33	4,957.61
Other financial assets	7	5,879.12	10,089.86
Deferred tax assets(net)	8	1,995.68	829.95
Other non-current assets	9	12,323.23	16.15
Total non-current assets		**25,079.76**	**18,699.15**
Current assets			
Financial assets			
Trade receivables	10	2,420.73	2,876.16
Cash and cash equivalents	11	24.02	1,614.78
Loans	12	586.41	-
Other financial assets	13	290.66	-
Current tax assets (net)	14	292.10	199.65
Other current assets	15	194.81	245.54
Total current assets		**3,808.73**	**4,936.13**
Total assets		**28,888.49**	**23,635.28**
Equity and liabilities			
Equity			
Equity share capital	16	35,550.00	550.00
Other equity	17	(8,008.84)	(1,449.72)
Total equity		**27,541.16**	**(899.72)**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	18	319.63	9.65
Provisions	19	206.27	284.93
Total non-current liabilities		**525.90**	**294.58**
Current liabilities			
Financial liabilities			
Borrowings	20	122.09	22,988.44
Other financial liabilities	21	15.12	3.86
Other current liabilities	22	675.14	595.55
Provisions	23	9.08	652.57
Total current liabilities		**821.43**	**24,240.42**
Total equity and liabilities		**28,888.49**	**23,635.28**

The accompanying notes are an integral part of these standalone financial statements.

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

For Ajay Sardana Associates
Chartered Accountants
Firm Registration No. 016827N

For and on behalf of the Board of Directors

Rahul Mukhi
Partner
Membership No. 099719
Gurugram, Haryana, 23 June 2020

Pankaj Kumar
Whole time Director
DIN: 06956444
New Delhi, 23 June 2020

Vaseem Raja
Director
DIN: 07709789

Rajeev Lochan Agrawal
Chief Financial Officer

Ram Mehar Garg
Company Secretary
AKJPM3656K

Indiabulls Investment Advisors Limited
Statement of profit and loss for the year ended 31 March 2020
(All amounts in Rs.Lakhs unless stated otherwise)

		Note	For the year ended 31 March 2020	For the year ended 31 March 2019
I	Revenue from operations	24	3,014.97	6,579.60
II	Other income	25	462.49	390.72
III	**Total revenue (I+II)**		**3,477.46**	**6,970.32**
IV	**Expenses**			
	Employee benefits expenses	26	1,442.76	3,743.45
	Finance costs	27	2,694.56	1,794.94
	Depreciation and amortisation expense	4	195.04	58.80
	Other expenses	28	6,592.06	2,573.42
	Total expenses (IV)		**10,924.42**	**8,170.61**
V	**Loss before exceptional items and tax (III-IV)**		**(7,446.96)**	**(1,200.29)**
VI	**Exceptional items**		-	-
VII	**Loss before tax (V-VI)**		**(7,446.96)**	**(1,200.29)**
VIII	Tax expense	29		
	Current tax		-	-
	Earlier year tax expenses		-	(1.25)
	Deferred tax		(1,163.37)	(176.55)
	Total tax expenses		**(1,163.37)**	**(177.80)**
IX	**Loss for the year (VII-VIII)**		**(6,283.59)**	**(1,022.49)**
X	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	Re-measurement gain/(loss) on defined benefit plans		(9.41)	24.38
	Income tax relating to items that will not be reclassified to profit and loss		2.37	(7.10)
	Total other comprehensive income/(loss)		**(7.04)**	**17.28**
XI	**Total comprehensive loss for the year (IX+X)**		**(6,290.63)**	**(1,005.21)**
XII	**Earnings per equity share (Rs. 10 per share)**	30		
	(1) Basic (Rs)		(37.02)	(18.59)
	(2) Diluted (Rs)		(37.02)	(18.59)
	Face value per equity share		10.00	10.00

The accompanying notes are an integral part of these standalone financial statements.

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

For Ajay Sardana Associates
Chartered Accountants
Firm Registration No. 016827N

For and on behalf of the Board of Directors

Rahul Mukhi
Partner
Membership No. 099719
Gurugram, Haryana, 23 June 2020

Pankaj Kumar
Whole time Director
DIN: 06956444
New Delhi, 23 June 2020

Vaseem Raja
Director
DIN: 07709789

Rajeev Lochan Agrawal
Chief Financial Officer

Ram Mehar Garg
Company Secretary
AKJPM3656K

Indiabulls Investment Advisors Limited
Statement of Cash Flows for the year ended 31 March 2020
(All amounts in Rs.Lakhs unless stated otherwise)

		Year ended 31 March 2020	Year ended 31 March 2019
A	**Cash flow from operating activities :**		
	Net profit/(loss) before tax	(7,446.96)	(1,200.29)
	Adjustments for :		
	Interest Income from Inter Corporate Deposits	(2.19)	-
	Unwinding of interest income	(344.22)	(241.00)
	Lease rent	-	2.51
	Provision for contingencies	-	612.22
	Loss/(Gain) on modification/derecognition of financial assets	635.16	(121.10)
	Effect of reversal of financing component from revenue	195.84	-
	Interest on Fixed Deposits	(21.90)	(19.70)
	Provisions no longer required, written back	(93.39)	(5.63)
	Profit on sale/ scrapping of fixed assets	(0.01)	-
	Finance costs	2,694.07	1,779.60
	Depreciation and Amortisation	195.04	58.80
	Provision for Gratuity and Compensated Absences	22.94	57.90
	Share-based payment expense	1.08	8.95
	Provision for impairment loss due to expected credit loss (ECL)	5,620.61	29.25
	Bad debt written off	1.47	-
	Operating profit/(loss) before changes in working capital	1,457.54	961.51
	Adjustments for:		
	Loans	(466.80)	833.64
	Trade receivables	68.09	(3,171.24)
	Other financial assets	1,225.96	1,954.20
	Other non-current assets	(12,307.08)	0.17
	Other current assets	38.27	(113.46)
	Other financial liabilities	10.91	(5,062.35)
	Provisions	(747.75)	257.66
	Other current liabilities	166.25	157.38
	Cash (used in)/ generated from operations	(10,554.61)	(4,182.49)
	Direct taxes (paid)/refund (net)	(92.45)	22.36
	Net cash (used in)/ generated from operating activities	**(10,647.06)**	**(4,160.13)**
B	**Cash flow from investing activities :**		
	Purchase of Property, plant and equipment and intangible assets	(9.04)	(233.90)
	Sale of fixed assets	0.14	-
	Interest Received	23.91	19.70
	Net cash (used in)/ generated from investing activities	**15.01**	**(214.20)**
C	**Cash flow from financing activities**		
	Proceeds from/(Repayment of) Secured Loans (Including Current Maturity of Long Term Debt) (Net)	(3.77)	(3.45)
	Payment of Lease liabilities (including interest on lease liabilities)	(127.24)	-
	Proceeds from issue of equity shares (net of share issue expenses)	34,730.43	-
	Proceeds from/(Repayment of) Short Term Borrowings (Net)	(22,988.45)	7,759.44
	Interest paid	(2,652.10)	(1,779.60)
	Net cash generated from/(used in) financing activities	**8,958.87**	**5,976.39**
D	**Net increase/(decrease) in cash and cash equivalents (A+B+C)**	**(1,673.18)**	**1,602.06**
E	**Cash and cash equivalents at the beginning of the year (refer note ii. below)**	**1,614.78**	**12.72**
F	**Cash and cash equivalents at the close of the year (D + E)**	**(58.40)**	**1,614.78**

Indiabulls Investment Advisors Limited
Statement of Cash Flows for the year ended 31 March 2020 (continued)
(All amounts in Rs. unless stated otherwise)

Notes:

i. The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7 on 'Statement of Cash Flows ' as prescribed under Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 7 of the Companies (Accounts) Rules, 2014.

ii. Cash and cash equivalents includes:

	As at March 31, 2020	As at March 31, 2019
Cash and cash equivalents (Refer Note 11)	24.02	1,614.78
Less: Bank overdraft (Refer Note 20)	(82.42)	-
Cash and cash equivalents at the end of the year	**(58.40)**	**1,614.78**

The accompanying notes are an integral part of these financial statements.

This is the Statement of Cash Flows referred to in our report of even date

For Ajay Sardana Associates
Chartered Accountants
Firm Registration No. 016827N

For and on behalf of the Board of Directors

Rahul Mukhi
Partner
Membership No. 099719
Gurugram, Haryana, 23 June 2020

Pankaj Kumar
Whole time Director
DIN: 06956444
New Delhi, 23 June 2020

Vaseem Raja
Director
DIN: 07709789

Rajeev Lochan Agrawal
Chief Financial Officer

Ram Mehar Garg
Company Secretary
AKJPM3656K

Indiabulls Investment Advisors Limited
Statement of Changes in Equity for the year ended 31 March 2020
(All amounts in Rs.Lakhs unless stated otherwise)

(A) Share capital

Particulars	Equity Shares	
	Number	Amount
As at 31 March 2018	5,500,000	**550.00**
Changes in equity share capital during the year	-	-
As at 31 March 2019	**5,500,000**	**550.00**
Changes in equity share capital during the year	350,000,000	35,000.00
As at 31 March 2020	**355,500,000**	**35,550.00**

(B) Other equity

Particulars	Reserves and surplus			
	Share options outstanding account	Retained earnings	Other component of equity	Total
Balance as at 31 March 2018	**1.33**	**(454.79)**	**-**	**(453.46)**
Share based payment expense	8.95	-	-	8.95
Other comprehensive income/(loss) (net of tax)	-	17.28	-	17.28
Profit /(loss) for the year	-	(1,022.49)	-	(1,022.49)
Balance as at 31 March 2019	**10.28**	**(1,460.00)**	**-**	**(1,449.72)**
Share based payment expense	1.08	-	-	1.08
Transfer to other component of equity	(4.91)	-	-	(4.91)
Transfer to the retained earnings	(0.04)	-	-	(0.04)
Transfer from share options outstanding account	-	0.04	4.91	4.95
Other comprehensive income/(loss) (net of tax)	-	(7.04)	-	(7.04)
Profit /(loss) for the year	-	(6,283.59)	-	(6,283.59)
Share issue expenses	-	(269.57)	-	(269.57)
Balance as at 31 March 2020	**6.41**	**(8,020.16)**	**4.91**	**(8,008.84)**

The accompanying notes are an integral part of these standalone financial statements.

This is the Statement of Changes in Equity referred in our report of even date.

For Ajay Sardana Associates
Chartered Accountants
Firm Registration No. 016827N

For and on behalf of the Board of Directors

Rahul Mukhi
Partner
Membership No. 099719
Gurugram, Haryana, 23 June 2020

Pankaj Kumar
Whole time Director
DIN: 06956444
New Delhi, 23 June 2020

Vaseem Raja
Director
DIN: 07709789

Rajeev Lochan Agrawal
Chief Financial Officer

Ram Mehar Garg
Company Secretary
AKJPM3656K

Note - 1
Company Overview:
Indiabulls Investment Advisors Limited (formerly known as Indiabulls Brokerage Limited) ("the Company") was incorporated on August 22, 2008. On January 15, 2009 the Company 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 its business as stock and share brokers. Accordingly, all provisions of the Securities and Exchange Board of India Act, 1992, and rules and regulations relating thereto are applicable to IIAL. During the year ended March 31, 2013, the Company surrendered its trading membership in all segments with the National Stock Exchange of India Limited (NSE) and in cash segment with the BSE Ltd. (BSE). On September 17, 2013, SEBI, vide its letter to the NSE and BSE, confirmed the cancellation of the Company's registration certificate with effect from March 28, 2013. On March 28, 2013, NSE issued a notification approving the Company's request for surrender of membership in all segments.

In accordance with the provisions of section 13 and other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014, the members of the company at their Extraordinary General Meeting held on April 29, 2017, accorded their approval to change the name of the Company. The Company has since received fresh certificate of incorporation consequent upon change of name from the Registrar of Companies, National Capital Territory of Delhi & Haryana dated May 12, 2017, in respect of the said change. Accordingly, the name of the Company was changed from Indiabulls Brokerage Limited to Indiabulls Investment Advisors Limited.

In accordance with the approval of the members of the Company, vide special resolution passed at their Extraordinary general meeting held on April 29, 2017 and of the Registrar of Companies, National Capital Territory of Delhi & Haryana, and pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013, read with applicable rules made thereunder, new set of Memorandum of Association (MOA) of the Company in accordance with Table A of Schedule I of the Companies Act, 2013, inter alia modifying sub clause 5 of the erstwhile main object of the MOA, as reproduced below, was adopted as follows:

1) To act as investment advisors and/or distributor for all third party product in financial service sector including insurance products such as life, pension, fire, motor & other products and to carry on the business of insurance either directly or as an insurance agent, insurance broker or otherwise.

2) To engage in the business of insurance intermediation and acting as corporate agent, direct insurance brokers, composite insurance brokers for life, general & health, re-insurance brokers, insurance consultant, assessors, valuers and surveyors, for the purpose of soliciting or procuring life or general or health insurance business for clients and insurance companies

3) To carry on the business of providing business process outsourcing and all other services to insurers and insurance intermediaries including but not limited to data entry, procurement, compilation, analysis and processing, report generation, discrepancy marking, quality check of proposal forms, processing of claims and claims support activities, providing of infrastructure and communication support facilities, data sharing and providing of referrals.

4) To acquire, hold / sell properties, buildings, farms, lands tenements and such other moveable and immovable properties and to rent, let on hire and manage them and to act as consultants, financial advisors and to give expert advice and advice on acquisition and commercial exploitation of real estate and suggest ways and means for improving efficiency in real estate development and to act as real estate agent and immovable property dealers.

5) To carry on in India or elsewhere the business to undertake, develop, build, design, organize, promote, finance, operate, maintain or manage Industrial Parks, Special Economic Zone(s) (SEZ), including Multi product and Multiservice Industrial Parks, SEZ, Software Parks, IT Parks and to act as developers, co-developer of Industrial Parks, Special Economic Zone(s) and any other industrial, commercial or social infrastructure or other facilities necessary for the development of Industrial Parks, Special Economic Zone(s), Software Parks, IT Parks including development, construction, run repair, maintain, decorate, improve, remodel, build, operate and manage roads, bridges, highways, gaslines, gardens, public places, buildings, and other structures, developments, utilities etc. and to do all other related acts, deeds and things as may be necessary from time to time.

During the year ended March 31, 2018, in accordance with the applicable provisions of the relevant Real Estate Regulation Act in various states in India, the Company was registered as a real estate agent and has commenced such activities subsequent to obtaining the aforesaid registrations.

Note - 2
2.1 General information and statement of compliance with Ind AS

These financial statements ('financial statements') of the Company have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs ('MCA')). The Company has uniformly applied the accounting policies during the periods presented.

The financial statements for the year ended 31 March 2020 were authorized and approved for issue by the Board of Directors on 23 June 2020.

2.2 Basis of preparation
These financial statements have been prepared in Indian Rupee which is the functional currency of the Company. These financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair value or amortized cost at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The statement of cash flows have been prepared under indirect method.

Note - 2 (continued)

2.3 - Current versus Non Current Classifications
The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.
An asset as current when it is :
(i). Expected to be realized or intended to sold or consumed in normal operating cycle
(ii). Held primarily for the purpose of trading
(iii). Expected to be realized within twelve months after the reporting period, or
(iv). Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
All other assets are classified as non-current.

A liability is current when :
(i). It is expected to be settled in normal operating cycle
(ii). It is held primarily for the purpose of trading
(iii). It is due to be settled within twelve months after the reporting period, or
(iv). There is no unconditional right to defer the settlement of liability for at least twelve months after the reporting period.
The Company classifies all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.
The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

Note - 3
Significant Accounting Policies:

a) Use of estimates and judgements:
In preparing these Ind AS financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on its business operations and financial position, based on its review of current indicators of future economic conditions. The impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions.

b) Revenue Recognition:

Revenue is recognized upon transfer of control of services (“performance obligations”) to customers in an amount that reflects the consideration the Company has received or expects to receive in exchange for these services (“transaction price”). When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers.

The Company has adopted Ind AS – 115 Revenue from contracts with customers, with effect from 1st April, 2018. Ind AS – 115 establishes principles for reporting information about the nature, amount, timing and uncertainty of revenues and cash flows arising from the contracts with its customers and replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:
(i) Identify the contract(s) with customer;
(ii) Identify separate performance obligations in the contract;
(iii) Determine the transaction price;
(iv) Allocate the transaction price to the performance obligations; and
(v) Recognise revenue when a performance obligation is satisfied.

The Company presents revenues net of indirect taxes in its statement of profit and loss.

The Company has adopted Ind AS – 115 using the cumulative effect method whereby the effect of applying this standard is recognized at the date of initial application (i.e. 1st April, 2018). Accordingly, the comparative information in the Standalone Statement of Profit and Loss is not restated. Impact on adoption of Ind AS – 115 is not material.

• Income from Brokerage and commission is recognized on accrual basis, generally as set out under the terms of contracts/agreements with respective customers.
• Income from fee based consultancy is recognized on an accrual basis in terms of the contracts/agreements with respective customers.
• Interest income is recognized using the effective interest method as set out in Ind AS 109 – Financial Instruments: Recognition and Measurement, when it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of the revenue can be measured reliably. The effective interest method is a method of calculating the amortized cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period..

Note - 3 (continued):

c) Taxes on Income:

Current tax

Current Tax is determined at the amount of tax payable in respect of taxable profit for the year as per the Income-tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the financial statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Entity's current tax is calculated using tax rate that has been enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Entity expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

d) Property, plant and equipment

All property, plant and equipment are initially recognized at cost. Cost comprises the purchase price and any directly attributable cost to bring the asset to its working condition for its intended use. An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

Depreciation on Property, plant and equipment is provided on straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. Assets costing less than Rs. 5,000 each are fully depreciated in the year of capitalization.

e) Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

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

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured at the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in profit or loss when the asset is derecognized.

f) Impairment of assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's net selling price and its value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

g) Borrowing Costs:

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of cost of such assets. All other borrowing costs are charged to revenue.

h) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Contingent liability is disclosed for (1) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (2) 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 cannot be made. Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

Note - 3 (continued):

i) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another.

I. Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition or issue of the financial asset.

Subsequent measurement

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:
(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate ('EIR') method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

i) Financial instruments

Debt instrument at FVTOCI (Fair Value through OCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
(b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value.
Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL (Fair value through profit or loss)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.
In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Equity Investments

All equity investments in entities other than tax free bonds and fixed deposits are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss. Investments in tax free bonds and fixed deposits are measured at amortized cost.

Note - 3 (continued):

i) Financial instruments (continued)

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

• The rights to receive cash flows from the asset have expired, or

• The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

b) Trade receivables under Ind AS 18.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

II. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortized cost

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are in profit or loss when the liabilities are derecognized as well as through the EIR amortization process Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the profit or loss. This category generally applies to trade payables and other contractual liabilities.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

j) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

Note - 3 (continued):

k) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee
The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use Assets (ROU Assets)

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(ii) Lease Liabilities
At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

iii) Short-term leases and leases of low-value assets
The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Company as a lessor
Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

l) Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

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Note - 5
Loans-Non current
(at amortized cost)

	As at 31 March 2020	As at 31 March 2019
a) Deposits for Underwriting/distribution of real estate projects		
Security Deposits		
Considered good-Unsecured	2,064.63	2,477.97
	2,064.63	**2,477.97**
b) Rental deposits		
Considered good-Unsecured	26.12	23.68
	26.12	**23.68**
	2,090.75	**2,501.65**

Note - 6
Trade receivables-Non-current

	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good	2,221.33	4,957.61
Unsecured, which have significant increase in credit risk	1,605.05	510.33
	3,826.38	5,467.94
Less: expected credit loss allowance	(1,605.05)	(510.33)
	2,221.33	**4,957.61**

Note - 7
Other financial assets -Non current

	As at 31 March 2020	As at 31 March 2019
Balance with banks [(a)]		
- in fixed deposits with original maturity of more than twelve months	300.00	300.00
Interest accrued on fixed deposits	4.62	4.44
Other receivables		
Unsecured, considered good (refer footnote b) below)	5,574.50	9,785.42
Unsecured, which have significant increase in credit risk	3,701.59	1,007.29
	9,276.09	10,792.71
Less: Impairment loss allowance	(3,701.59)	(1,007.29)
	5,879.12	**10,089.86**

(a) Pledged against overdraft facility taken from HDFC Bank Limited
(b) Other receivables comprise acquired receivables in respect of agreements entered into by the Company, during the year ended March 31, 2018, with its fellow subsidiary company, Indiabulls Distribution Services Limited and certain customers, wherein the Company has acquired receivables from such customers in the form of actionable claims, and the rights to receive future cash flows against commission/brokerage services to be rendered by the Company to such customers. As a result, the Company has paid Rs. 13,328.24 lakhs during the year ended 31 March 2018, to its fellow subsidiary company as consideration for the right to receive future cash flows against actionable claims from the respective customers.

Note - 8
Deferred tax assets

		As at 31 March 2020	As at 31 March 2019
Deferred tax assets:			
Disallowances u/s. 43B of the Income Tax Act, 1961		10.42	16.12
Disallowances u/s. 40A(7) of the Income Tax Act, 1961		43.77	69.87
Provision for contingencies		-	8.74
Share based payment reserve		1.57	3.00
Security deposits measured at amortized cost		2.71	0.31
Underwriting deposits measured at amortized cost.		96.79	26.35
Effect of reversal of financing component from revenue		49.29	-
Provision for impairment loss due to expected credit loss allowance		1,788.71	706.43
Right of use assets		5.09	-
Deferred tax assets (Total)	(a)	**1,998.35**	**830.82**
b) Deferred tax liabilities:			
Property, plant and equipment and other intangible assets		2.67	0.87
Deferred tax liabilities (Total)	(b)	2.67	0.87
Deferred tax assets (net)	**(a) - (b)**	**1,995.68**	**829.95**

Movement in deferred tax balances for the year ended 31 March 2020

	As at 31 March 2019	Charged/(credited) to statement of profit and loss	Charged/ (credited) to other comprehensive income	As at 31 March 2020
Disallowances u/s. 43B of the Income Tax Act, 1961	16.12	5.70	-	10.42
Disallowances u/s. 40A(7) of the Income Tax Act, 1961	69.87	28.47	2.37	43.77
Provision for contingencies	8.74	8.74	-	-
Share options outstanding reserve	3.00	1.43	-	1.57
Security deposits measured at amortized cost	0.31	(2.40)	-	2.71
Underwriting deposits measured at amortized cost.	26.35	(70.44)	-	96.79
Effect of reversal of financing component from revenue	-	(49.29)		49.29
Provision for impairment loss due to expected credit loss allowance	706.43	(1,082.28)	-	1,788.71
Right of use assets	-	(5.09)	-	5.09
Property, plant and equipment and other intangible assets	(0.88)	1.79	-	(2.67)
Deferred tax assets (net)	**829.94**	**(1,163.37)**	**2.37**	**1,995.68**

Note - 8
Deferred tax assets (continued):

Movement in deferred tax balances for the year ended 31 March 2019

	As at 31 March 2018	(Charged)/ credited to statement of profit or loss	Charged/ (credited) to other comprehensive income	As at 31 March 2019
Disallowances u/s. 43B of the Income Tax Act, 1961	1.47	(14.65)	-	16.12
Disallowances u/s. 40A(7) of the Income Tax Act, 1961	8.46	(68.51)	(7.10)	69.87
Provision for contingencies	-	(8.74)	-	8.74
Property, plant and equipment and other intangible assets	(0.84)	0.04	-	(0.88)
Share options outstanding reserve	0.39	(2.61)	-	3.00
Security deposits measured at amortized cost	0.03	(0.28)	-	0.31
Underwriting deposits measured at amortized cost.	131.35	105.00	-	26.35
Provision for impairment loss due to expected credit loss allowance	519.63	(186.80)	-	706.43
Deferred tax assets (net)	**660.49**	**(176.55)**	**(7.10)**	**829.94**

Tax losses for which no deferred tax assets has been recognized:

Expiry financial year (as per Income Tax Act, 1961)	As at 31 March 2020	As at 31 March 2019
Unused tax losses		
1 April 2026 - 31 March 2027	802.69	802.69
1 April 2027 - 31 March 2028	2,314.79	-
Unabsorbed depreciation for indefinite period	119.32	58.91
	3,236.80	861.60

Note - 9
Other non-current assets

	As at 31 March 2020	As at 31 March 2019
Prepaid expense	-	10.04
Capital advances, considered good	12,323.23	6.11
	12,323.23	**16.15**

Note - 10
Trade receivables-Current

	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good	2,420.73	2,876.16
Unsecured, which have significant increase in credit risk	1,607.43	296.07
	4,028.16	3,172.23
Less: Provision for impairment due to Expected credit loss	(1,607.43)	(296.07)
	2,420.73	**2,876.16**

Note - 11
Cash and cash equivalents

	As at 31 March 2020	As at 31 March 2019
Cash in hand	1.94	3.29
Balance with banks		
- in current accounts	22.08	1,611.49
	24.02	**1,614.78**

Note - 12
Loans - Current
(at amortized cost), (unsecured)

	As at 31 March 2020	As at 31 March 2019
a) Security deposits for rental premises	2.41	-
b) Deposits for Inter-corporate deposits		
-to fellow subsidiary company - Indiabulls Distribution Services Limited*	584.00	-
	586.41	**-**

*Unsecured, short term inter corporate deposits bearing interest at the rate of 9% per annum (repayable on demand) given to fellow subsidiary company for its business activities. The loan has been utilized for the purpose it was granted.

Note - 13
Other financial assets -Current

	As at 31 March 2020	As at 31 March 2019
Other receivables:		
Unsecured, considered good (refer footnote a) below)	290.66	-
Unsecured, which have significant increase in credit risk	193.01	-
	483.67	-
Less: Impairment loss allowance	(193.01)	-
	290.66	**-**

(a) Other receivables comprise acquired receivables in respect of agreements entered into by the Company, during the year ended March 31, 2018, with its fellow subsidiary company, Indiabulls Distribution Services Limited and certain customers, wherein the Company has acquired receivables from such customers in the form of actionable claims, and the rights to receive future cash flows against commission/brokerage services to be rendered by the Company to such customers. As a result, the Company has paid Rs. 13,328.24 lakhs during the year ended 31 March 2018, to its fellow subsidiary company as consideration for the right to receive future cash flows against actionable claims from the respective customers.

Note -14

Current tax assets (net)	**As at 31 March 2020**	**As at 31 March 2019**
- Advance income tax/tax deducted at source (net) [Net of provision for taxation 31 March 2020: Rs. 491.25 lakhs (Previous year: Rs. 491.25 lakhs)]	292.10	199.65
	292.10	**199.65**

Note - 15

Other current assets	**As at 31 March 2020**	**As at 31 March 2019**
Prepaid expenses	0.10	20.33
Balance with government authorities	163.54	193.49
Advance to employees	27.29	25.23
Advance to suppliers	3.88	6.49
	194.81	**245.54**

Note - 16
Equity Share capital

	As at 31 March 2020		**As at 31 March 2019**	
i. Authorized	**No. of shares**	**Amount**	**No. of shares**	**Amount**
Equity shares of face value of Rs. 10 each	355,500,000	35,550.00	5,500,000	550.00
		35,550.00		**550.00**

In pursuance of Section 61(1) and other applicable provisions, if any, of the Companies Act, 2013, members of the Company in their meeting held on February 17, 2020 granted their approval for increase in the authorized share capital from Rs. 550.00 lakhs to Rs. 35,550.00 lakhs, divided in to 355,500,000 equity shares of face value of Rs.10 each.

ii. Issued and subscribed and paid up				
35,55,00,000 Equity shares of face value of Rs. 10 each fully paid up	355,500,000	35,550.00	5,500,000	550.00
		35,550.00		**550.00**

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

	As at 31 March 2020		**As at 31 March 2019**	
	No. of shares	**Amount Rs.**	**No. of shares**	**Amount Rs.**
Balance at the beginning of the year	5,500,000	550.00	5,500,000	550.00
Add: Issued during the year*	350,000,000	35,000.00	-	-
Balance at the end of the year	**355,500,000**	**35,550.00**	**5,500,000**	**550.00**

*Consequent upon the increase in authorized share capital, on February 17, 2020, the Board of Directors of the Company, at their meeting held on March 20, 2020 granted their approval and the Company issued and allotted 350,000,000 equity shares respectively of face value Rs. 10 per share to Indiabulls Consumer Finance Limited ("ICFL"). As a result, the paid up equity share capital of the Company increased to Rs. 35,550.00 lakhs divided into 355,500,000 equity share of Rs. 10 each fully paid up. Upon the issue and allotment of the equity shares as aforesaid, ICFL became the Holding Company of the Company with effect from March 20, 2020.

iv. Shares held by Shareholders each holding more than 5% shares:

	As at 31 March 2020		**As at 31 March 2019**	
Name of the Shareholder	**No. of Shares held**	**% of Holding**	**No. of Shares held**	**% of Holding**
Equity shares of ₹ 10 each fully paid up				
Indiabulls Ventures Limited	-	-	5,500,000	100%
Indiabulls Consumer Finance Limited	355,500,000	100%	-	-
	355,500,000	**100%**	**5,500,000**	**100%**

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

a. The Company has only one class of equity shares having a face value of Rs. 10 per share. Each holder of fully paid up equity share is entitled to one vote per 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.

b. 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.

vi. The Company has not issued any bonus shares during the current year and five years immediately preceding current year.

vii. There are no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issue. The Company has not bought back shares during the last five years.

viii. ICFL became the Holding Company of the Company with effect from March 20, 2020.

ix. Employee Stock Option Schemes: [Refer Note: Note - 34]

(All amounts in Rs.Lakhs unless stated otherwise)

Note - 17
Other equity

	As at 31 March 2020	As at 31 March 2019
Share based payments reserve	6.41	10.28
Retained earnings	(8,013.12)	(1,477.28)
Other reserves	(7.04)	17.28
Other component of equity	4.91	-
	(8,008.84)	**(1,449.72)**

(a) Share based payments reserve
The share based payment reserve is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in share based payment reserve are transferred to share premium/retained earnings upon exercise of stock options by employees.

(b) Retained earnings
Retained earnings are the accumulated profits earned by the Company till date, less transfer to general reserves, dividend (including dividend distribution tax) and other distributions made to the shareholders.

(c) Other reserves
Actuarial gains and losses on defined benefit plans are recognized in other comprehensive income (net of taxes), and presented within equity in other reserves.

(d) Other component of equity
Other component of equity represents amounts transferred from share based payments reserve upon exercise of stock options by employees during the year.

Note - 18
Borrowings-Non current

	As at 31 March 2020	As at 31 March 2019
a) Lease Liabilities (Refer Note 47)	314.10	-
b) Vehicle loans from banks (secured)	9.65	13.42
Less: Current maturity of long-term borrowings	(4.12)	(3.77)
	319.63	**9.65**

(a) The above vehicle loans are secured against hypothecation of respective vehicles purchased . Interest is payable on such loans at 8.75 % p.a.
(b) The above vehicle loans are repayable in equated monthly instalments over a period of five years.
(c) There is no continuing default as on the Balance Sheet date in repayment of the loans or interest amounts.

Note - 19
Provisions - Non Current

	As at 31 March 2020	As at 31 March 2019
Provision for employee benefits (Refer Note 35)		
Provision for gratuity	166.69	231.74
Provision for compensated absences	39.58	53.19
	206.27	**284.93**

Note - 20
Borrowings - Current

	As at 31 March 2020	As at 31 March 2019
a) Secured loans repayable on demand		
Bank overdraft [Refer a) and c) below]	82.42	-
b) Lease Liabilities (Refer Note 47)	39.67	-
c) Unsecured loans		
Inter corporate deposits		
From Fellow Subsidiary Companies [Refer b) and c) below]	-	22,988.44
	122.09	**22,988.44**

(a) The overdraft from bank is secured against pledge of fixed deposits of the Company and carry interest rates of 9.30% per annum. The overdraft from bank is repayable on demand.
(b) The unsecured loan from the Fellow Subsidiary Company is repayable at the option of the Company, on or before the expiration of the tenure of the loan agreement of five years. The said Unsecured Loan carried interest rate at the rate of 8.25% per annum.
(c) There is no default as on the Balance Sheet date in repayment of the respective loan or interest amounts.

Note - 21

Other financial liabilities-current

	As at 31 March 2020	As at 31 March 2019
Current maturity of long-term borrowings	4.12	3.77
Temporary overdrawn bank balances as per books	11.00	0.09
	15.12	**3.86**

Reconciliation of liabilities arising from financing activities
The changes in the Company's liabilities arising from financing activities can be classified as follows:

Particulars	Amount Rs.
31 March 2018	**15,246**
Cash flows:	
- Repayment	(46,910.26)
- Proceeds	54,666.25
31 March 2019	**23,001.86**
Cash flows:	
- Repayment	(148,104.78)
- Proceeds	125,194.99
31 March 2020	**92.07**

Note - 22
Other current liabilities

	As at 31 March 2020	As at 31 March 2019
Statutory dues payables	380.94	302.09
Employee related payables	252.12	153.77
Expenses and other payables	42.08	136.63
Payable for capital goods	-	3.06
	675.14	**595.55**

(All amounts in Rs.Lakhs unless stated otherwise)

Note - 23
Provisions-current

	As at 31 March 2020	As at 31 March 2019
Provision for employee benefits (Refer Note 35)		
Provision for gratuity	7.24	8.19
Provision for compensated absences	1.84	2.16
Other provisions		
Provision for contingencies	-	642.22
	9.08	**652.57**

Disclosure under Ind AS - 37 "Provisions, Contingent Liabilities and Contingent Assets": Movements in each class of provision during the financial year, are set out below:

Particulars	Provision for contingencies
31 March 2018	-
Additional provision recognized	642.22
Amounts used during the year	-
31 March 2019	642.22
Additional provision recognized	-
Amounts used during the year	(642.22)
31 March 2020	-

Indiabulls Investment Advisors Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020
(All amounts in Rs.Lakhs unless stated otherwise)

Note - 24
Revenue from operations

	For the year ended 31 March 2020	For the year ended 31 March 2019
Sale of services		
Commission, brokerage and service income	3,014.97	6,579.60
	3,014.97	**6,579.60**

Reconciliation of revenue from contracts with customer:	31 March 2020	31 March 2019
Management Fee		
Revenue from contracts as per contract price:	3,210.81	6,579.60
Adjustments made to contract price on account of:		
a) Financing component included in revenue	(195.84)	-
Revenue from contracts with customers as per Statement of Profit and Loss	**3,014.97**	**6,579.60**

Note - 25
Other income

	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest income from inter-corporate deposits	2.19	-
Interest on fixed deposits	21.90	19.70
Excess provisions written back	93.39	5.63
Miscellaneous Income	0.77	3.29
Unwinding of interest income	344.23	241.00
Gain on modification/derecognition of financial assets	-	121.10
Profit on sale/ scrapping of fixed assets	0.01	-
	462.49	**390.72**

Note - 26
Employee benefits expense

	For the year ended 31 March 2020	For the year ended 31 March 2019
Salaries	1,390.01	3,486.89
Contribution to provident fund and other funds	3.71	17.50
Staff welfare expenses	25.02	172.21
Gratuity and Compensated Absences (Refer Note 35)	22.94	57.90
Employee share-based payment expense	1.08	8.95
	1,442.76	**3,743.45**

Note - 27
Finance costs

	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest on Inter Corporate Deposits	2,648.36	1,777.26
Interest on bank overdraft	2.78	1.02
Interest on vehicle loans	0.96	1.32
Interest on Lease Liabilities (Refer Note 47)	41.97	-
Interest on taxes	0.49	15.34
	2,694.56	**1,794.94**

Indiabulls Investment Advisors Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

(All amounts in Rs.Lakhs unless stated otherwise)

Note - 28

Other expenses

		For the year ended 31 March 2020	For the year ended 31 March 2019
Stamp duty		0.47	0.62
Commission		0.65	874.00
Software expenses		-	57.54
Lease rent		13.80	339.64
Rates and taxes		0.70	6.57
Electricity		20.88	43.26
Insurance		0.09	-
Communication		23.53	32.88
Legal and professional		142.10	637.34
Recruitment		-	0.97
Travelling and conveyance		37.89	123.48
Printing and stationery		5.92	32.25
Office maintenance		9.58	125.55
Repairs and maintenance - others		3.24	9.65
Business promotion		74.34	245.57
Payment to Statutory Auditors (net of goods and service tax)		1.50	1.50
Donation		-	11.53
Loss on modification/derecognition of financial assets		635.16	-
Provision for impairment losses under expected credit loss		5,620.61	29.25
Bad debts written off	970.90		
Less: Adjusted against provisions*	(969.43)	1.47	-
Bank Charges		0.12	0.05
Miscellaneous expenses		0.01	1.77
		6,592.06	**2,573.42**

* of the above Rs. 642.22 lakhs have been utilized from provision for contingencies and Rs. 327.21 lakhs have been utilized from provisions for impairment loss under expected credit loss

Note - 29

Tax expenses

	For the year ended 31 March 2020	For the year ended 31 March 2019
Current tax	-	-
Tax adjustment related to earlier years	-	(1.25)
Deferred tax expense	(1,163.37)	(176.55)
Income tax expense reported in the statement of profit and loss	(1,163.37)	(177.80)

The major components of tax expense and its reconciliation to expected tax expense based on the enacted tax rate applicable to the Company is 25.17% (Previous year: 29.12%) and the reported tax expense in statement of profit or loss are as follows:

Accounting profit/ (loss) before tax expense	(7,446.96)	(1,200.29)
Income tax rate	25.168%	29.12%
Expected tax expense	(1,874.25)	(349.52)
Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense		
Tax effect on items exempt under income tax	(69.37)	(105.44)
Tax effect of expenses which will never be allowed	1,530.35	206.69
Tax losses for which no deferred tax was recognized	597.79	250.90
Others	(184.49)	(2.63)
Deferred tax effect on temporary differences	(1,163.40)	(176.55)
Tax effect of earlier year items	-	(1.25)
Income rax expenses recognized in the statement of profit & loss	**(1,163.37)**	**(177.80)**

(All amounts in Rs.Lakhs unless stated otherwise)

Note - 30
Earnings per share:

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting year. Diluted earnings per share are computed using 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 diluted equity shares are adjusted for stock split, bonus shares and the potential dilutive effect of employee stock option plan as appropriate.

	For the year ended 31 March 2020	For the year ended 31 March 2019
Net Profit(Loss) for the year	(6,283.59)	(1,022.49)
Weighted average number of equity shares for computation of Basic EPS	16,975,410	5,500,000
Basic earning per share (Rs.)	(37.02)	(18.59)
Weighted average number of Equity Shares for computation of Diluted EPS	16,975,410	5,500,000
Diluted earning per share (Rs.)	(37.02)	(18.59)

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Indiabulls Investment Advisors Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020
(All amounts in Rs.Lakhs unless stated otherwise)
Note - 4

	Gross Block (At Cost)				Accumulated Depreciation/Amortization				Net Block	
Particulars	**As at 01 April 2019 Rs.**	**Additions during the year Rs.**	**Adjustments/ Sales during year Rs.**	**As at 31 March 2020 Rs.**	**As at 01 April 2019 Rs.**	**Additions during the year Rs.**	**Adjustments during the year Rs.**	**As at 31 March 2020 Rs.**	**As at 31 March 2020 Rs.**	**As at 31 March 2019 Rs.**
a). Property, Plant & Equipment										
Office Equipment	39.31	0.11	0.29	39.13	7.26	7.98	0.29	14.95	24.18	32.05
Vehicles	49.41	-	-	49.41	8.11	6.31	-	14.42	34.99	41.30
Furniture and fixtures	109.93	6.26	-	116.19	13.07	13.40	-	26.47	89.72	96.86
Computers	96.99	2.67	0.60	99.06	37.63	31.46	0.47	68.62	30.44	59.36
TOTAL (a)	**295.64**	**9.04**	**0.89**	**303.79**	**66.07**	**59.15**	**0.76**	**124.46**	**179.33**	**229.57**
b). Intangible Assets										
Software	84.55	-	-	84.55	10.19	17.53	-	27.72	56.83	74.36
TOTAL (b)	**84.55**	**-**	**-**	**84.55**	**10.19**	**17.53**	**-**	**27.72**	**56.83**	**74.36**
c). Right-of-Use Assets (Refer Note 47)	-	469.52	17.67	451.85	-	118.36	-	118.36	333.49	-
TOTAL (c)	**-**	**469.52**	**17.67**	**451.85**	**-**	**118.36**	**-**	**118.36**	**333.49**	**-**
TOTAL (a+b+c)	**380.19**	**478.56**	**18.56**	**840.19**	**76.26**	**195.04**	**0.76**	**270.54**	**569.65**	**303.93**

(All amounts in Rs.Lakhs unless stated otherwise)

Note - 31
Financial instruments

A Financial assets and liabilities

The carrying amounts of financial instruments by category are as follows:

Particulars	As at 31 March 2020	As at 31 March 2019
Financial assets measured at amortized cost		
Loans	2,677.16	2,501.65
Trade receivables	4,642.06	7,833.77
Cash and cash equivalents	24.02	1,614.78
Other financial assets	6,169.78	10,089.86
Total	**13,513.02**	**22,040.06**
Financial liabilities measured at amortized cost		
Borrowings (other than debt securities but including interest accrued)	445.84	23,001.86
Other financial liabilities	11.00	0.09
Total	**456.84**	**23,001.95**

B Fair values hierarchy

As per Ind AS 107, 'Financial Instruments: Disclosures', the fair values of the financial assets or financial liabilities are defined as the price that would be received on sale of asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date Financial assets and financial liabilities are measured at fair value in the financial statements and are grouped into three Levels of a fair value hierarchy. The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities and lowest priority to unobservable inputs. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

The categories used are as follows:

Level 1: Quoted prices (unadjusted) for identical instruments in an active market;

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs).

B.1 Fair value of instruments measured at amortized cost

Fair value of instruments measured at amortized cost for which fair value is disclosed is as follows, these fair values are calculated using Level 3 inputs:

Particulars	As at 31 March 2020		As at 31 March 2019	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Loans	2,677.16	2,677.16	2,501.65	2,501.65
Trade receivables	4,642.06	4,642.06	7,833.77	7,833.77
Cash and cash equivalents	24.02	24.02	1,614.78	1,614.78
Other financial assets	6,169.78	6,169.78	10,089.86	10,089.86
Total	**13,513.02**	**13,513.02**	**22,040.06**	**22,040.06**
Financial liabilities				
Borrowings (other than debt securities)	445.84	445.84	23,001.86	23,001.86
Other financial liabilities	11.00	11.00	0.09	0.09
Total	**456.84**	**456.84**	**23,001.95**	**23,001.95**

Fair value of cash and cash equivalents, trade receivables, loans and other financial assets approximate their carrying amounts largely due to current maturities of these instruments. Accordingly, fair value hierarchy for these financial instruments have not been presented above. Fair value measurement of lease liabilities is not required. Valuation techniques used to determine fair values are given below:

(i) The fair values of the Company's fixed interest bearing loans and receivables are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 March 2020 was assessed to be insignificant.

(ii) The fair values of the Company fixed rate interest-bearing debt securities and borrowings are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The Company did not have any variable rate interest-bearing debt securities / borrowings.

Note - 32

1 Financial risk management

i) Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company risk management framework. The Company's risk are managed by a treasury department under policies approved by the board of directors. The board of directors provides written principles for overall risk management. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from
Credit risk	Cash and cash equivalents, loans, trade and other receivables and other financial assets
Liquidity risk	Borrowings and other financial liabilities
Market risk - interest rate	Borrowings

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

(All amounts in Rs.Lakhs unless stated otherwise)

Note - 32: Financial risk management (continued):

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, loan assets, trade and other receivables and other financial assets. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

Financial assets that expose the entity to credit risk:** The carrying amount of financial assets represents maximum amount of credit exposure. The maximum exposure to credit risk is as per the table below, it being total of carrying amount of cash and cash equivalents, trade receivables and other financial assets measured at amortised cost.

Particulars		As at 31 March 2020	As at 31 March 2019
(i)	**Low credit risk**		
	Loans	2,677.16	2,501.65
	Cash and cash equivalents	24.02	1,614.78
	Trade receivables	4,642.06	7,833.77
	Other financial assets	6,169.78	10,089.86
(ii)	**High credit risk**		
	Trade receivables	3,212.48	806.40
	Other financial assets	3,894.60	1,007.29

* These represent gross carrying values of financial assets, without deduction for expected credit losses

Expected Credit Loss (ECL) on Financial Assets

The Company continuously monitors all financial assets subject to ECLs. In order to determine whether an instrument is subject to 12 month ECL (12mECL) or life time ECL (LTECL), the Company assesses whether there has been a significant increase in credit risk or the asset has become credit impaired since initial recognition. The Company applies following quantitative and qualitative criteria to assess whether there is significant increase in credit risk or the asset has been credit impaired:
- Historical trend of collection from counterparty
- Company’s contractual rights with respect to recovery of dues from counterparty
- Credit rating of counterparty and any relevant information available in public domain

Trade and other receivables:

Exposures to customers’ outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of collection from counterparties on timely basis reflects low level of credit risk. As the Company has a contractual right to such receivables as well as the control over such funds due from customers, the Company does not estimate any credit risk in relation to such receivables. Further, management believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behaviour.

Cash and Cash Equivalents

The credit worthiness of such banks and financial institutions with whom cash and cash equivalents are held is evaluated by the management on an ongoing basis and is considered to be high.

Loans

Loans measured at amortized cost primarily comprise security deposits given for underwriting projects. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

Other financial assets

Other financial assets measured at amortized cost includes interest receivable . Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

a) Credit risk management

For banks and financial institutions, only high rates banks/financial institutions are accepted. The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

(i) Low credit risk
(ii) Moderate credit risk
(iii) High credit risk

Note - 32: Financial risk management (continued):

The Company provides for expected credit loss based on the following:

Nature	**Assets covered**	**Basis of expected credit loss**
Low credit risk	Cash and cash equivalents and loans	12 month expected credit loss
High credit risk	Loans, Trade and other receivables and other financial assets	Life time expected credit loss or fully provided for

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognized in statement of profit and loss.

* These represent gross carrying values of financial assets, without deduction for expected credit losses

b) Credit risk exposure

i) Expected credit losses for financial assets

As at 31 March 2020	**Estimated gross carrying amount**	**Expected credit losses**	**Carrying amount net of impairment provision**
Cash and cash equivalents	24.02	-	24.02
Loans	2,677.16	-	2,677.16
Trade receivables	7,854.54	3,212.48	4,642.06
Other financial assets	10,064.38	3,894.60	6,169.78

As at 31 March 2019	**Estimated gross carrying amount**	**Expected credit losses**	**Carrying amount net of impairment provision**
Cash and cash equivalents	1,614.78	-	1,614.78
Loans	2,501.65	-	2,501.65
Trade receivables	8,640.17	806.40	7,833.77
Other financial assets	11,097.15	1,007.29	10,089.86

(All amounts in Rs.Lakhs unless stated otherwise)

Note - 32: Financial risk management (continued):

Reconciliation of Provision for impairment losses under expected credit loss:

Reconciliation of Provision for impairment losses under expected credit loss:	Trade receivables	Other financial assets
Loss allowance on 31 March 2018	500.26	1,284.18
Impairment loss/(gain) recognized during the year	306.14	(276.89)
Loss allowance on 31 March 2019	**806.40**	**1,007.29**
Impairment loss recognized during the year	2,733.29	2,887.31
Write-back/adjusted against Bad debts written off	(327.21)	-
Loss allowance on 31 March 2020	**3,212.48**	**3,894.60**

The expected credit loss allowance above is calculated based on assumptions about the risk of default and expected loss rates. The Company uses judgement in making those assumptions and selecting inputs to the loss allowance calculation, based on past history, existing conditions, as well as forward looking estimates at the end of each reporting period.

c) Concentration of trade receivables

The Company carries on the business of underwriting/distribution of real estate projects on behalf of developers and related consultancy services. The Company's outstanding receivables are for commission receivable from underwriting/distribution of real estate projects on behalf of developers and related services. Loans and other financial assets majorly represents loans to related parties and deposits given for business purposes.

B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

The Company maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors the Company's liquidity positions (also comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. The Company also takes into account liquidity of the market in which the entity operates.

(i) Financing arrangements

The Company had access to the following funding facilities:

As at 31 March 2020	Total facility	Drawn	Undrawn
- Expiring within one year	200,270.00	82.42	200,187.58
- Expiring beyond one year	50,000.00	-	50,000.00
Total	**250,270.00**	**82.42**	**250,187.58**

As at 31 March 2019	Total facility	Drawn	Undrawn
- Expiring within one year	270.00	-	270.00
- Expiring beyond one year	250,000.00	22,988.44	227,011.56
Total	**250,270.00**	**22,988.44**	**227,281.56**

(ii) Maturities of financial assets and liabilities

The tables below analyze the Company financial assets and liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows:

As at 31 March 2020	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives					
Cash and cash equivalent and other bank balances	24.02	-	-	-	**24.02**
Trade receivables	4,028.16	1,848.62	1,396.02	777.58	**8,050.38**
Loans	610.52	316.81	1,675.02	470.15	**3,072.50**
Other financial assets	788.29	4,071.37	5,204.72	-	**10,064.38**
Total undiscounted financial assets	**5,450.99**	**6,236.80**	**8,275.76**	**1,247.73**	**21,211.28**
Non-derivatives					
Borrowings other than debt securities	126.21	47.57	40.72	231.34	**445.84**
Other financial liabilities	11.00	-	-	-	**11.00**
Total undiscounted financial liabilities	**137.21**	**47.57**	**40.72**	**231.34**	**456.84**
Net undiscounted financial assets/(liabilities)	**5,313.78**	**6,189.23**	**8,235.04**	**1,016.39**	**20,754.44**

Note - 32: Financial risk management (continued):

As at 31 March 2019	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives					
Cash and cash equivalent and other bank balances	1,614.78	-	-	-	**1,614.78**
Trade receivables	3,172.23	-	5,467.94	-	**8,640.17**
Loans	-	2,509.40	-	96.34	**2,605.74**
Other financial assets	304.44	-	10,792.71	-	**11,097.15**
Total undiscounted financial assets	**5,091.45**	**2,509.40**	**16,260.65**	**96.34**	**23,957.84**
Non-derivatives					
Borrowings other than debt securities	22,992.21	4.12	4.49	1.04	**23,001.86**
Other financial liabilities	0.09	-	-	-	**0.09**
Total undiscounted financial liabilities	**22,992.30**	**4.12**	**4.49**	**1.04**	**23,001.95**
Net undiscounted financial assets/(liabilities)	**(17,900.85)**	**2,505.28**	**16,256.16**	**95.30**	**955.89**

C) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows related to financial instrument that may result from adverse changes in market rates and prices (such as foreign exchange rates, interest rates, other prices). The Company is exposed to market risk primarily related to interest rate risk and price risk.

a) Foreign currency risk

The Company does not have into any foreign currency denominated assets or liaiblities as at March 31, 2020 and March 31, 2019. Accordingly, the Company is not exposed to foreign currency risk.

(All amounts in Rs.Lakhs unless stated otherwise)

Note - 32: Financial risk management (continued):

b) Interest rate risk

i) Liabilities

Interest rate risk is the risk where the Company is exposed to the risk that fair value or future cash fows of its financial instruments will fluctuate as a result of change in market interest rates. The Company's policy is to minimize interest rate cash flow risk exposures on long-term financing. At 31 March 2020 & 31 March 2019, the Company is exposed to changes in market interest rates through borrowings.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	As at 31 March 2020	As at 31 March 2019
Variable rate borrowings	-	-
Fixed rate borrowings	92.07	23,001.86
Total	**92.07**	**23,001.86**

Sensitivity

Below is the sensitivity of profit or loss in interest rates.

Particulars	As at 31 March 2020	As at 31 March 2019
Interest sensitivity*		
Interest rates – increase by 50 basis points (50 bps)	157.83	105.92
Interest rates – decrease by 50 basis points (50 bps)	(157.83)	(105.92)

** Holding all other variables constant*

ii) Assets

The Company's fixed deposits are carried at amortized cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

c) Price risk

i) Exposure

The Company's exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments, the Company diversifies its portfolio of assets. The Company does not have any financial assets as at March 31, 2020 and March 31, 2019 that expose it to price risk.

Note - 33

Capital management

The Company's capital management objectives are

- to ensure the Company's ability to continue as a going concern
- to maintain an optimal capital structure to reduce cost of capital
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Particulars	As at 31 March 2020	As at 31 March 2019
Net debt*	421.82	21,387.08
Total equity	27,541.16	(899.72)
Net debt to equity ratio	**0.02**	-

* Net debt includes debt securities + borrowings other than debt securities + interest accrued - cash and cash equivalents.

Note - 34

Employee stock option schemes:

The employees of the Company have been granted option as per the existing schemes of Indiabulls Ventures Limited ["Ultimate Holding Company"]. On exercise, the employees will be allotted shares of the Ultimate Holding Company . The Company has recorded share based payment expense of Rs.1.08 lakhs (31 March 2019 Rs.8.95 lakhs) with a corresponding credit to equity.

a) Employees Stock Option Scheme - 2008

During the financial year ended 31 March 2009, the Indiabulls Ventures Limited ('the Ultimate Holding 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 Ultimate Holding Company was authorized 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 Ultimate Holding Company. Employees covered by the plan were granted an option to purchase shares of the Holding Company subject to the requirements of vesting.

A Compensation Committee constituted by the Board of Directors of the Ultimate Holding 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 Rs. 2 each in the Holding Company, to the eligible employees, at an exercise price of Rs. 17.40 per equity share, being the latest available closing market price on the National Stock Exchange of India Limited, as on 23 January 2009. The stock options so granted, shall vest in the eligible employees over a period of 10 years beginning from 25 January 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 31 March 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 Rs. 2 each in the Ultimate Holding Company, to the eligible employees, at an exercise price of Rs. 24.15 per equity share, being the latest available closing market price on the National Stock Exchange of India Limited, as on 30 June 2016. The stock options so granted, shall vest uniformly over a period of 5 years beginning from 02 July 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 31 March 2018, the Compensation Committee had 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 Rs. 2 each in the Ultimate Holding Company, to the eligible employees, at an exercise price of Rs. 219.65 per equity share and Rs. 254.85 per equity share, respectively, being the latest available closing market price on the National Stock Exchange of India Limited, as on 31 August 2017 and 23 March 2018, respectively. The stock options so granted, shall vest uniformly over a period of 5 years beginning from 2 September 2018 and 25 March 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	9,700,000	500,000	880,600
		Options	Options Regranted	Options Regranted	Options Regranted
1.	Exercise price (Rs.)	17.40	24.15	219.65	254.85
2.	Expected volatility *	79%	43%	47%	47%
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 31 March 2010, the Ultimate Holding Company had issued Employee Stock Option Scheme titled as ‘Indiabulls Ventures Limited Employees Stock Option Scheme - 2009’ ("IBVL ESOP - 2009"). Under the Scheme, the Ultimate Holding Company was authorized to grant 20,000,000 options, representing equivalent number of equity shares of face value Rs. 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 Ultimate Holding Company and its subsidiaries.

During the year ended 31 March 2010, the Compensation Committee constituted granted 10,000,000 stock options representing an equal number of Equity Shares of face value Rs. 2 each in the Ultimate Holding Company, at an exercise price of Rs. 35.25 per equity share, being the latest available closing market price on the National Stock Exchange of India Limited, as on 30 November 2009. The stock options so granted, shall vest uniformly over 10 years beginning from 2 December 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 31 March 2011, the Compensation Committee had further granted 2,050,000 Stock Options representing an equal number of equity shares of face value Rs. 2 each in the Ultimate Holding Company, at an exercise price of Rs. 31.35 per equity share, being the latest available closing market price on the National Stock Exchange of India Limited, as on 09 April 2010. As the options have been granted at intrinsic value. The Stock Options so granted, shall vest uniformly over 10 years beginning from 13 April 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 31 March 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 Rs. 2 each in the Holding Company, at an exercise price of Rs. 27.45 per equity share, being the latest available closing market price on the National Stock Exchange of India Limited, as on 24 August 2015. The stock options so granted, shall vest uniformly over a period of 5 years beginning from 26 August 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 31 March 2017, the Ultimate Holding Company had received the request from various option holders to surrender 10,000,000 stock options, which was accepted by the Ultimate Holding Company.

During the year ended 31 March 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 Rs. 2 each in the Ultimate Holding Company, to the Eligible Employees, at an exercise price of Rs. 16 per equity share and Rs. 24.15 per equity share, respectively, being the latest available closing market price on the National Stock Exchange of India Limited, as on 11 May 2016 and 30 June 2016. As the options have been granted at intrinsic value. The stock options so granted, shall vest uniformly over a period of 5 years beginning from 13 May 2017 and 02 July 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 31 March 2017, the Ultimate Holding Company has received the request from various option holders to surrender 10,000,000 stock options, which was accepted by the Ultimate Holding Company.

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Note - 34 (continued)

During the year ended 31 March 2018, the Compensation Committee had 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 Rs. 2 each in the Ultimate Holding Company, to the Eligible Employees, at an exercise price of Rs. 219.65 per equity share and Rs. 254.85 per equity share, respectively, being the latest available closing market price on the National Stock Exchange of India Limited, as on 31 August 2017 and 23 March 2018 respectively. As the options have been granted at intrinsic value. The stock options so granted, shall vest uniformly over a period of 5 years beginning from 2 September 2018 and 25 March 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 – 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 (Rs.)	35.25	31.35	27.45	16.00	24.15	219.65	254.85
2.	Expected volatility *	77%	49%	39%	41%	43%	47%	47%
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%	7%	9%	16%	11%	1%	1%
6.	Risk free interest rate	8%	8%	7%	7%	7%	7%	8%
7.	Fair value of the options (Rs.)**	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.

The Company has recognized employee stock compensation expense of Rs. 1.08 lakhs (31 March 2019 Rs. 8.95 lakhs) in the statement of Profit and loss for the year ended 31 March 2020.

The other disclosures in respect of the above stock option schemes are as under:

	IBVL ESOP - 2008			
Total options under the scheme (Nos.)	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 25th each year, commencing 25 January 2010	July 2nd each year, commencing 2 July 2017	September 2nd each year, commencing 2 September 2018	March 25th each year, commencing 25 March 2019
Exercise price (Rs.)	17.40	24.15	219.65	254.85
Outstanding as at 1 April 2017 (Nos.)	**1,526,316**	**9,700,000**	**-**	**-**
Granted/ regranted during the year (Nos.)	-	-	500,000	880,600
Exercised during the year (Nos.)	220,400	-	-	-
Surrendered and eligible for re-grant during the year (Nos.)	28,050	-	-	-
Outstanding as at 31 March 2018 (Nos.)	**1,277,866**	**9,700,000**	**500,000**	**880,600**
Outstanding as at April-18 of the year (Nos.)	1,277,866	9,700,000	-	-
Surrendered and eligible for re-grant during the year (Nos.)	406,950	-	-	187,000
Outstanding as at 31 March 2019 (Nos.)	**870,916**	**9,700,000**	**500,000**	**693,600**
Vested and exercisable at the end of the year (Nos.)	870,916	3,880,000	100,000	138,720
Exercised during the year (Nos.)	870,916	5,050,800		25,800
Surrendered and eligible for re-grant during the year (Nos.)		10,000	500,000	152,000
Outstanding as at 31 March 2020 (Nos.)	**-**	**4,639,200**	**-**	**515,800**
Vested and exercisable at the end of the year (Nos.)	-	769,200	-	192,640
Remaining contractual life (weighted months)	-	66	-	73

- Weighted average exercise price of share during the year ended 31 March 2020: Rs 198.22 (31 March 2019: not applicable).

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(All amounts in Rs.Lakhs unless stated otherwise)

Note - 34 (continued)

	IBVL ESOP - 2009						
Total options under the Scheme (Nos.)	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)**	**6,69,400 (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 2nd each year, commencing 2 December 2010	April 13th each year, commencing 13 April 2011	August 26th each year, commencing 26 August 2016	May 13th each year, commencing 13 May 2017	July 2nd each year, commencing 2 July 2017	September 2nd each year, commencing 2 September 2018	March 25th each year, commencing 25 March 2019
Exercise price (Rs.)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Outstanding as at 1 April 2017 (Nos.)	**-**	**450,000**	**-**	**9,153,000**	**-**	**-**	**-**
Granted/ regranted during the year (Nos.)	-	-	-	-	-	10,000,000	669,400
Options vested during the year (Nos.)*	-	50,000	-	1,830,600	-	-	-
Exercised during the year (Nos.)	-	300,000	-	1,758,100	-	-	-
Surrendered and eligible for re-grant during the year (Nos.)	-	-	-	242,400	-	30,000	-
Outstanding as at 31 March 2018 (Nos.)	**-**	**150,000**	**-**	**7,152,500**	**-**	**9,970,000**	**669,400**
Outstanding as at April-18 of the year (Nos.)	-	150,000	-	7,152,500	-	-	-
Granted/ regranted during the year (Nos.)	-	-	-	-	-	-	-
Options vested during the year (Nos.)*	-	50,000	-	1,830,600	-	-	-
Exercised during the year (Nos.)	-	-	-	-	-	-	-
Expired during the year (Nos.)	-	-	-	-	-	-	-
Surrendered and eligible for re-grant during the year (Nos.)	-	-	-	664,800	-	90,000	450,000
Outstanding as at 31 March 2019 (Nos.)	**-**	**150,000**	**-**	**6,487,700**	**-**	**9,880,000**	**219,400**
Exercisable at the end of the year (Nos.)	-	50,000	-	1,676,300	-	1,976,000	43,880
Exercised during the year (Nos.)	-	100,000	-	3,225,100	-	852,600	40,000
Surrendered and eligible for re-grant during the year (Nos.)	-	-	-	165,000	-	195,500	-
Outstanding as at 31 March 2020 (Nos.)	**-**	**50,000**	**-**	**3,097,600**	**-**	**8,831,900**	**179,400**
Exercisable at the end of the year (Nos.)	-	-	-	-	-	3,034,400	47,760
Remaining contractual life (weighted months)	-	60	-	67	-	67	77

* Net of options surrendered before vesting.

- Weighted average exercise price of share during the year ended 31 March 2020: Rs 187.29 (31 March 2019: not applicable).

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Note - 35

Employee benefits

Defined contribution plans
Provident fund

The Company pays fixed contribution to /dendent fund at predetermined rates to a registered /dendent fund administered by the Government of India, which invests the funds in permitted securities. Both the Company and employees make predetermined contributions to the /dendent Fund. The contributions are normally based on a certain proportion of the employee's salary. During the year, the Company has recognized the following amounts in the Statement of Profit and Loss in respect of defined contribution plans and included in "Employee benefits expense". The expense recognized during the year ended March 31, 2020 towards defined contribution plan is Rs. 3.71 lakhs (Previous year Rs. 17.50 lakhs).

Defined benefit plans

A Gratuity (unfunded)

The Company has a defined benefit gratuity plan. Every employee is entitled to gratuity as per the /densions of the Payment of Gratuity Act, 1972. The liability of Gratuity is recognized on the basis of actuarial valuation. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income and not reclassified to profit or loss in subsequent periods.

Risks associated with plan /densions

Salary increases	Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Discount rate	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality & disability	Actual deaths & disability cases /denng lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals /denng higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

(i) Amount recognized in the balance sheet is as under:

Particulars	**As at 31 March 2020**	**As at 31 March 2019**
Present value of obligation	173.93	239.93
Fair value of plan assets	-	-
Net obligation recognized in balance sheet as /dension	**173.93**	**239.93**

(ii) Amount recognized in the statement of profit and loss is as under:

Particulars	**For the year ended 31 March 2020**	**For the year ended 31 March 2019**
Current service cost	12.28	36.83
Past service cost including curtailment gains/losses	-	-
Gains or Losses on Non routine settlements	-	-
Interest cost on defined benefit obligation	10.66	13.99
Interest income on plan assets	-	-
Net impact on profit (before tax)	**22.94**	**50.82**
Actuarial (gain)/loss recognized during the year	9.41	(24.38)
Amount recognized in the statement of profit and loss and other comprehensive income	**32.35**	**26.44**

(iii) Movement in the present value of defined benefit obligation recognized in the balance sheet is as under:

Particulars	**For the year ended 31 March 2020**	**For the year ended 31 March 2019**
Present value of defined benefit obligation as at the beginning of year	239.93	29.06
Acquisition adjustment (net)	(52.24)	219.99
Current service cost	12.28	36.83
Interest cost	10.66	13.99
Past service cost including curtailment gains/losses	-	-
Benefits paid	(46.11)	(35.56)
Actuarial loss/(gain) on obligation		
Actuarial (gain)/loss on arising from change in demographic assumption	0.01	-
Actuarial (gain)/loss on arising from change in financial assumption	12.35	(1.80)
Actuarial (gain)/loss on arising from experience adjustment	(2.94)	(22.58)
Present value of defined benefit obligation as at the end of the year	**173.94**	**239.93**

(iv) Major categories of plan assets (as percentage of total plan assets):

Particulars	**As at 31 March 2020**	**As at 31 March 2019**
Government of India Securities	-	-
State Government securities	-	-
High Quality Corporate Bonds	-	-
Equity Shares of listed companies	-	-
Property	-	-
Funds Managed by Insurer	-	-
Bank Balance	-	-
Total	**-**	**-**

(v) Movement in the plan assets recognized in the balance sheet is as under:

Particulars	**For the year ended 31 March 2020**	**For the year ended 31 March 2019**
Fair value of plan assets at beginning of year	-	-
Actual return on plan assets	-	-
Employer's contribution	-	-
Benefits paid	-	-
Fair value of plan assets at the end of the year	**-**	**-**

Note - 35 - Employee benefits (continued)

(vi) Actuarial assumptions

Particulars	**For the year ended 31 March 2020**	**For the year ended 31 March 2019**
Discounting rate	6.80%	7.65%
Future salary increase	5.00%	5.00%
Retirement age (years)	60.00	60.00
Withdrawal rate		
Up to 30 years	3%	3%
From 31 to 44 years	2%	2%
Above 44 years	1%	1%
Weighted average duration	18.81	19.59

Mortality rates inclusive of /dension for disability -100% of IALM (2012 –14)

Gratuity is payable to the employees on death or resignation or on retirement at the attainment of superannuation age. To /dende for these eventualities, the Actuary has used Indian Assured Lives Mortality (2012-14) Ultimate table.

(vii) Sensitivity analysis for gratuity liability

Particulars	**For the year ended 31 March 2020**	**For the year ended 31 March 2019**
Impact of the change in discount rate		
Present value of obligation at the end of the year	173.93	239.93
- Impact due to increase of 0.50 %	(12.44)	(16.42)
- Impact due to decrease of 0.50 %	13.71	18.10
Impact of the change in salary increase		
Present value of obligation at the end of the year	173.93	239.93
- Impact due to increase of 0.50 %	13.89	18.48
- Impact due to decrease of 0.50 %	(12.70)	(16.89)

Sensitivities due to mortality and withdrawals are not material and hence impact of change due to these is not calculated

Sensitivities as to rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable.

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the method (Projected Unit Credit Method) used to calculate the liability recognized in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

(viii)

Maturity profile of defined benefit obligation	**As at 31 March 2020**	**As at 31 March 2019**
Years		
0 to 1 year	7.24	8.19
1 to 2 year	3.04	4.08
2 to 3 year	3.07	6.33
3 to 4 year	3.06	4.22
4 to 5 year	2.93	4.14
5 to 6 year	4.86	4.05
6 year onwards	149.73	208.93

The employer best estimate of contributions expected to be paid during the annual period beginning after the Balance Sheet date, towards Gratuity is Rs. 34.36 lakhs (31 March 2019: Rs. 59.13 lakhs).

B Compensated absences (non-funded)

/dension for unfunded compensated absences for all employees is based upon actuarial valuations carried out at the end of every financial year. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Commitments are actuarially determined using the 'Projected Unit Credit' Method. Gains and losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss.

Risks associated with plan /densions

Salary increases	Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Discount rate	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality & disability	Actual deaths & disability cases /denng lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals /denng higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

(i) Amount recognized in the balance sheet is as under:

Particulars	**As at 31 March 2020**	**As at 31 March 2019**
Present value of obligation	41.42	55.35
Fair value of plan assets	-	-
Net obligation recognized in balance sheet as /dension	**41.42**	**55.35**

(ii) Amount recognized in the statement of profit and loss is as under:

Particulars	**For the year ended 31 March 2020**	**For the year ended 31 March 2019**
Current service cost	4.57	11.05
Past service cost including curtailment (gains)/losses	-	-
Interest cost on defined benefit obligation	2.42	2.86
Amount recognized in the statement of profit and loss	**6.99**	**13.91**

Note - 35 - Employee benefits (continued)

(iii) Movement in the present value of defined benefit obligation recognized in the balance sheet is as under:

Particulars	**For the year ended 31 March 2020**	**For the year ended 31 March 2019**
Present value of defined benefit obligation as at the beginning of year	55.35	5.04
Acquisition adjustment- (net)	(7.17)	50.06
Current service cost	4.57	11.05
Interest cost	2.42	2.86
Past service cost including curtailment gains/losses	-	-
Benefits paid	-	(6.83)
Actuarial loss/(gain) on obligation		
Actuarial (gain)/loss on arising from change in demographic assumption	0.01	-
Actuarial (gain)/loss on arising from change in financial assumption	3.01	0.33
Actuarial (gain)/loss on arising from experience adjustment	(16.75)	(7.15)
Present value of defined benefit obligation as at the end of the year	**41.44**	**55.36**

(iv) Actuarial assumptions

Particulars	**For the year ended 31 March 2020**	**For the year ended 31 March 2019**
Discounting rate	6.80%	7.65%
Future salary increase	5.00%	5.00%
Retirement age (years)	60.00	60.00
Weighted average duration of PBO	18.81	19.59
Withdrawal rate		
Up to 30 years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%
Leave		
Leave availment rate	5.00%	5.00%
Leave lapse rate while in service	Nil	Nil
Leave lapse rate on exit	Nil	Nil
Leave encashment rate while in service	Nil	Nil

Mortality rates inclusive of /dension for disability -100% of IALM (2006 – 08)

(v) Sensitivity analysis for compensated absences

Particulars	**For the year ended 31 March 2020**	**For the year ended 31 March 2019**
Impact of the change in discount rate		
Present value of obligation at the end of the year	41.42	55.35
- Impact due to increase of 0.50 %	(3.16)	(4.04)
- Impact due to decrease of 0.50 %	3.44	4.48
Impact of the change in salary increase		
Present value of obligation at the end of the year	41.42	55.35
- Impact due to increase of 0.50 %	3.51	4.58
- Impact due to decrease of 0.50 %	(3.19)	(4.16)

Sensitivities due to mortality and withdrawals are not material and hence impact of change due to these is not calculated

Sensitivities as to rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable.

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the method (Projected Unit Credit Method) used to calculate the liability recognized in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

(vi) Maturity profile of defined benefit obligation	**As at 31 March 2020**	**As at 31 March 2019**
years		
0 to 1 year	1.84	2.16
1 to 2 year	0.83	1.86
2 to 3 year	0.77	1.04
3 to 4 year	0.75	1.00
4 to 5 year	0.72	0.94
5 to 6 year	1.08	0.92
6 year onwards	35.44	47.43

The employer best estimate of contributions expected to be paid during the annual period beginning after the Balance Sheet date, towards compensated absences is Rs. 10.93 lakhs (31 March 2019: Rs. 17.33 lakhs).

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Indiabulls Investment Advisors Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020
(All amounts in Rs.Lakhs unless stated otherwise)

Note - 36
Maturity analysis of assets and liabilities
The table shows an analysis of assets and liabilities analyzed according to when the are expected to be recovered or settled.

	As at 31 March 2020		As at 31 March 2019	
Assets	**Within 12 months**	**After 12 months**	**Within 12 months**	**After 12 months**
Non-current assets				
Property, plant and equipment	-	179.33	-	229.57
Intangible assets	-	56.83	-	74.36
Right of Use Assets	-	333.49	-	-
Financial assets				
Loans	-	2,090.75	-	2,501.65
Trade recievables	-	2,221.33	-	4,957.61
Other financial assets	-	5,879.12	-	10,089.86
Deferred tax assets(net)	-	1,995.68	-	829.95
Other non-current assets	-	12,323.23	-	16.15
Total non-current assets	**-**	**25,079.76**	**-**	**18,699.15**
Current assets				
Financial assets				
Trade receivables	2,420.73	-	2,876.16	-
Cash and cash equivalents	24.02	-	1,614.78	-
Loans	586.41	-	-	-
Other financial assets	290.66	-	-	-
Current tax assets (net)	292.10	-	199.65	-
Other current assets	194.81	-	245.54	-
Total current assets	**3,808.73**	**-**	**4,936.13**	**-**
Total assets	**3,808.73**	**25,079.76**	**4,936.13**	**18,699.15**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	-	319.63	-	9.65
Provisions	-	206.27	-	284.93
Total non-current liabilities	**-**	**525.90**	**-**	**294.58**
Current liabilities				
Financial liabilities				
Borrowings	122.09	-	22,988.44	-
Other financial liabilities	15.12	-	3.86	-
Other current liabilities	675.14	-	595.55	-
Provisions	9.08	-	652.57	-
Total liabilities	**821.43**	**-**	**24,240.42**	**-**
Net	**2,987.30**	**24,553.86**	**(19,304.29)**	**18,404.57**

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Note - 37

As per the best estimate of the management, no provision is required to be made as per Indian Accounting Standard 37 (Ind AS 37) - Provisions, Contingent Liabilities and Contingent Assets as specified under Section 133 of the Companies Act, 2013 ("the Act") read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) 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, except for an estimated provision for contingencies for Rs. NIL (Previous year Rs.642.22 lakhs) arising from the Company's contractual arrangements, which has been appropriately debited to the Statement of Profit and Loss for the year ended 31 March 2020.

Note - 38

In respect of the Company's outstanding balances of trade receivables, loans and other financial assets, the Company follows a regular process of obtaining confirmations from counterparties and subsequent resolution of discrepancies, if any due to reconciliations performed. Balances outstanding as at March 31, 2020 are subject to confirmation and are taken as shown by the books of accounts. In the opinion of the Board of Directors, adjustments, if required, through the above process of reconciliations, will not have any material impact on the financial statements of the Company.

Note - 39

The Company has not entered into any derivative contracts during the year. The Company does not have any foreign currency exposures as at 31 March 2020 (Previous year Rs. Nil).

Note - 40

There are no contingent liabilities to be reported as at 31 March 2020 (Previous year : Nil).

Note - 41

Capital commitments outstanding as at 31 March 2020 Rs.15,779.13 Lakhs (Previous year Rs. 1.19 lakhs).

Note - 42

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

Particulars	**As at 31 March 2020**	**As at 31 March 2019**
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	Nil	Nil
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	Nil	Nil
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	Nil	Nil
(iv) The amount of interest due and payable for the year	Nil	Nil
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	Nil	Nil

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

Note - 43

There are no borrowing costs to be capitalized as at 31 March 2020 (Previous year: Rs. Nil).

Note - 44

Segment reporting

The Company operates in a single reportable segment i.e. "Underwriting/distribution of real estate projects on behalf of developers and related services", which has similar risks and returns for the purpose of Ind AS 108 "Operating segments", is considered to be the only reportable business segment. The Company derives its revenues primarily from underwriting/distribution of real estate projects on behalf of developers and its customers across India. Further, the Company is operating in India which is considered as a single geographical segment. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The CODM's function is to allocate the resources of the entity and assess the performance of the operating segment of the Company. All assets of the Company are domiciled in India.

Note - 45

Assets pledged as security

The carrying amounts of assets pledged/hypothecated as security are:

Particulars	**As at 31 March 2020**	**As at 31 March 2019**
Vehicles	16.59	19.76
Fixed deposits	300.00	300.00
Total assets pledged as security	316.59	319.76

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(All amounts in Rs.Lakhs unless stated otherwise)

Note - 46

Disclosures in respect of Ind AS - 24 'Related Party Disclosures' as specified under Section 133 of the Companies Act, 2013 ("the Act") read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended):

(a) Details of related parties:

Nature of relationship	**Names of related parties**
(i) Where control exists	
Ultimate Holding Company	Indiabulls Ventures Limited (with effect from 20 March 2020)
Holding Company	Indiabulls Ventures Limited (up to 19 March 2020)
	Indiabulls Consumer Finance Limited
- Entities under common control (Fellow Subsidiary Companies (including step down subsidiaries)	Indiabulls Securities Limited (formerly known as Indiabulls Commodities Limited)
	Devata Tradelink Limited
	Auxesia Soft Solutions Limited
	Indiabulls Distribution Services Limited
	India Ethanol and Sugar Limited *
	Indiabulls Alternate Investments Limited
	Indiabulls Consumer Finance Limited (Formerly known as IVL Finance Limited) (up to 19 March 2020)
	TranServ Limited (formerly known as TranServ Private Limited) (with effect from April 1, 2019)
	Pushpanjli Finsolutions Limited
	Astilbe Builders Limited *
	Astraea Constructions Limited *
	Silenus Buildtech Limited *
	Arbutus Constructions Limited
	Gyansagar Buildtech Limited
	Pushpanjli Fincon Limited
	Indiabulls Consumer Products Limited
	Indiabulls Asset Reconstruction Company Limited
	Indiabulls Logistics Limited *
	Indiabulls Infra Resources Limited
	Evinos Buildwell Limited (with effect from June 17, 2019)
	Evinos Developers Limited (with effect from June 17, 2019)
	Savren Buildwell Limited (with effect from November 19, 2019)
	Krathis Buildcon Limited (with effect from November 20, 2019)
	Krathis Developers Limited (with effect from November 26, 2019)
(ii) Other related parties	
Key Management Personnel	Mr. Sameer Gehlaut , Individual exercising significant influence
	Mr. Divyesh B Shah, Chief Executive Officer and Whole Time Director of Indiabulls Ventures Limited
	Mr. Satish Chand, Director
	Mr. Pankaj Kumar, Whole time Director
	Mr. Amiteshwar Choudhary, Director (with effect from 29 August 2017)
	Mr. Mohd. Vaseem Raja, Director

* dissolved and struck off from the Register of Companies pursuant to sub-section (5) of Section 248 of the Companies Act, 2013, vide Ministry of Corporate Affairs notice dated 08 March 2019

(b) Significant Transactions with Related Parties during the year ended 31 March 2020: **(Amount in Rs.)**

Nature of Transaction	**Ultimate Holding Company**	**Entities under common control**	**Holding Company**	**Total**
Finance				
Inter Corporate Deposit Taken	35,105.00	35,110.44	12,500.00	82,715.44
(Maximum Balance Outstanding during the year)	-	*23,183.44*	*22,510.81*	*45,694.25*
Inter Corporate Deposit Given	-	854.00	-	854.00
(Maximum Balance Outstanding during the year)	-	-	-	-
Issue of Equity Share Capital	-	-	35,000.00	35,000.00
	-	-	-	-
Payments made for transfer to respective employee wallet accounts	-	8.43	-	8.43
	-	-	-	-
Income				
Interest income on Inter Corporate Deposits	-	2.19	-	2.19
	-	-	-	-
Expenses				
Interest expense on Inter Corporate Deposits	2,334.46	146.82	147.89	2,629.17
	-	*458.78*	*1,318.48*	*1,777.26*
Professional and Consultancy Charges	-	-	-	-
	-	*507.50*	-	*507.50*
Commission/Brokerage Expenses	-	-	-	-
	-	*800.00*	-	*800.00*
Reimbursement of Expenses received (Rent and office maintenance)	107.14	7.01	-	114.15
	64.62	-	-	*64.62*
Reimbursement of Expenses paid (Rent and office maintenance)	12.98	7.85	-	20.83
	232.93	104.38	-	*337.31*
Reimbursement of Expenses received (electricity)	-	-	-	-
	11.15	-	-	*11.15*
Reimbursement of Expenses received (Gratuity and compensated absences)	174.47	1.92	0.55	176.94
	45.18	*342.50*	-	*387.68*
Reimbursement of Expenses paid (Gratuity and compensated absences)	181.92	3.54	50.91	236.37
	50.72	*66.91*	-	*117.63*
Reimbursement of Expenses received (Salaries)	-	-	-	-
	508.36	-	-	*508.36*

Note: Figures in italics relate to the previous year

Note - 46

Disclosures in respect of Ind AS - 24 'Related Party Disclosures' as specified under Section 133 of the Companies Act, 2013 ("the Act") read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended): (Continued)

(c) Outstanding as at 31 March 2020:

Nature of Transaction		Ultimate Holding Company	Entities under common control	Holding Company	Total
Finance					
Inter Corporate Deposits Taken	As at 31 March 2020	-	-	-	-
	As at 31 March 2019	-	*22,988.44*	-	*22,988.44*
Inter Corporate Deposits Given	As at 31 March 2020	-	584.00	-	584.00
	As at 31 March 2019	-	-	-	-

Note: Figures in italics relate to the previous year

In accordance with Ind AS 24, disclosures in respect of transactions with identified related parties are given only for such period during which such relationships existed. Related Party relationships are given above are as identified by the Company and relied upon by the Auditors.

Note - 47

Leases:

Effective 1 April 2019, the Company adopted Ind AS 116 "Leases", applied to all contracts having lease components existing on 1 April 2019 using the modified retrospective method. Accordingly, the Company has not restated comparative information. The Company has measured the lease liability at present value of remaining lease payments discounted using the incremental borrowing rate as the date of initial application and Right of Use asset is measured at an amount equal to lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application. On date of initial application, the adoption of new standard resulted in recognition of right of use assets Rs. 448.47 lakhs and a lease liabilities of Rs. 436.01 lakhs.

The following is the summary of practical expedients elected on initial application:
(i) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
(ii) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
(iii) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
(iv) Applied the practical expedient to grandfather the assessment of which transactions are leases.
Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.
The weighted average incremental borrowing rate applied to lease liabilities as at 1st April, 2019 is 10.50%

Following are the changes in the carrying value of right of use assets ("RoU Asset") for the year ended March 31, 2020:

Particulars	As at 31 March 2020
Balance as at April 1, 2019	-
Additions on account of adoption of Ind AS 116	448.47
Additions	21.04
Deletion	(17.66)
Amortized during the year*	(118.36)
Balance as at March 31, 2020	**333.49**

*The aggregate depreciation expense on Right of use assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

The following is the movement in lease liabilities during the year ended March 31, 2020:

Particulars	As at 31 March 2020
Balance as at April 1, 2019	-
Additions on account of adoption of Ind AS 116	436.01
Additions during the year	21.04
Deletions	(18.01)
Finance cost accrued during the year	41.97
Payment of lease liabilities	(127.24)
Balance as at March 31, 2020	**353.77**

The following is the income from subleasing right-of-use assets during the year ended March 31, 2020:

Particulars	For the year ended 31 March 2020
Income from subleasing right-of-use assets	114.15
Total	**114.15**

The following is the Gain/(Loss) on termination of leases during the year ended March 31, 2020:

Particulars	For the year ended 31 March 2020
Gain on termination of leases	0.35
Total	**0.35**

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2020 on an undiscounted basis:

Particulars	As at 31 March 2020	As at 31 March 2019
Within One year	39.67	124.40
One to Five years	249.72	418.14
More than Five years	64.38	213.89

Rental expense recorded for short-term leases is Rs 13.80 lakhs for the year ended March 31,2020.

Note - 48
During the year ended 31 March 2020, the Company has incurred Rs.Nil (Previous year Rs. 11.53 lakhs) towards expenditure on activities relating to its corporate social responsibility, by way of donation, in accordance with the requirements of Section 135 of the Companies Act 2013 and the applicable Rules thereon.

Note - 49
a) i) Expenses apportioned by the Ultimate Holding Company/Holding Company/Fellow Subsidiary Company to the Company (excluding goods and services tax/service tax), during the year ended 31 March 2020 include:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Fellow Subsidiary Company		
- Gratuity and compensated absences	3.54	66.91
- Rent (including office maintenance)	7.85	104.38
Ultimate Holding Company		
- Gratuity and compensated absences	181.92	50.72
- Rent (including office maintenance)	12.98	232.93
Holding Company		
- Gratuity and compensated absences	50.91	-

a) ii) Expenses apportioned by the Company to its Ultimate Holding/Holding/Fellow Subsidiary Company (excluding goods and services tax/service tax), during the year ended 31 March 2020 include:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Fellow Subsidiary Company		
- Gratuity and compensated absences	1.92	342.50
- Rent (including office maintenance)	7.01	-
Ultimate Holding Company		
- Gratuity and compensated absences	174.47	45.18
- Rent (including office maintenance)	107.14	64.62
- Salaries	-	508.36
- Electricity	-	11.15
Holding Company		
- Gratuity and compensated absences	0.55	-

Note - 50
The outbreak of COVID–19 virus continues to spread across the globe including India, resulting into a significant decline and volatility in financial markets and a significant decrease in global and India's economic activities. The Government of India announced a strict 40-day nation-wide lockdown to contain the spread of the virus till May 3, 2020, which was further extended till June 08, 2020. This has led to significant disruptions and dislocations for individuals and businesses. The recent directions from Government allows for calibrated and gradual withdrawal of lockdown and partial resumption of selected economic activities. The extent to which the COVID 19 pandemic will impact the Company's business is dependent on several factors including, but not limited to, pace of easing of the lockdown restrictions. There has been no material change in the controls or processes followed in the closing of these financial statements of the Company.

The Company has assessed the impact of the Covid-19 pandemic on its business operations and financial position and based on its review of current indicators of future economic conditions, the Company has estimated and recognized an additional expected credit loss of Rs. 2500.00 lakhs on certain financial assets, on account of anticipated effect of the global health pandemic. The impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions. However, since the situation is rapidly evolving, its effect on the operations of the Company may be different from that estimated as at the date of approval of these financial statements. The Company will continue to closely monitor material changes in markets and future economic conditions.

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Note - 51
In respect of amounts as mentioned under Section 124 of the Companies Act, 2013, there were no dues required to be credited to the Investor Education and Protection Fund as on 31 March 2020 (Previous year : Rs. Nil).

As per our report of even date

For Ajay Sardana Associates
Chartered Accountants
Firm Registration No. 016827N

For and on behalf of the Board of Directors

Rahul Mukhi
Partner
Membership No. 099719
Gurugram, Haryana, 23 June 2020

Pankaj Kumar
Whole time Director
DIN: 06956444
New Delhi, 23 June 2020

Vaseem Raja
Director
DIN: 07709789

Rajeev Lochan Agrawal
Chief Financial Officer

Ram Mehar Garg
Company Secretary
AKJPM3656K